

## Employers: The Perils of Misclassifying Employees as Independent Contractors

---

January 25, 2013

ParenteBeard - Philadelphia

The federal government and many individual states have focused on identifying and penalizing employers across a broad range of industries who misclassify employees as independent contractors. In some cases, heavy fines and even prison sentences have been levied against violators.

Being classified as independent contractors, or "1099" employees, provides benefit, both to the employer as well as to the employee, but the possible adverse consequences for misclassification pose a severe risk to employers.

This seminar will define the criteria used to distinguish between an employee and independent contractor, discuss "action steps" employers must take to comply with guidelines, and break down and explain recent court cases in which misclassification was at issue.

Attendees will learn:

- IRS and DOL enforcement audit procedures
- How to distinguish between employee and independent contractor status
- Legal consequences of misclassifying workers
- "Best practices" to limit, or avoid, liability
- IRS, DOL, NJ and PA independent contractor tests
- Keys to drafting effective independent contractor agreements

**Speaker:**

Kenneth R. Gilberg, Shareholder, Flaster Greenberg PC