



Contracting Requirements

On all construction projects in the City of Philippi there are certain criteria to be followed by the General Contractor and all subcontractors:

- All General Contractors and Subcontractors must possess a West Virginia Contractor's License obtained through the West Virginia Department of Labor (304)558-7890. Also, all General Contractors and Subcontractors must possess a City of Philippi Business License prior to commencing work to avoid penalty or work interruption. The Contractor registration fee is \$15.00 each fiscal year from July 1 to June 30.
- When a subcontractor hired by the General Contractor also hires subcontractors to assist them in their portion of the project they will be acting as a "general contractor" for that particular phase of the project and will be held to the same requirements as the General Contractor. They must make sure their subs are licensed with the State and with the City to avoid penalty or interruption of work and inform them they need to pay B&O tax or they will be held liable for their subs.
- All contractors are required to pay Business and Occupation Tax on the gross contract amount at the rate of 2.0%. This is reported and remitted on a quarterly basis. The City of Philippi will forward a tax return which must be filed as long as the contractor maintains a license to work in our City. A penalty imposed for late filed tax returns as a rate of .05% is accrued.
- The General Contractor and/or owner is required to withhold a minimum of two percent (2.0%) of the total contract amount from the final payment to any subcontractors that they pay directly on the construction project for Business and Occupation taxes. Prior to releasing retained money you must obtain a Certificate of Release from my office showing that these taxes have been paid. A release will be issued only when the subcontractor(s) pays 100% of the taxes due on the total project and a request made to City of Philippi. If a subcontractor does not pay the Business and Occupation taxes due, the general contractor and/or owner will be required to pay these taxes.
- The City of Philippi requires the General Contractor and/or owner to supply General Contractor/Subcontractor Report Forms at the start of the project and a final at the end of the project. These forms provide total contract amounts, dates and amounts of disbursements for the work performed by the General Contractor as well as the work performed by an subcontractors they pay directly working on the project.
- It is the City's policy that the Community Development/Code Enforcement Division will not schedule a final use and occupancy inspection on properties until a completed final General Contractor/Subcontractor Report form is received.
- All Tax and License and Contractor Report Forms are available at our website www.philippi.org. If you have questions or need assistance, please contact the City of Philippi at 304-457-3700, 8:00 am to 4:30 pm Monday through Friday.