

# Implications of Acting as your own Contractor.

## Attn: Home Owners acting as their own Contractor.

1. To better serve, you please bring a copy of your recorded warranty deed at time of application.
2. Please read the owners disclosure statement below.
3. Please bring a completed permit application form, which can be downloaded off the City of Sarasota website, [www.sarasotafl.gov](http://www.sarasotafl.gov), under building permits.
4. Implications of acting as your own contractor.
  - a. As an owner builder, you are required to have knowledge of all trades addressed in your permit and call in all inspections when required.
  - b. As owner builder, you become the responsible party of record on the permit.
  - c. If you sell or lease the home within one year, you violate the exemption.
  - d. As owner builder, you must provide direct onsite supervision of the construction.
  - e. You are responsible to ensure the persons you employ have the license required by law and the City of Sarasota.
  - f. As owner builder you maybe held liable and subject to serious financial risk for any injury sustained by an unlicensed person or his or her employees while working on your property. Your homeowner's insurance may not provide coverage for these types of injuries.
  - g. Any person working on your home who is not licensed must be under your direct supervision and employed by you. This means you must comply with the laws by requiring the withholding of federal income tax and social security. You must also provide workers compensation for these employees.

- h. Failure to comply with these requirements may subject you to severe financial risk.

### **Owners Disclosure Statement**

#### **APPLICABLE TO OWNERS ACTING AS THEIR OWN CONTRACTOR**

- 1) I understand that state law requires construction to be done by a licensed contractor and have applied for an owner-builder permit under an exemption from the law. The exemption specifies that I, as the owner of the property listed, may act as my own contractor with certain restrictions even though I do not have a license.
- 2) I understand that building permits are not required to be signed by a property owner unless he or she is responsible for the construction and is not hiring a licensed contractor to assume responsibility.
- 3) I understand, that as an owner builder, I am the responsible party of record on the permit. I understand that I may protect myself from potential financial risk by hiring a licensed contractor and having the permit filed in his or her name instead of my own name. I also understand that a contractor is required by law to be licensed in Florida and to list his or her license numbers on permits and contracts.
- 4) I understand that I may build or improve a one-family or two-family residence or a farm outbuilding. I may also build or improve a commercial building if the costs do not exceed \$75,000.00. The building or residence must be for my own use or occupancy. It may not be built or substantially improved for sale or lease. If a building or residence that I have built or substantially improved myself is sold or leased within 1 year after the construction is complete, the law will presume that I built or substantially improved it for sale or lease, which violates the exemption.
- 5) I understand that, as the owner-builder, I must provide direct on-site supervision of the construction.
- 6) I understand that I may not hire an unlicensed person to act as my contractor or to supervise persons working on my building or residence. It is my responsibility to ensure that the persons who I employ have the licenses required by law and by county or municipal ordinance.

7) I understand that it is a frequent practice of unlicensed persons to have the property owner obtain an owner-builder permit that erroneously implies that the property owner is providing his or her own labor and materials. I, as an owner-builder, may be held liable and subject to serious financial risk for any injuries sustained by an unlicensed person or his or her employees while working on my property. My home owner's insurance may not provide coverage for those injuries. I am willfully acting as an owner-builder and am aware of the limits of my insurance coverage for injuries to workers on my property

8) I understand that I may not delegate the responsibility for supervising work to a licensed contractor who is not licensed to perform the work being done. Any person working on my building who is not licensed must work under my direct supervision and must be employed by me, which means that I must comply with the laws requiring the withholding of federal income tax and social security contributions under the Federal Insurance Contributions Act (FICA) and must provide workers' compensation for the employees. I understand that my failure to follow these laws may subject me to serious **financial risk**.

9) I agree that, as the party legally and financially responsible for the proposed construction activity, I will abide by all applicable laws and requirements that govern owner-builders as well as employers. I also understand that the construction must comply with all applicable laws, ordinances, building codes and zoning regulations.

10) I understand that I may obtain more information regarding my obligations as an employer from the Internal Revenue Service, the United States Small Business Administration, the Florida Department of Financial Services, or the Florida Department of Revenue. I also understand that I may contact the Construction Industry Licensing Board at 850.487.1395 or at [www.myflorida.com](http://www.myflorida.com) for more information about licensed contractors.

11) I am aware of and consent to an owner-builder building permit applied for in my name and understand that I am the party legally and financially responsible for the proposed construction activity at the following address

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12) I agree to notify the City of Sarasota immediately of any additions, deletions or changes to any of the information that I have provided on this disclosure. Licensed contractors are regulated by laws designed to protect the public. If you contract with a person who does not have

a license, the Construction Industry Licensing Board and Department of Business and Professional Regulation may be unable to assist you with any financial loss that you sustain as a result of a complaint. Your only remedy against an unlicensed contractor may be in civil court. It is also important for you to understand that if any unlicensed contractor or employee of an individual or firm is injured while working on your property, you may be held liable for damages. If you obtain an owner-builder permit and wish to hire a licensed contractor, you will be responsible for verifying whether the contractor is properly licensed and the status of the contractor's workers compensation coverage. Before a building permit can be issued, this disclosure statement must be completed, signed by the property owner, notarized and returned to the local permitting agency responsible for issuing the permit. A copy of the property owner's driver's license, the notarized signature of the property owner, or other type of verification acceptable to the local permitting agency is required when the permit is issued.

OWNER'S AFFIDAVIT

I certify that all the foregoing information is accurate and that all work will be done in compliance with all the applicable laws regulating construction. I agree to allow any authorized employees of the City of Sarasota to enter upon the premises associated with this project for the purpose of ascertaining compliance with the terms and conditions of the application or permit.

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Signature of Owner

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Notary & Seal

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Date

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Date