



Employee/Independent Contractor Classification Checklist

The information provided below will assist Snow College in determining whether the individual performing the services will be classified for federal, state and FICA tax purposes as an employee of the College or as an Independent Contractor. Complete Section I, Section II, and Section III (if necessary) and attach the appropriate Payroll Action Form, Independent Contractor Professional Services Form, Invoice and Check Request, or purchase requisition number.

- I. Individual's Name** _____
Social Security Number _____
Department _____ Account Number _____
Form Preparer _____

II. Multiple Relationships with the College

- A. Does this individual currently work for the College as an employee?
B. Is it currently expected that the College will hire this individual as an employee?
C. During the 12-months prior to the date on which the services commenced, did the individual have an official college appointment (including temporary) and provide the same or similar services?

If the answer is "No" to all questions, proceed to the questions in Section III. If the answer is "Yes" to any of the three questions, the individual should be classified as an employee and paid via the normal Payroll Action Form Process and processed through HR.

III. Teacher/Lecturer/Instructor/Guest Speaker

1. Is the individual a "guest lecturer" (e.g. an individual who lectures at only a few class sessions)?
If "Yes", treat as an independent contractor, if "No", go to #2.
2. a. Is the individual teaching a course for which students will NOT receive credit toward a College degree and
b. Does the individual provide the same or similar services to other entities or to the general public as part of a trade or business?

If the answer to both questions 2a & 2b is "Yes", then treat the individual as an independent contractor. If the answer to either of questions 2a & 2b in "No", treat as an employee.

Other Individuals

1. Does the individual provide the same or similar services to other entities or to the general public as part of a trade or business?

If "Yes", treat as an independent contractor, if "No", go to #2.

2. Will the department provide the individual with specific instructions regarding performance of required work rather than rely on the individual's expertise?

If "Yes", treat as an employee; if "No", go to #3

3. Will the College set the number of hours and/or days of the week that the individual is required to work, as opposed to allowing the individual to set his/her own work schedule?

If "Yes", treat as an employee; if "No", treat as an independent contractor.



Request for Taxpayer ID# and Information Substitute Form W-9

This form is used to ensure that vendors are not duplicated and are accurately input in the Snow College accounts payable system.
 Also, the Internal Revenue Service requires Snow College to issue 1099 forms when payments to individuals, partnerships or limited liability companies for rents, services, prizes, and awards meet or exceed \$600.00 for the calendar year. An IRS Form 1099 is not required when payments are specifically for merchandise or made to some types of corporations.
 - Please provide the requested information below to determine if a Form 1099 is required.
 - This information must match the information that you provide to the Internal Revenue Service for Tax Reporting.
 - Federal Law requires us to take backup withholding from future payments made if you fail to provide the information requested.

INDIVIDUAL	INDIVIDUAL	INDIVIDUAL
LEGAL NAME: _____ <small>(NAME TAX ID IS ASSIGNED TO AND USED FOR TAX REPORTING)</small>		SSN: _____
ADDRESS: _____ <small>(ADDRESS USED ON LEGAL AND TAX DOCUMENTS)</small>		CITY: _____ ST: _____ ZIP+4: _____
REMITTANCE ADDRESS: _____ <small>(ADDRESS USED FOR REMITTANCE IF DIFFERENT FROM ABOVE)</small>		CITY: _____ ST: _____ ZIP+4: _____
PHONE: _____	FAX: _____	EMAIL: _____

BUSINESS	BUSINESS	BUSINESS
ORGANIZATION PROVIDES: <input type="checkbox"/> Product / Merchandise <input type="checkbox"/> Service <input type="checkbox"/> Both or <input type="checkbox"/> Medical / Legal Services		
BUSINESS TYPE - <i>Check the appropriate box/s:</i>		
<input type="checkbox"/> Sole Proprietor	<input type="checkbox"/> Corporation - General	
<input type="checkbox"/> Partnership	<input type="checkbox"/> Legal Services Corporation	
<input type="checkbox"/> Limited Liability Company (LLC)	<input type="checkbox"/> Medical Services Corporation	
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Nonprofit Corporation	
LEGAL NAME: _____ <small>(NAME TAX ID IS ASSIGNED TO AND USED FOR TAX REPORTING)</small>		
BUSINESS NAME (if different from Legal Name): _____ <small>(DOING BUSINESS AS [DBA] NAME)</small>		
TAX ID USED FOR TAX REPORTING: SSN _____ or EIN _____		
ADDRESS: _____ CITY: _____ ST: _____ ZIP+4: _____ <small>(ADDRESS USED ON LEGAL AND TAX DOCUMENTS)</small>		
REMITTANCE ADDRESS: _____ CITY: _____ ST: _____ ZIP+4: _____ <small>(ADDRESS USED FOR REMITTANCE IF DIFFERENT FROM ABOVE)</small>		
CONTACT NAME: _____		
PHONE: _____ FAX: _____ EMAIL: _____		
IF CHANGE OF BUSINESS TYPE / OWNERSHIP: DATE OF CHANGE: _____		
PREVIOUS OWNER / BUSINESS NAME: _____		
PREVIOUS TAX ID: _____		

