

From the desk of Jeanne M. Kerkstra, Esq., CPA

**Viewpoint
Ringing in the New Year: Complacent or Compliant?**

On January 1, 2008, the new Illinois Employee Classification Act took effect. The Act is intended to address the practice of **misclassifying employees as independent contractors**. This new law applies to businesses in the "construction" industry. However, "**construction**" is **very broadly defined**.¹

The burden is on you to review each independent contractor and confirm compliance with the new law. If you do not meet these requirements, there are **substantial penalties**. Further, you may be **barred from receiving State contracts**. As always, the State provides **incentives for whistleblowers**, e.g., workers who turn in employers.

Let's work together to ensure compliance with the new law. Give me a call to schedule an appointment.

¹ "Construction" means any constructing, altering, reconstructing, repairing, rehabilitating, refinishing, refurbishing, remodeling, remediating, renovating, custom fabricating, maintenance, landscaping, improving, wrecking, painting, decorating, demolishing, and adding to or subtracting from any building, structure, highway, roadway, street, bridge, alley, sewer, ditch, sewage disposal plant, water works, parking facility, railroad, excavation or other structure, project, development, real property or improvement, or to do any part thereof, whether or not the performance of the work herein described involves the addition to, or fabrication into, any structure, project, development, real property or improvement herein described of any material or article of merchandise. Construction shall also include moving construction related materials on the job site to or from the job site.

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