



Independent Contractor Defined

People such as doctors, dentists, veterinarians, lawyers, accountants, contractors, subcontractors, public stenographers, or auctioneers who are in an independent trade, business, or profession in which they offer their services to the general public are generally independent contractors. However, whether these people are independent contractors or employees depends on the facts in each case. The general rule is that an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done.

If you are an independent contractor, then you are self-employed. The earnings of a person who is working as an independent contractor are subject to [self-employment tax](#). To find out what your tax obligations are, visit the [Self-Employed Individuals Tax Center](#).

You are not an independent contractor if you perform services that can be controlled by an employer (what will be done and how it will be done). This applies even if you are given freedom of action. What matters is that the employer has the legal right to control the details of how the services are performed.

If an employer-employee relationship exists (regardless of what the relationship is called), then you are not an independent contractor and your earnings are generally not subject to self-employment tax. However, your earnings as an employee may be subject to FICA (social security tax and Medicare) and income tax withholding.

Refer to the page, [Independent Contractor \(Self-Employed\) or Employee?](#) or [Publication 15-A, Employer's Supplement Tax Guide](#), for more information.

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