



### **Is your worker an employee or an independent contractor?**

1. Do you give your workers instructions about when, where and how to work? The more specific the instructions and the more control exercised, the more likely the worker will be considered an employee.
2. What training do you give your worker? Independent contractors generally do not receive training from an employer.
3. To what extent do you reimburse your worker for business expenses? Independent contractors are more likely to have unreimbursed expenses.
4. To what extent do your workers invest in their own business? Independent contractors typically invest their own money in equipment or facilities.
5. To what extent do your workers make their services available to other employers? Independent contractors are more likely to make their services available to other employers.
6. How do you pay your workers? Employees are generally paid by the hour, week or month. An independent contractor is usually paid by the job.
7. Can your worker incur a loss working for you? An independent contractor can make a profit or loss, but an employee does not.
8. Do you have written contracts describing the relationship the parties intended to create? Independent contractors generally sign written contracts stating that they are independent contractors and setting forth the terms of their employment.
9. Do you provide your worker with benefits, such as insurance, a pension plan, vacation pay or sick pay? Independent contractors generally do not get benefits.
10. Are your worker's services a key aspect of your company's regular business? If the services are necessary for regular business activity, it is more likely that you have the right to direct and control the worker's activities. The more control you exert over a worker, the more likely it is that the worker will be considered an employee.

Do you have questions? Please email us at [Rhonda@BusinessPayrollSolutions.com](mailto:Rhonda@BusinessPayrollSolutions.com)