

QUESTIONS AND ANSWERS ABOUT REPORTING CONTRACTS

- Q. If I don't get any contracts in a given month, do I still have to send in a report?**
- A. Yes, simply write "none" and mail or fax the form back to the AGC office. This is the only way for the office to determine if you are getting contracts, or simply failing to report.**
- Q. Who must report on contracts received?
- A. **ALL** general contractors and **ALL** subcontractors who actively engage in job site construction shall be required to pay 2/10 of 1% (\$2 per \$1,000) on all construction work, whether it comes through the AGC planroom or not. The maximum dues for any calendar year shall be \$5,525. The member shall not be required to pay on work subcontracted to other members of this association for construction work. Material suppliers such as ready-mix concrete and lumber suppliers are not to be treated as subcontractors. Contract dues shall not be assessed on single contracts under \$5,000 for service work. Contract dues shall not be assessed on residential construction (residential construction consists of one single family unit or one duplex on one lot.)
- Q. Which contracts must be reported?
- A. Contracts on all on site construction in the territorial jurisdiction of this chapter. The jurisdiction covers the following 24 counties in Western Kentucky: Ballard, Carlisle, Hickman, Fulton, McCracken, Hopkins, Graves, Livingston, Marshall, Calloway, Crittenden, Christian, Lyon, Union, Caldwell, Trigg, Webster, McLean, Muhlenberg, Todd, Logan, Ohio, Daviess and Henderson. (No Illinois, Tennessee or Missouri contracts should be reported.) Maintenance work and "turn arounds" at industrial plants must be reported.
- Q. Sometimes it is months after I receive a contract before I start work on it. When should I report it?
- A. Report it as soon as you receive it. The appropriate contract dues amount will appear on your next monthly statement. However, you are not expected to pay contract dues before you begin receiving payments from your client or general contractor.

Your dues to AGC of Western Kentucky are deductible expenses for Federal income tax purposes as ordinary and necessary business expense according to IRS Code Section 162 (e). Notice of non-deductibility of portion of dues for federal income tax purposes: Contributions or gifts to the AGC of Western Kentucky are not deductible as a charitable contribution for federal income tax purposes. Pursuant to Public Law 103-66, 3.25% of AGC of Western Kentucky dues which is allocable to lobbying expenses are not deductible from federal income taxes as a business expense.