HB77

204108-2

By Representatives Kitchens, Shedd, Marques, Simpson, Isbell, Brown (C) and Whitt

RFD: Commerce and Small Business

First Read: 04-FEB-20

PFD: 02/03/2020
SYNOPSIS: This bill would require an employer to use specified guidelines in order to determine whether a worker is engaged in employment for purposes of employment benefits and tax liabilities. This bill would also require a state agency, when applicable, to use those same specified guidelines to determine whether a worker is to be considered as an employee.

A BILL

TO BE ENTITLED

AN ACT

Relating to employment; to require an employer to use specified guidelines in order to determine whether a worker is engaged in employment for purposes of employment benefits and tax liabilities; and to require a state agency, when applicable, to use those same specified guidelines to determine whether a worker is to be considered as an employee.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
Section 1. For purposes of determining eligibility for benefits and protections pursuant to Title 25 of the Code of Alabama 1975, relating to employment and unemployment, or for determining tax liability for employees and employers pursuant to Title 40 of the Code of Alabama 1975, relating to revenue and taxation, an employer or state agency responsible for determining the employment status of an individual shall use the test enumerated by the Internal Revenue Service in Rev. Rul. 87-41, 1987-1 C.B. 296, as amended or replaced from time to time, in making its determination.

Section 2. This act shall become effective on the first day of the third month following its passage and approval by the Governor, or its otherwise becoming law.