REQUIRED INTERNAL REVENUE SERVICES STATEMENT	
The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding. Under penalties of perjury, the person signing this form certifies that:	
1. The number shown on this form is the payee's correct taxpayer identification number, and 2. The payee is not subject to backup withholding because: (a) the payee is exempt from backup withholding, or (b) the payee has not been notified by the IRS that the payee is subject to backup withholding as a result of a failure to report interest or dividends, or (c) the IRS has notified the payee they are no longer subject to backup withholding, and 3. The payee is a U.S. person (including a U.S. resident alien).	
Printed Name: _____	Title: _____
Signature: _____	Date: _____

Independent Contractor or Employee

Which are you?

For federal tax purposes, this is an important distinction. Worker classification affects how you pay your federal income tax, social security and Medicare taxes, and how you file your tax return. Classification affects your eligibility for social security and Medicare benefits, employer provided benefits and your tax responsibilities. If you aren't sure of your work status, you should find out now. This brochure can help you.

The courts have considered many facts in deciding whether a worker is an independent contractor or an employee. These relevant facts fall into three main categories: behavioral control; financial control; and relationship of the parties. In each case, it is very important to consider all the facts – no single fact provides the answer. Carefully review the following definitions.

Behavioral Control

These facts show whether there is a right to direct or control how the worker does the work. A worker is an employee when the business has the right to direct and control the worker. The business does not have to actually direct or control the way the work is done – as long as the employer has the right to direct and control the work. For example:

Instructions – if you receive extensive instructions on how work is to be done, this suggests that you are an employee. Instructions can cover a wide range of topics, for example:

- how, when, or where to do the work
- what tools or equipment to use
- what assistants to hire to help with the work
- where to purchase supplies and services

If you receive less extensive instructions about what should be done, but not how it should be done, you may be an independent contractor. For instance, instructions about time and place may be less important than directions on how the work is performed.

Training – if the business provides you with training about required procedures and methods, this indicates that the business wants the work done in a certain way, and this suggests that you may be an employee.

Financial Control

These facts show whether there is a right to direct or control the business part of the work. For example:

Significant Investment – if you have a significant investment in your work, you may be an independent contractor. While there is no precise dollar test, the investment must have substance. However, a significant investment is not necessary to be an independent contractor.

Expenses – if you are not reimbursed for some or all business expenses, then you may be an independent contractor, especially if your unreimbursed business expenses are high.

Opportunity for Profit or Loss – if you can realize a profit or incur a loss, this suggests that you are in business for yourself and that you may be an independent contractor.

Relationship of the Parties

These are facts that illustrate how the business and the worker perceive their relationship. For example:

Employee Benefits – if you receive benefits, such as insurance, pension, or paid leave, this is an indication that you may be an employee. If you do not receive benefits, however, you could be either an employee or an independent contractor.

Written Contracts – a written contract may show what both you and the business intend. This may be very significant if it is difficult, if not impossible, to determine status based on other facts.

When You Are an Employee...

- Your employer must withhold income tax and your portion of social security and Medicare taxes. Also, your employer is responsible for paying social security, Medicare, and unemployment (FUTA) taxes on your wages. Your employer must give you a Form W-2, Wage and Tax Statement, showing the amount of taxes withheld from your pay.
- You may deduct unreimbursed employee business expenses on Schedule A of your income tax return, but only if you itemize deductions and they total more than two percent of your adjusted gross income.

When You Are an Independent Contractor...

- The business may be required to give you Form 1099-MISC, Miscellaneous Income, to report what it has paid to you.
- You are responsible for paying your own income tax and self-employment tax (Self-Employment Contributions Act – SECA). The business does not withhold taxes from your pay. You may need to make estimated tax payments during the year to cover your tax liabilities.
- You may deduct business expenses on Schedule C of your income tax return.

