

IRS 20 Factor Test for Employee vs. Independent Contractor

These factors were developed by the IRS and are based on common law principles that have evolved through the courts. These factors indicate the degree of control the business has over the worker to determine if the worker is an employee and not an independent contractor.

1. Instructions to worker
2. Training
3. Integration into business operations
4. Requirement that services be rendered personally
5. Hiring, supervising, and paying assistants
6. Continuity of the relationship (permanency)
7. Setting the hours of work
8. Requirement of full-time work
9. Working on employer premises
10. Setting the order or sequence of work
11. Requiring oral or written reports
12. Paying worker by the hour, week, or month,
13. Payment of worker's business and/or traveling expenses
14. Furnishing worker's tools and materials
15. Significant investment by worker
16. Realization of profit or loss by worker
17. Working for more than one business at a time
18. Availability of worker's services to the general public
19. Firms' right to discharge worker
20. Worker's right to terminate relationship