

NEVADA CONTRACTORS PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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THE FULL VERSION STUDY GUIDE

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. What does the acronym FUTA stand for?**
 - A. Federal Unemployment Tax Act
 - B. Federal Universal Tax Act
 - C. Federal United Tax Act
 - D. Federal Unemployment Transfer Act
- 2. Why is it important for contractors to understand local building codes?**
 - A. To reduce labor costs
 - B. To ensure compliance and avoid penalties
 - C. To speed up the permitting process
 - D. To increase profits
- 3. How many years of experience are typically required for a specific trade to qualify for a contractor's license in Nevada?**
 - A. One year
 - B. Two years
 - C. Four years
 - D. Five years
- 4. When a notice of completion is recorded, the time to file a notice of lien is shortened to how many days after the notice of completion?**
 - A. 90.
 - B. 40.
 - C. 60.
 - D. 30.
- 5. An owner makes a progress payment to the contractor one day later than originally called for by the contract. What is likely the outcome if the contractor abandons the job?**
 - A. Is legally justified
 - B. Has committed a material breach of contract
 - C. Should have requested a change order
 - D. Should have obtained a lien against the property

- 6. Which lien claimant is less likely to receive priority in payment compared to laborers during property foreclosure?**
- A. Laborers
 - B. General contractors
 - C. Material suppliers
 - D. All of the above
- 7. What is a mechanic's lien?**
- A. A legal requirement for opening a construction site
 - B. A legal claim against a property for unpaid work or materials
 - C. A discount offered to contractors for bulk purchases
 - D. A type of insurance for construction workers
- 8. What might happen if a contractor does not communicate effectively with clients?**
- A. Increases project efficiency
 - B. Leads to misunderstandings and disputes
 - C. Improves project delivery
 - D. Guarantees client satisfaction
- 9. A person who is issued a written citation pursuant to NRA 624.341 may contest the citation within how many business days after it is served?**
- A. 30
 - B. 15
 - C. 10
 - D. 45
- 10. What should a contractor do to avoid penalties or issues regarding their license?**
- A. Keep their license inactive
 - B. Maintain timely license renewal
 - C. Limit projects to those under one million dollars
 - D. Apply for multiple licenses

Answers

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1. A
2. B
3. C
4. B
5. B
6. C
7. B
8. B
9. B
10. B

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Explanations

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1. What does the acronym FUTA stand for?

- A. Federal Unemployment Tax Act**
- B. Federal Universal Tax Act
- C. Federal United Tax Act
- D. Federal Unemployment Transfer Act

FUTA stands for the Federal Unemployment Tax Act. This act was established to fund unemployment benefits for workers who have lost their jobs. It imposes a tax on employers, which contributes to a federal fund that provides unemployment benefits to eligible workers. Understanding FUTA is important for contractors and business owners because it affects payroll taxes and compliance with federal employment laws. Employers are required to pay this tax as part of their obligations, and it helps ensure financial support for individuals who are unemployed. Familiarity with the Federal Unemployment Tax Act is crucial for properly managing employee benefits and taxes, thus allowing business owners to remain compliant with federal law.

2. Why is it important for contractors to understand local building codes?

- A. To reduce labor costs
- B. To ensure compliance and avoid penalties**
- C. To speed up the permitting process
- D. To increase profits

Understanding local building codes is crucial for contractors primarily to ensure compliance and avoid penalties. Building codes are a set of regulations that dictate how construction projects must be undertaken to guarantee safety, health, and structural integrity. These codes vary by location and are designed to protect the welfare of the community. When contractors are knowledgeable about local building codes, they can execute projects that meet legal standards, thereby preventing potential legal issues that could arise from non-compliance. Violating these codes can lead to significant penalties, including fines, work stoppages, or even the necessity to demolish or redo non-compliant work, which can greatly impact a project's viability and the contractor's reputation. While the other options may present potential benefits associated with a thorough understanding of building codes—like potentially affecting labor costs, expediting the permitting process, or influencing profits—the primary and most critical reason for grasping these codes remains the imperative to comply with regulations and avoid costly penalties or legal repercussions.

3. How many years of experience are typically required for a specific trade to qualify for a contractor's license in Nevada?

- A. One year
- B. Two years
- C. Four years**
- D. Five years

In Nevada, the requirement for obtaining a contractor's license typically includes having four years of experience in the specific trade for which the license is being sought. This period of experience is crucial as it ensures that the applicant has sufficient hands-on knowledge and expertise in their field, which is essential for managing construction projects and understanding trade practices. The state recognizes that a substantial amount of experience is necessary not just for technical proficiency, but also for familiarity with safety regulations, business operations, and legal responsibilities relevant to contracting. Thus, the four-year experience requirement is designed to prepare licensees to effectively handle the complexities of their work, providing a foundation for quality craftsmanship and compliance with community standards and regulations.

4. When a notice of completion is recorded, the time to file a notice of lien is shortened to how many days after the notice of completion?

- A. 90.
- B. 40.**
- C. 60.
- D. 30.

When a notice of completion is recorded, the period within which to file a notice of lien is indeed shortened. In Nevada, this timeframe is set at 40 days following the recording of the notice of completion. This change is important because it serves to expedite the resolution of potential disputes regarding payment for services rendered or materials supplied on a project. The recording of a notice of completion is intended to provide a clear signal to all interested parties that the work on the property is finished, thus starting the clock on when lien rights must be asserted. Understanding this timeline is crucial for contractors and subcontractors to protect their financial interests, ensuring they act within the legal boundaries established by the state's construction laws. Knowing that the deadline is 40 days emphasizes the necessity for those involved in construction projects to be diligent and timely in their actions regarding payment claims in response to the completion of work.

