

Misclassification

What does it mean when an employer “misclassifies” a worker?

An employer has misclassified you if s/he pays you “off the books” or as an independent contractor but treats you as a regular employee. Some employers misclassify to avoid paying taxes, workers’ compensation, overtime, or other benefits that employees get. Calling an employee an “independent contractor” can save the business money and increase profits. But it also leaves the worker without important workplace protections. Find out whether you have been misclassified, and what you can do about it!



Call for help

If you have been misclassified and lost workplace protections, overtime or other pay, call for legal help:



The Public Justice Center
1-877-3-JUST PAY
1-877-3-587-8729
www.publicjustice.org

For further information on misclassification, Maryland wage and hour law, or to make a claim contact:

Md. Dept. of Labor, Licensing, and Regulation
(DLLR) Division of Labor & Industry
410.767.2236
dli@dllr.state.md.us
<http://www.dllr.state.md.us/labor/>



ATTENTION WORKERS!

Do you get a 1099?

Are you called an “Independent Contractor”?

What you don’t know CAN hurt you!

Read on for important information about worker misclassification.

Know your rights in the work place.



Know the difference

Employees have PROTECTIONS:

- Unemployment insurance
- Workers' compensation
- Legal protection from discrimination
- Minimum wage
- Overtime

Independent Contractors have OBLIGATIONS to:

- Pay unemployment insurance
- Pay workers' compensation insurance for workers they bring onto the job
- File tax returns for business or self-employment income
- Provide copies of licenses or registrations to the person or company that hired them

How do I know whether I am an employee or an independent contractor?

No single factor determines whether you are an independent contractor or employee. It depends on how much **direction** and **control** others have over your work, and not the label your boss may use.

Answer these questions yes or no:

Yes No

- Are you paid an hourly wage?
- Do you have a boss?
- Does your boss set your hours?
- Does your boss tell you what needs to be done each day?
- Does your boss have control over the quality of your work?
- Does your boss provide you with the tools or materials you use?
- Does your boss direct or control how you do your job?
- Does your boss know how to do your job?
- Is the type of work you do similar to the usual work of the business that hired you? (e.g., carpentry work for a construction business?)

If you answered “yes” to one or more of these questions, you may be an employee, and NOT an independent contractor.

Turn over to find out what you can do.



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