



**20-FACTOR COMMON LAW TEST
FOR CLASSIFYING AN
INDIVIDUAL EMPLOYEE OR INDEPENDENT
CONTRACTOR**

Individuals are generally employees if they:

		Employee Yes	Independent Contractor No
1	Must comply with employer-s instructions about the work		
2	May receive training from or at the direction of the employer		
3	Provide services that are integrated into the business		
4	Provide services that must be rendered personally		
5	Hire, supervise, and pay employees for the employer		
6	Have a continuing working relationship with the employer		
7	Must follow set hours of work		
8	Work full-time for an employer		
9	Do their work on the employer-s premises		
10	Must do their work in a sequence set by the employer		
11	Must submit regular reports to the employer		
12	Receive payments of regular amounts at set intervals		
13	Receive payments for business and/or travel expenses		
14	Rely on the employer to furnish tools and materials		
15	Lack a major investment in facilities used to perform the service		
16	Cannot make a profit or suffer a loss from their services		
17	Work for one employer at a time		
18	Do not offer their services to the general public		
19	Can be terminated by the employer		
20	May quit work at any time without incurring liability		

Keep in mind that since these tests are subjective. An individual need not meet all or even most of these tests to be classified as an employee since the IRS may give more weight to a certain factor depending on the individual occupation or other circumstances. The key factors are numbers 1, 2, 6, 15, 16, 18, and 20.