

Sorting out the confusion

Determining how to classify a worker as either an employee or an independent contractor may be confusing, but the State of Oregon provides information employers may use to make the right decision.

Keep in mind that misclassifying a worker can be costly to an employer. Depending on the situation, Oregon law allows, and often requires, state agencies to impose back taxes, penalties, and interest on employers that are misclassifying their workers.



For more information on the independent contractor laws in Oregon, and changes to Oregon law, visit the Oregon Independent Contractors website at:

www.OregonIndependentContractors.com

You may also contact the appropriate state agency.



We invite you to contact these agencies for additional information:

Oregon Employment Department
taxinfo@emp.state.or.us
503-947-1520 ~ TTY 711

Oregon Department of Revenue
ic.info.dor@state.or.us
503-378-4988 ~ 800-356-4222
TTY 800-886-7204

Department of Consumer & Business Services
Workers' Compensation Division
wcd.employerinfo@state.or.us
503-947-7815 ~ In Oregon 888-877-5670
TTY 503-947-7993 or Sprint Relay

Oregon Bureau of Labor and Industries
BOLI.MAIL@state.or.us
971-673-0761

Construction Contractors Board
ccb.info@state.or.us
503-378-4621 ~ TTY 503-373-2218

Landscape Contractors Board
lcb.info@state.or.us
503-986-6561

Internal Revenue Service (IRS)
www.irs.gov
800-829-1040

www.OregonIndependentContractors.com

EMPLOYEE OR INDEPENDENT CONTRACTOR?

Oregon information you should know



Helping you make the right decision

www.OregonIndependentContractors.com



General Information

To be considered an independent contractor under Oregon law (ORS 670.600), you must be:

- Free from direction and control;
- Engaged in an independently established business;
- Licensed under ORS 671 or 701 (Construction Contractors Board, State Landscape Architect Board, State Landscape Contractors Board, or State Board of Architect Examiners) if required for the service; and
- Responsible for other licenses or certificates needed to do the work.

ORS 670.600 applies only to the:

- Oregon Employment Department
- Oregon Department of Revenue
- Construction Contractors Board
- Landscape Contractors Board

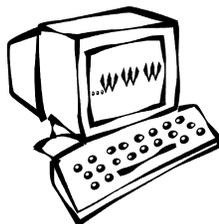
The person performing the work must meet all the criteria of ORS 670.600.

For information about Workers' Compensation, and Oregon Labor Law, please contact the Workers' Compensation Division and Bureau of Labor and Industries.

For federal information, contact the Internal Revenue Service (IRS).

These items are not the text of the law nor an all-inclusive list, but are meant to compare some of the characteristics of both types of service relationships.

<i>EMPLOYEE INDICATORS:</i>	<i>INDEPENDENT CONTRACTOR INDICATORS</i>
<i>Means and manner of work are controlled by employer</i>	<i>Free from direction and control</i>
<i>Trained by employer to perform job</i>	<i>Has necessary skills and training to complete job</i>
<i>Works at employer's business location</i>	<i>Has a business location</i>
<i>Works for one employer, may serve that employer's customers</i>	<i>Performs services for multiple customers</i>
<i>Works hours set by employer</i>	<i>Sets own hours</i>
<i>Accepts wage, salary, or commission determined by the employer</i>	<i>Determines own price for contracted services</i>
<i>May be covered by minimum wage, overtime, safety, unemployment, and workers' comp</i>	<i>Not eligible for employee benefits</i>
<i>Employer provides and controls equipment and tools</i>	<i>Provides equipment and tools used to complete job</i>
<i>Employer purchases materials and supplies</i>	<i>Supplies materials needed to do job</i>
<i>Employer liable for employee errors and/or accidents</i>	<i>Personally liable for errors and/or accidents</i>
<i>Does not file self-employment taxes. Receives a Form W-2 from employer.</i>	<i>Files self-employment taxes. Receives a Form 1099-MISC.</i>
<i>Is hired and/or fired by employer</i>	<i>Has right to hire and fire workers</i>
<i>May quit working for an employer at any time</i>	<i>Must legally complete each contract</i>
<i>Depending on the situation, some factors may not apply</i>	



More information is available at:
www.OregonIndependentContractors.com