

ARE YOU AN EMPLOYEE OR AN INDEPENDENT CONTRACTOR?

According to the IRS, a "yes" answer to any of the following questions is a factor in favor of characterizing you as an employee. If you are an employee, your company may be required to withhold taxes for you, pay for unemployment insurance and meet other obligations.

- 1) Are you required to comply with the employer's instructions about when, where and how the work is to be done?
- 2) Are you provided training from or at the direction of the employer?
- 3) Do you provide services that are integrated into the business?
- 4) Must the services be rendered personally?
- 5) Do you hire, pay or supervise assistants for the employer?
- 6) Is there a continuing relationship between you and the person for whom services are performed?
- 7) Do you have to follow set hours of work?
- 8) Are you required to devote your full time to the employer?
- 9) Is the work performed at the company's place of business?
- 10) Does the employer direct the sequence in which the work must be done?
- 11) Are you required to submit regular oral or written reports to the employer?
- 12) Is the method of payment hourly, weekly or monthly, as opposed to commission or by the job?
- 13) Are business and/or travel expenses reimbursed?
- 14) Do you rely on the employer to furnish tools and materials?
- 15) Have you failed to invest in equipment or facilities used to provide the services?
- 16) Do you have no potential to realize either a loss or profit from your services?
- 17) Do you perform services exclusively for the company?
- 18) Do you not make your services regularly available to the general public?
- 19) Are you subject to dismissal for reasons other than nonperformance of contract specifications?
- 20) Can you terminate your relationship with the employer without incurring a liability for failing to complete a job?

Source: The Internal Revenue Service