

FREE REPORT:

Is your Worker An Independent Contractor Or An Employee?

With the ever-growing number of contract employment on the rise, more and more lawsuits and court rulings have been making the news lately. **Misclassification of workers could result in payment of back taxes, accrued overtime and benefits, and substantial fines and penalties to you the employer.** It is important that you the employer are familiar with the guidelines used by the IRS to ensure total compliance regarding worker classification. **Failure to do so could result in business ending penalties and interest.**

When the IRS determines whether a worker is an **employee** or **independent contractor**, they look at whether the business has the right to **direct** or **control** the **means** and **details** of the work. To evaluate the degree of direction and control exercised in a work situation, the IRS reviews the following three categories:

1. **BEHAVIORAL CONTROL**- they look at the facts, which illustrate whether there is a right to direct or control on how the worker performs the specific task for which he or she is engaged.
2. **FINANCIAL CONTROL**- covers the facts that show whether the business has a right to control the business aspects of the worker's job.
3. **TYPE OF RELATIONSHIP**-covers facts, which illustrate how the parties perceive their relationship.

Listed below are 20 questions from a 1987 IRS guide in which a “YES” answer is an indicator that an employee relationship might exist:

1. Is the worker required to comply with instructions about when, where and how the work is to be done?
2. Is the worker provided training that would enable him or her to perform a job in a particular method or manner?
3. Are the services provided by the worker an integral part of the business's operations?
4. Must the services be rendered personally?

5. Does the business hire, supervise or pay assistants to help the worker on the job?
6. Is there a continuing relationship between the worker and person for whom services are performed?
7. Does the recipient of the services set the work schedule?
8. Is the worker required to devote his full time to the person he performs services for?
9. Is the work performed at the place of business of the company, or at specific places designated by the company?
10. Does the recipient of the services direct the sequence in which the work must be done?
11. Are regular oral or written reports required to be submitted by the worker?
12. Is the method of payment hourly, weekly, or monthly (as opposed to commission or by the job)?
13. Are business and/or traveling expenses reimbursed?
14. Does the company furnish tools and material used by the workers?
15. Has the worker failed to invest in equipment or facilities used to provide the services?
16. Does the arrangement put the company in the position of realizing either a loss or a profit on the work?
17. Does the worker perform services exclusively for the company rather than working for a number of companies at the same time?
18. Does the worker in fact not make his services regularly available to the general public?
19. Is the worker subject to dismissal for reasons other than nonperformance of contract specifications?
20. Can the worker terminate his relationship without incurring a liability for failure to complete a job?

If you are not sure whether your worker is an independent contractor or an employee, you should seek the advice of an accountant. You may also get a ruling from the IRS on a worker's status by completing **Form SS-8, Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding**. There is no fee for requesting an SS-8 determination letter from the IRS; however, according to the IRS the time needed to complete and file this form will vary depending on individual circumstances. The estimate average time is as follows: **RECORDKEEPING, 22 hrs;** **LEARNING ABOUT THE LAW OR THE FORM, 47 min.;** and **PREPARING AND SENDING THE FORMS TO THE IRS, 1hr., 11min.**

Running a business entails a massive amount of decisions you have to make everyday. **The decisions you make today will have an impact on you and your business for years to come.** One of the most cost effective tools you can use is the experience of a **professional advisor**. When you hire an advisor make sure they are someone suited to fit your needs, someone you feel comfortable with, and someone you trust.

A word about us...

REAL TRUE LIFE STORY

When I started with Johnson, Johnson, and Associates, it was a small company that worked in a basement. When I applied what I learned, well... ..little did I know that I was gonna **triple** the business **in less than 3 years**. I now have multiple locations, a staff of 7 full time employees, and a seasonal staff of 18. Now I know what some of you are saying: “Well, he is an accountant; he should be able to grow his business. Now I’ll let you in on a little secret- **MOST ACCOUNTANTS ARE HORRIBLE BUSINESS PEOPLE!!!!** That’s right, **HORRIBLE** at running and growing a business. I travel to seminars all over the country and meet hundreds if not thousands of accountants. I’ll let you in on **another little secret....** They are having the **same problems** you are having: **too few clients, management problems, not enough income, and feelings of being overworked and overwhelmed.** But I’m not telling you anything you don’t already know. Just listen to your accountant or look in his/her office. It is usually disorganized, with few if any employees, and desperate for referrals. Now I’m not saying that you can’t get good information from them, but do you really think they can help you grow your business the way you want to when they are experiencing the same problems you are? **(YOU DECIDE)**

I have found that a large majority of business owners are **unhappy with their current accountant**. They are either **NOT** getting the services they need or don’t understand the accounting lingo their accountant is speaking.

So what can my firm do for you? Well, first of all I will **customize** a program just for you. That way you **only pay for the services you need**. Listed below are just **some** of the ways I may be able to help you.

WHO ELSE WANTS AN ACCOUNTANT WHO WILL...

