

EMPLOYEE or INDEPENDENT CONTRACTOR GUIDELINE

	IRS	OSHA	MEDICARE	MEDICAL	UNEMPLOY	WORKERS COMP	BIZ LIC	HEALTH INS
Worker Written Contract Determines Job	X	X	X	X	X	X	X	X
Worker Determines Hours		X			X	X		
Worker Determines Days	X							
Worker Determines Tasks	X							
Worker Sets Prices and Fees								X
Worker Provides Tools	X	X			X	X		X
Worker Provides Transportation	X	X		X				X
Worker May Turn Down Jobs		X						
Worker Has Own Advertising or Cards	X							
Worker Has Own Invoices and Forms	X				X	X		X
Worker Provides Own Insurance	X	X	X	X	X	X		X
Worker Determines Contracts	X							
Worker Selects Multiple Employers	X		X	X	X	X		
Worker May Hire Associates/Employees					X	X		
Worker May Delegate Tasks To Others								
Worker Has Own Business Identity or DBA	X	X			X	X		
Worker Has Own LLC or Corporation	X		X	X	X	X	X	
Worker Has Own Tax Obligations	X		X	X	X	X		
Worker Has No Company Benefits	X					X		
Worker has No Overtime Involvement	X							
Worker Provides Own Clothes	X	X						
Worker Pays Own Expenses	X				X			
Worker Purchases Own Inventory	X	X			X	X		

As the CHART shows, there is no universal criteria to determine independent contractor status vs: employee classification.

A majority of compliance in most categories should convince any of the agencies that you have complied with your selected position.

If the agency does not agree, it can be an expensive disagreement. Penalties, excessive fees and penalties, and the potential for criminal charges might also be threatened by such an agency.

Normally, they will agree, if you abide by the majority of the above guidelines, unless they advised you in advance, or it is customary (or even required) in your industry to ONLY have employee classifications.

They will also consider if you are mis-classifying employees because of employee abuse, lower than minimal wages, illegal use of aliens, worker comp avoidance, mis-titled job descriptions, or other fraud.