

PRACTICE TEST ANSWER KEY
Utah Contractor Business and Law Exam

1. (D) Sole Proprietorships **(page 7-4)**
2. (A) C Corporation **(page 1-5 and 1-7)**
3. (C) S Corporation **(page 1-4)**
4. (D) A limited partner's financial responsibility is limited to business liabilities **(page 1-2)**
5. (C) S Corporation **(page 1-4 and 1-7)**
6. (C) Little Miller Act **(page 2-3)**
7. (D) The general contractor **(page 2-4)**
8. (B) Provide a lead information sheet to the inhabitant **(page 4-4)**
9. (A) \$100,000 per incident / \$300,000 total **(page 2-2)**
10. (C) Have a certified asbestos contractor remove the asbestos **(page 4-4)**
11. (A) \$0 **(page 2-1 and 2-2)**
12. (B) 5 **(page A-11)**
13. (D) 180 **(page A-15)**
14. (A) Final lien releases **(page A-18)**
15. (C) Laborers and materialmen **(page A-16)**
16. (B) All transactions are recorded at cost rather than value **(page 5-3)**
17. (B) \$3,500 **(page 5-3)**
18. (A) \$40,000 **(page 5-12)**
19. (C) A debt that extends longer than 1 year **(Glossary page G-4)**
20. (D) It allows a company to show income over the life of the project **(page 5-3)**
21. (D) When cash is received **(page 5-3)**
22. (C) 1.6 **(page 5-12)**
23. (A) Cash **(page 5-7 and 5-8)**
24. (B) \$15,120 **(page 6-4 and Glossary page G-6)**
25. (C) \$71,000 **(Glossary page G-2)**
26. (C) \$28,800 **(Glossary page G-4 and G-6)**
27. (C) General contractor **(page 6-1)**
28. (B) The quantity take-off method **(page 6-3)**
29. (B) \$3,000 **(page 6-10 and 6-11 and 6-15)**
30. (B) Profit of \$950 **(page 6-4)**
31. (B) Bid peddling **(page 6-5)**
32. (C) Job cost reports from previous jobs **(page 6-4)**
33. (A) The architect **(page 6-9)**
34. (C) Coordinating tasks and reviewing punch lists **(page 6-9)**
35. (B) 6 float days **(page 6-8)**
36. (A) Duration **(page 6-8)**
37. (C) Just In Time (JIT) delivery **(page 6-11)**
38. (B) It is based on a bar chart **(page 6-6 and 6-7 and 6-8)**
39. (A) \$0 **(Glossary page G-4)**

40. (B) A project owner should not hold out money from the contract for a warranty item (**Glossary page G-6**)
41. (B) A counteroffer (**Glossary page G-3**)
42. (D) Offer and acceptance, consideration, competent parties, and legal purpose (**page 6-14**)
43. (B) The general conditions (**page 6-16**)
44. (A) Bid bond (**page 2-3**)
45. (C) 30 days (**page B-28**)
46. (A) The contractor owes \$4,000 in liquidated damages (**Glossary page G-4**)
47. (A) Section 1 on the first day of employment, entire form within 3 days (**page 7-4 and 7-5**)
48. (C) 15 or more (**page 7-10**)
49. (C) 3 years (**page 7-10**)
50. (B) \$1,000 or 3 times the premium amount (**page D-23**)
51. (C) \$825 (**page 7-11**)
52. (B) To establish minimum wage and overtime standards (**page 7-10**)
53. (D) 20 (**page 7-4**)
54. (A) \$50,000 or less (**page 7-2 and E-26**)
55. (D) \$96,000 (**page 5-14**)
56. (B) \$39,500 (**page 1-5**)
57. (C) 6.2% (**page 7-2 and E-24**)
58. (D) 2% to 100% of the amount due (**page 7-2 and E-30**)
59. (D) Monday, May 1 (**page 7-3 and E-28**)
60. (B) February 1 – April 30 (**page 4-2**)
61. (A) Within 8 hours (**page 4-2**)
62. (C) 3 feet (**page F-3**)
63. (D) 180 days (**page D-28**)
64. (C) Up to \$7,000 per day (**D-59**)
65. (C) 3 (**page B-38**)
66. (A) 10 days (**page B-40**)
67. (D) Unprofessional conduct (**page B-25**)
68. (D) Indefinitely (**page C-35**)
69. (C) Three stories above ground and 20,000 square feet (**page B-4**)
70. (C) 5 years (**page B-27**)
71. (D) The last 8 years (**page 4-6**)
72. (C) \$1,000 (**page B-27**)
73. (C) A construction consultant (**page B-2**)
74. (A) If the work is performed by a journeyman electrician who is a W-2 employee (**page B-30**)
75. (C) 12 hours per week or 20% of the total hours worked by all owners and employees (**page B-38**)