

1 HB77
2 204108-2
3 By Representatives Kitchens, Shedd, Marques, Simpson, Isbell,
4 Brown (C) and Whitt
5 RFD: Commerce and Small Business
6 First Read: 04-FEB-20
7 PFD: 02/03/2020

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8 SYNOPSIS: This bill would require an employer to use
9 specified guidelines in order to determine whether
10 a worker is engaged in employment for purposes of
11 employment benefits and tax liabilities.

12 This bill would also require a state agency,
13 when applicable, to use those same specified
14 guidelines to determine whether a worker is to be
15 considered as an employee.

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17 A BILL
18 TO BE ENTITLED
19 AN ACT

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21 Relating to employment; to require an employer to
22 use specified guidelines in order to determine whether a
23 worker is engaged in employment for purposes of employment
24 benefits and tax liabilities; and to require a state agency,
25 when applicable, to use those same specified guidelines to
26 determine whether a worker is to be considered as an employee.
27 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. For purposes of determining eligibility
2 for benefits and protections pursuant to Title 25 of the Code
3 of Alabama 1975, relating to employment and unemployment, or
4 for determining tax liability for employees and employers
5 pursuant to Title 40 of the Code of Alabama 1975, relating to
6 revenue and taxation, an employer or state agency responsible
7 for determining the employment status of an individual shall
8 use the test enumerated by the Internal Revenue Service in
9 Rev. Rul. 87-41, 1987-1 C.B. 296, as amended or replaced from
10 time to time, in making its determination.

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