



How The Independent Contractor Slowly Becomes Your Employee

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Hoteliers often find it desirable to classify certain workers as independent contractors. Payroll tax benefits, labor cost reduction and business expense management are enticing for many companies to take the risk of classifying an individual as an independent contractor when the independent contractor/employee distinction is blurred. Employers that hire independent contractors must be extra cautious to ensure that these workers are classified correctly, because federal and state governments have signaled their intent to more seriously investigate misclassification issues. Employers that run afoul of the relevant statutes and regulations will face regulatory fines, back tax implications, wage and hour claims, workers' compensation issues and a host of other problems. The following article provides a background on what conditions must be satisfied to properly classify an individual as an independent contractor.

Read the entire article on HotelExecutive.com.