

University Of Massachusetts Lowell	
Date: July 01, 2001	Section:1.3.1
Subject: ESTABLISHING CONTROL *	

To determine whether a worker is an employee or independent contractor, you should apply the common law test of control. Under this test, if you have the right to control and direct what a worker does and how he or she does it, a relationship between you and the employee exists. In the absence of such control, a worker may be classified as an independent contractor.

To determine whether control exists in an employee-employee relationship, the IRS uses the following 20 common law factors:

- 1) Required compliance with employer's instructions;
- 2) Training of worker by employer;
- 3) Integration of worker's services into employer's business operations;
- 4) Services required to be rendered personally;
- 5) Hiring, supervising, and paying worker's assistants;
- 6) Continuing relationship;
- 7) Set hours of work;
- 8) Full-time work required;
- 9) Working on the employer's premises;
- 10) Set order or sequence of work;
- 11) Required oral or written reports;
- 12) Payment by hour, week or month;
- 13) Payment of business expenses and/or travel expenses;
- 14) Furnishing of tools and materials;
- 15) Significant investment by the worker;
- 16) Realization of profit or loss;
- 17) Working for more than one firm or company at a time;
- 18) Making services available to the general public;
- 19) Right of employer to discharge;
- 20) Right of worker to terminate.

(See Contracting for Professional Services, Section 3.5)

* as defined by the Internal Revenue Service