- Protect you from the IRS. Many small business owners are extremely vulnerable to “**Business-Ending**” **IRS Audits**. Most business owners don’t have time to stay current with new tax laws such as sales tax, payroll taxes, estimated quarterly taxes, income taxes, property taxes,

- unemployment tax, and personal taxes. With us you have a **“Worry Free Accuracy Guarantee”**. You will know your tax forms are correct and filed on time. This means you have **no fear** of the IRS.
- Give you monthly consultation so you’ll be **worry-free** and **able to sleep at night** knowing you have a professional working with you. No more sleepless nights or fear of making a wrong decision, which will have the IRS knocking on your door in the morning.
 - Provide financial statements to help you manage and grow your business. With these you will see trends developing, so you **stay a step ahead of your competition**. They will also help you make **better business decisions and better plans for the future**.
 - Keep you worry-free knowing your bookkeeping and tax forms were prepared accurately without giving too much of **YOUR “hard-earned”** money back to Uncle Sam! And you’ll never have to think about possible problems with your accounting ever again, (or an IRS agent at your doorstep badgering you for your records). That’s just **NOT** going to happen with professionals like us in your corner.
 - Offers tax planning to **save you money...** Let me tell you a story about a company we work with. They are a fairly successful newer business that had a profit of \$46,060 and owed almost \$9,740 in taxes. Their previous accountant did the normal accounting stuff for them: you know P & L’s, sales tax, quarterly forms, and tax preparation, but really gave them no guidance. There was no planning, no discussion on how to minimize their taxes, and no guidance on how to grow their business. After working with us, we were able to **save them over \$7,134.00 in taxes** through quarterly planning. Now that’s what we call tax planning!
 - Charge a flat fee to **fit your budget**. Not like other accounting firms that nickel and dime you to death for every little thing.

So what is the real story and why is your company such a good deal for my business?

Well, first, let me tell you what we are not! Our clients don’t say any of the following about us:

1. “He is always late!”
2. “I can never reach him!”
3. “I do not understand him.”
4. “He does not understand my business.”
5. “I do not know what he does for me!”
6. “I think I should get more value for my money.”

7. "I pay too much!"
8. "He is too busy."
9. "I am too small for him!"

If you're like most business owners you probably have said one of these at one time or another-right?

Look, I'm **NOT** some "high-priced" CPA firm, so **I DON'T CHARGE AN ARM AND A LEG for my services!**

And I don't speak Annoying Tax Professional Lingo...Just Straight, Easy-To-Understand And Follow Expert Guidance and Advice!

But, don't take my word for it, read what others are saying about our services:

Since signing up with your company we have enjoyed timely accounting services and the best tax preparation ever. I have incorporated many of your ideas into the management of my business.

*Keep up the great work!
John-Upper Darby.*

I have been with these guys for over 5 years; I really appreciate their professionalism and their friendliness. I always walk away from the office and/or a phone conversation feeling completely satisfied. You guys are a God-send!!!

Theresa- Southern Inn-Philadelphia

I would like to thank you for the informative meeting we had on sales and marketing. I would also like to thank you for enlightening me on the other priceless strategies on growing my business and making me more productive. I'm looking forward to the next workshop!

Andrea-Collingswood

"You really kept your word when you said you would be in my corner if the IRS MAN CAME A KNOCKIN" Thanks for all those tax saving tips. We are here to stay!

Marcus-M & E electronics, Inc. Philadelphia

I also offer a GUARANTEE NO OTHER ACCOUNTANT HAS THE GUTS TO GIVE YOU! I am so sure that if, in the first three months you haven't found ways to decrease your taxes and increase your sales, simply cancel your service at anytime, tell me what went wrong and I will cheerfully refund your monthly fee. No questions asked!!!! GUARANTEED! (You have nothing to lose)

Now, if you would like to see how my firm might be able to help you, just pick up the phone and give me a call. I will be glad to set up a

CONSULTATION either over the phone or at my location to answer any of your questions.

Ready to order? Please fill out the order form located in the back of this FREE REPORT and fax 610-284-3079.

PS: If you call within the next **10 days** I will waive the normal fee of **\$250.00** plus I'll throw in an ad critique worth **\$200**. **That's a \$450 saving only good for the next 10 days or the next 7 new clients!**

PSS: Finally as an **added incentive** we will also apply for your tax ID number (EIN) and sales tax number if needed. This is a **\$200 value** but only good if you order now! That's a total savings of **\$650.00**

PSSS: Still need another incentive? If you act today we will include at **no additional charge** the book **'NEW BUSINESS SURVIVAL HAND-BOOK'** a **\$79.00 value**. This book is filled with useful information such as:

- Ten Common Errors That Can Spell Disaster For Any New Business (And How To Avoid Them)
- How To Register Your Business With The Tax Authorities
- A Short Note On Accounting and Bookkeeping
- What You Need To Know About Payroll Taxes
- How To Plan For A Positive Cash Flow
- How To Choose Professional Advisors
- How To Get Credit And Financing For Your Business

Remember, the wrong classification can COST you thousands and have the IRS knocking on your front door tomorrow morning!

Yes Mike, I want to be one of the first to respond. I am interested in a **FREE CONSULTATION** on **SAVING MONEY** and **GROWING MY BUSINESS**:

Please complete the information below and mail in the enclosed envelope or for a faster response fax me at **610-284-3079**. If you prefer you can contact me on the web at www.jjassociatesinc.net

Name _____

Address _____

City _____ State _____ Zip _____

Phone _____ (Cell) _____

Best time to call _____

Tax Planning Strategies

Tax Preparation

Bookkeeping

Help with QuickBooks

Business Advisory Service

Becoming a LLC/Corp

Free Analysis of Marketing Material

Easy ways to Increase My Sales

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