

Contractor Decision Tree

Step 1

Who controls how the work is done?

A. The business controls how, when, and where work is done
• *Likely an Employee*

B. The worker decides how to perform the work
• **Go to Step 2**

Step 2

Who controls the financial aspects?

A. The worker is paid hourly/salary, with no risk of loss or gain
• *Likely an Employee*

B. The worker invests in tools, sets their rate, and may profit or lose
• **Go to Step 3**

Step 3

What is the nature of the relationship?

A. The relationship is indefinite, with benefits and integrated work
• *Likely an Employee*

B. The relationship is project-based, short-term, and outlined in a contract
Likely a contractor

