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## **NEWSLETTER**

***DECEMBER 2011***

### **MERRY CHRISTMAS**

We will close at Noon Friday, December 9, for our Christmas party. Also, we will be closed Monday, December 26, and Monday, January 2, to observe Christmas and the New Year.

### **INDEPENDENT CONTRACTOR VERSUS EMPLOYEE**

The Courts and IRS have considered many facts in deciding whether a worker is an independent contractor or an employee. These relevant facts fall into three main categories: behavioral control; financial control; and relationship of the parties.

#### **Behavioral Control**

A worker is an employee if the employer has the right to direct and control the worker. The employer does not have to actually direct or control the way the work is done as long as the employer has the right to direct and control the work.

#### **Financial Control**

If you can realize a profit or incur a loss, this suggests that you are in business for yourself. More importantly you work for more than one business. In addition you have a substantial investment in the tools of your trade and are not reimbursed for any of your expenses for the business you are servicing.

#### **Relationship of the Parties**

A written contract that sets forth the responsibilities of the parties may show what both you and the business intend.

If you are unsure about the status of any of your workers, contact the IRS for a ruling.

### **“S” and “C” CORPORATIONS**

Indiana corporation law requires that corporations hold at least one annual meeting of the board and shareholders.

### **FORMS W2 and 1099**

Please ensure that we have accurate information including legal name, address, and Social Security Number.

***IF YOU LIKE OUR SERVICE, TELL OTHERS. IF YOU DON'T, TELL US.***

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