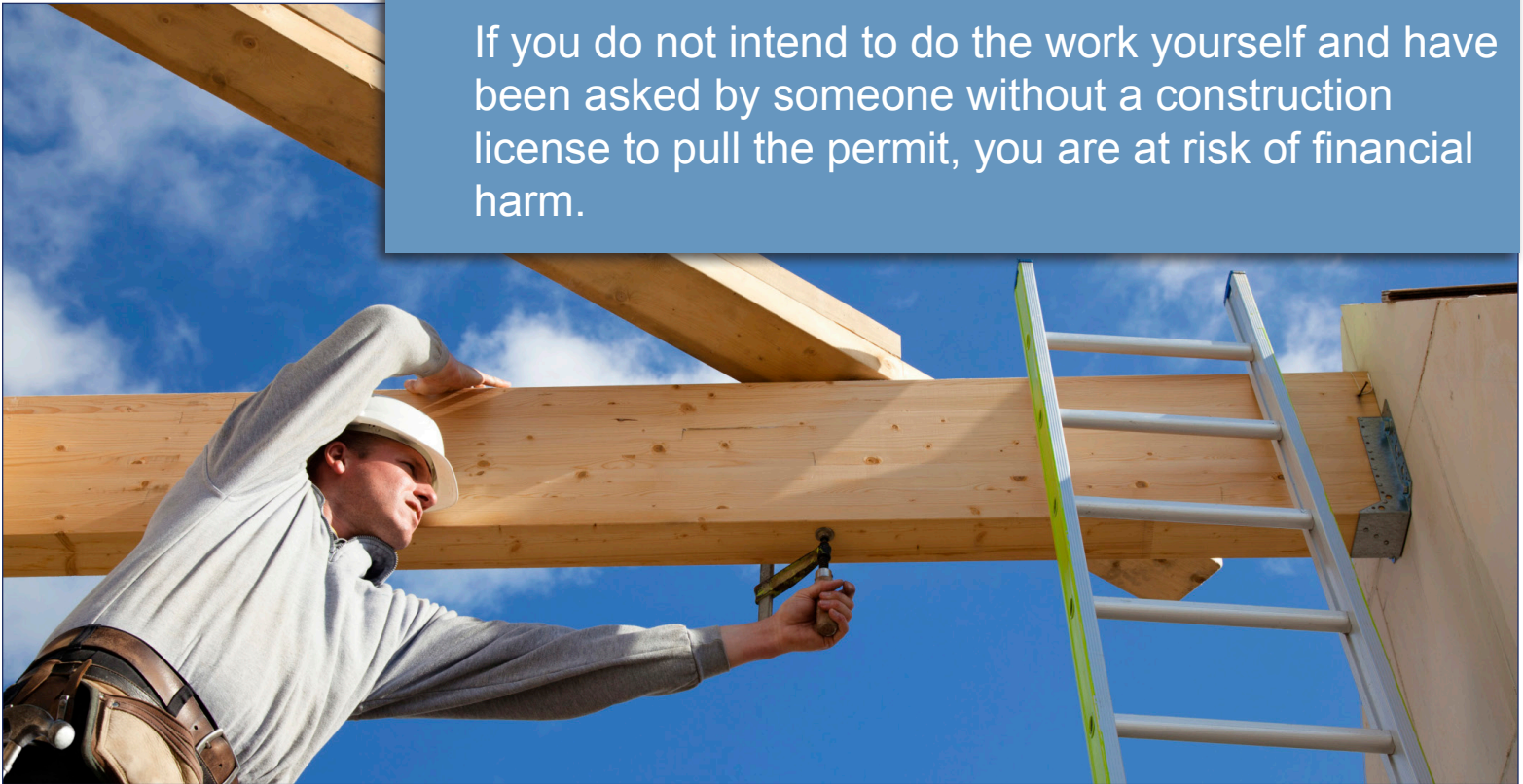




## The dangers of pulling an Owner/Builder Permit without verifying a license

If you do not intend to do the work yourself and have been asked by someone without a construction license to pull the permit, you are at risk of financial harm.



When property owners act as their own contractor, they must directly supervise the work on site being performed. If you pull an owner/builder permit for an unlicensed contractor to perform work on your property, you must deduct F.I.C.A., withholding tax and provide workers' compensation for them.

**Individuals who aid unlicensed persons may face fines up to \$5,000.**

**Without worker's compensation insurance, you could:**

- Be held liable for injuries that occur on your property
- Not be covered under your homeowners' insurance policy
- Be responsible for thousands of dollars of medical bills

**Dangers of Unlicensed Activity:**

- Poor qualifications
- Poor quality work
- Possible criminal background
- Likely to be victim of a scam
- Limited resources for broken contracts



## *City of Ocala*

### **OWNER/BUILDER DISCLOSURE STATEMENT/AFFIDAVIT**

\_\_\_\_ 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 a 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. 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, onsite 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 whom 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 subjected to serious financial risk for any injuries sustained by an unlicensed person or his or her employees while working on my property. My homeowner'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 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 employee. 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 this 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, and the Florida Department of Revenue. I also understand that I may contact the Florida Construction Industry Licensing Board at 850-487-1395 or <http://www.myfloridalicense.com/dbpr/index.html> 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:\_\_\_\_\_.

\_\_\_\_ 12. I agree to notify the City of Ocala Building Department immediately of any additions, deletions, or changes to any of the information that I have provided on this disclosure.

\_\_\_\_ 13. Moving, removal or disposal of asbestos-containing materials on a residential building where the owner occupies the building, the building is not for sale or lease, and the work is performed according to the owner-builder limitations provided in this paragraph. To qualify for exemption under this paragraph, an owner must personally appear and sign the building permit application.

State law requires asbestos abatement to be done by licensed contractors. You have applied for a permit under an exemption to that law. The exemption allows you, as the owner of your property, to act as your own asbestos abatement contractor even though you do not have a license. You must supervise the construction yourself. You may move, remove or dispose of asbestos-containing materials on a residential building where you occupy the building and the building is not for sale or lease, or the building is a farm outbuilding on your property. If you sell or lease such building within 1 year after the asbestos abatement is complete, the law will presume that you intended to sell or lease the property at the time the work was done, which is a violation of this exemption. You may not hire an unlicensed person as your contractor. Your work must be done according to all local, state and federal laws and regulations which apply to asbestos abatement projects. It is your responsibility to make sure that people employed by you have licenses required by state law and by county or municipal licensing ordinances.

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 a civil court. It is also important for you to understand that, if an 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 contractors' workers' compensation coverage.

Before a building permit can be issued, this disclosure statement must be completed and signed by the property owner and returned to the local permitting agency responsible for issuing the permit. A copy of the property owner's driver 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.

Signature \_\_\_\_\_ Date \_\_\_\_\_  
Signature of property owner

Address \_\_\_\_\_

Notary \_\_\_\_\_ (seal)

Form of ID \_\_\_\_\_