

Independent Contractor or Employee?

ATTENTION ALL EMPLOYEES, EMPLOYERS, INDEPENDENT CONTRACTORS AND SUBCONTRACTORS:

The law says that you are an employee unless:

- You are free from direction and control in performing your job, AND
- You perform work that is not part of the usual work done by the business that hired you OR is not performed on the business's premises, AND
- You are customarily engaged in an independently established trade, occupation, profession or business.

Your employer cannot consider you to be an independent contractor unless all three of these facts apply to your work.

**IT IS AGAINST THE LAW FOR
AN EMPLOYER TO MISCLASSIFY EMPLOYEES AS
INDEPENDENT CONTRACTORS OR
PAY EMPLOYEES OFF THE BOOKS.**

Employee Rights:

If you are an employee, you are entitled to:

- Unemployment benefits, if unemployed through no fault of your own, able to work, and meet other eligibility requirements.
- Workers' Compensation benefits for on-the-job injuries.

It is a violation of this law for employers to retaliate against anyone who asserts their rights under the law. Retaliation subjects an employer to civil penalties, a lawsuit or both. If you have questions about whether you are an employee or independent contractor, or you want to file a complaint, call the Louisiana Workforce Commission Fraud Hotline at 1-(833)-708-2866 or email UITaxfraud@lwc.la.gov.

Independent Contractors:

If you are an independent contractor, you must pay all taxes required by Louisiana and Federal Law.

Employer Consequences:

Pursuant to Louisiana Employment Security Law R.S. 23:1711 (G): Penalties for misclassifying a worker as an independent contractor include:

- Fines of up to \$2500 per misclassified worker per instance.
- Imprisonment for up to 90 days.
- Prohibited from contracting with any state agency or political subdivision of the state for three years.

This notice must be posted in a conspicuous place, setting forth information to effectuate this purpose.

R.S. 23:1711

September 2021



www.laworks.net