Expertise:

Make sure you have the knowledge and skills to act as an owner-builder and to coordinate the work of rough-in and finish trades. You need to know when to notify building officials at the appropriate times so that they can perform the required inspections.

For More Information:

Contact the CCB at 503-378-4621, or visit our consumer website:
www.hirealicensedcontractor.com

Our website contains additional information and publications for property owners regarding:

– Obtaining bids
– Checking a contractors license and complaint history
– Hiring contractors
– Contracts
– Construction liens
– Information and forms on filing complaints against a licensed contractor
– Links to other consumer protection websites

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If you are acting as an owner-builder to construct a new home or make a substantial improvement to an existing structure, you should be aware of important construction responsibilities and laws that could affect the planning of your project.

Your Responsibilities

If you use contractors who are not licensed with the Construction Contractors Board (CCB) to do labor or assist in the construction or remodeling of a residential structure, you will, in most cases, be considered an "employer." Any unlicensed contractors on your project will be considered "employees." When you are considered an "employer," you must comply with state and federal tax laws, as well as unemployment and workers compensation insurance laws.

- **Oregon's Withholding Tax Law:**
  When you are considered an employer, you must withhold income taxes from employee wages when they are paid. You will be liable for the tax payments even if you don't actually withhold the tax. Employers must obtain a State of Oregon Business ID number (BIN) from the Oregon Corporation Division at 503-986-2200.

- **Unemployment Insurance Tax:**
  When you are considered an employer, you are required to pay a tax for unemployment insurance purposes, on the wages of all employees. For more information, call the Oregon Employment Department's Tax Section at 503-947-1488.

- **Oregon Workers Compensation Insurance:**
  When you are considered an employer, you are subject to the Oregon Workers Compensation Law. You must obtain workers compensation insurance for your employees. If you fail to obtain workers compensation insurance, you could be subject to penalties and be liable for all claim costs if one of your employees is injured on the job. For more information, call the Workers Compensation Division at 1-888-877-5670 or 503-947-7815.

- **US Internal Revenue Service Income Tax:**
  When you are considered an employer, you must also withhold federal income tax from employee wages. You will be liable for the tax payment even if you don't actually withhold the tax. You must obtain a Federal Tax Identification Number, also known as a Federal Employer Identification Number (EIN). Contact the IRS, Business and Specialty Tax Line, at 1-800-829-4933.

Other Responsibilities & Areas of Concern

- **Code Compliance:**
  As the permit holder for this project, you are responsible for resolving any failure to meet code requirements that may be brought to your attention through the inspections.

- **Liability & Property Damage Insurance:**
  Contact your insurance agent to see if you have adequate insurance coverage for accidents and omissions such as falling tools, paint overspray, water damage from pipe punctures, fire, or work that must be redone.

- **Time Required:**
  Make sure you have sufficient time to provide supervision of your employees.