**Employee or Contractor?**

**The 10 Factor Test**

1.The extent of control the employer has over the details of the work:

• Extent of supervision.

• Whether a contract was signed outlining work parameters.

2.Whether the worker is engaged in a distinct and exclusive occupation:

• Does the individual work for multiple employers?

3.The work is usually done locally under the direction of the employer:

• Not a significant factor; relies on whether the position is

commonly contracted out in your local community.

4.The skill required in the particular occupation:

• Skilled labor is traditionally performed by independent contractors, therefore special skill or training weighs in favor of an independent contractor.

5.The worker supplies the instrumentalities, tools, and the place of work for the person doing thework:

• An independent contractor typically sets his or her hours and also provides the necessary equipment, supplies, insurance, and training needed for the job.

6.The length of time for which the person is employed:

• Independent contractors generally work per job or project, not on an ongoing basis.

7.The method of payment, whether by the time or by the job:

• A payment per task or job will favor independent contractor, while regular compensation is more consistent with an employee.

• W‐2 or 1099 tax forms

8.Whether the work is part of the regular business of the employer:

• The work an independent contractor does should differ from what employees of your ministry do.

9.Whether the parties mutually believe they are creating an independent contractor relationship:

• A contract signed by both parties stating the relationship is an independent contractor, and not employee, is beneficial.

10.Whether the owner is in the same business.