5. An owner makes a progress payment to the contractor one day later than originally called for by the contract. What is likely the outcome if the contractor abandons the job?

- A. Is legally justified
- B. Has committed a material breach of contract**
- C. Should have requested a change order
- D. Should have obtained a lien against the property

The situation described pertains to the terms of a contract that likely delineate specific timelines for payments and the contractor's obligations. If an owner makes a progress payment one day later than specified, this can be seen as a breach of contract on the owner's part. However, it is important to consider the nature of the breach. When a breach is considered material, it means that it is significant enough to undermine the contract's purpose and the expectations of the parties involved. In this case, if the contractor abandons the job due to the owner's one-day delay in making the payment, it demonstrates that the contractor is interpreting the delay as a substantial failure that justifies their decision to cease work. In contract law, abandonment by the contractor as a reaction to a late payment could indeed be viewed as a manner of material breach, particularly if the contractor relied on receiving timely payments to fulfill their performance obligations. This reaction indicates that a key aspect of the contract—the flow of funds in exchange for work—was disrupted, leading to an inability for the contractor to continue. It is important to recognize that this understanding hinges on the specific details of the contract in question and how it addresses breaches and remedies, but the abandonment in light of a delay does position the contractor's

6. Which lien claimant is less likely to receive priority in payment compared to laborers during property foreclosure?

- A. Laborers
- B. General contractors
- C. Material suppliers**
- D. All of the above

The correct answer is material suppliers because they typically have a lesser priority in payment compared to laborers when it comes to property foreclosure. In many jurisdictions, laborers who have performed work on the property often have a higher priority due to their direct contribution to improving the property and the nature of their employment relationship. Laborers provide hands-on work and are often protected under various labor lien laws, which grant them a priority status for payment over other types of claimants. General contractors, while they do have a significant claim, usually stand behind laborers as well, given that they manage the labor force and are ultimately responsible for ensuring that payment is made to the subcontractors and laborers. Material suppliers, on the other hand, supply goods that are incorporated into the work but are not directly involved in the labor. Hence, in a foreclosure situation, they are generally considered to have a lower claim priority than those who have provided labor services directly. This typically places them behind laborers and possibly even general contractors in the pecking order for payment from foreclosure proceeds.

7. What is a mechanic's lien?

- A. A legal requirement for opening a construction site
- B. A legal claim against a property for unpaid work or materials**
- C. A discount offered to contractors for bulk purchases
- D. A type of insurance for construction workers

A mechanic's lien is a legal claim against a property when there is an outstanding payment for the labor, services, or materials provided during construction or renovation. This type of lien serves as a security interest in the property, ensuring that contractors, subcontractors, and suppliers can claim payment for the work they've completed if they are not compensated. By placing a mechanic's lien, the claimant can inform property owners and potential buyers that there is an outstanding debt, which may prevent the property from being sold until the debt is satisfied. This legal tool is crucial in the construction industry, as it helps protect the rights of those who contribute to a construction project and ensures that they have a means to enforce payment. In contrast, the other options describe different concepts unrelated to the primary function of a mechanic's lien in construction and property law.

8. What might happen if a contractor does not communicate effectively with clients?

- A. Increases project efficiency
- B. Leads to misunderstandings and disputes**
- C. Improves project delivery
- D. Guarantees client satisfaction

Effective communication is essential in any contractor-client relationship. When a contractor fails to communicate effectively with clients, it can lead to misunderstandings and disputes. This is because clients may not fully understand project specifications, timelines, or changes, which can result in misaligned expectations. When expectations are unclear, it opens the door to conflicts over project scope, costs, and timelines. Misunderstandings can also arise from a lack of regular updates on project progress or delays. If clients feel uninformed or confused about the status of their project, their dissatisfaction can grow, leading to disputes that could have been easily avoided with clear and consistent communication. Therefore, the inability to communicate properly can create a ripple effect, negatively impacting the overall success of the project and the relationship between the contractor and client.

9. A person who is issued a written citation pursuant to NRA 624.341 may contest the citation within how many business days after it is served?

- A. 30
- B. 15**
- C. 10
- D. 45

A person who receives a written citation under NRA 624.341 is allowed to contest the citation within 15 business days after service. This time frame is established to ensure that individuals have a reasonable opportunity to challenge the citation in a timely manner. The ability to contest a citation is an essential aspect of due process, allowing the cited individual to present their case and address any potential issues related to the citation. This specific period of 15 business days provides a structured timeline for both the individual and the issuing authority to engage in the contestation process effectively and efficiently.

10. What should a contractor do to avoid penalties or issues regarding their license?

- A. Keep their license inactive
- B. Maintain timely license renewal**
- C. Limit projects to those under one million dollars
- D. Apply for multiple licenses

Maintaining timely license renewal is essential for a contractor to avoid penalties or issues regarding their license. Each state, including Nevada, has specific requirements and deadlines for the renewal of contractor licenses. If a license is not renewed within the appropriate timeframe, it may result in penalties, potential fines, or even the inability to legally operate as a contractor. Additionally, failure to renew can lead to a lapse in the license, requiring the contractor to go through more complicated re-licensing procedures that can involve additional fees or testing. Keeping a license inactive does not address the need to stay compliant with the regulations governing active contractors, while limiting projects to those under a specific dollar amount may not necessarily protect a contractor from issues related to licensure. Applying for multiple licenses can complicate a contractor's situation, as it requires adherence to separate regulations for each license and may lead to additional compliance burdens. Therefore, the best practice for avoiding problems with licensure is to ensure that the license is kept up to date through timely renewals.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://nvcontractors.examzify.com>

We wish you the very best on your exam journey. You've got this!

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