

**Unemployment  
Insurance  
Independent Contractor  
Test**

**For-profit businesses**

A worker is an independent contractor, not an employee, if they are 1. free from direction and control, **and** 2. have an independently established business

Part 1: Free from Direction and Control: (Five Factors to Assess)

1. Comply with instructions concerning how to perform the services
2. Receives training from the employing unit with respect to the services performed
3. Personally performs the services
4. Services are required to be performed at times or in a particular order or sequence established the employing unit
5. Required to make oral or written reports to the employing unit on a regular basis

Part 2: Independently Established Business (6 of 9 Conditions Must Be Met)

1. Advertises or otherwise affirmatively holds out as being in business
2. Maintains own office or performs most of the services in a facility or location chosen by the individual or uses own equipment or materials in performing the services
3. Operates under multiple contracts with one or more employing unit to perform specific services
4. Incurs the main expenses related to the services performed under contract
5. Obligated to redo unsatisfactory work for no additional compensation or is subject to a monetary penalty for unsatisfactory work
6. Services performed do not directly relate to the employing unit retaining the services
7. May realize a profit or suffer a loss under contracts to perform such services
8. Recurring business liabilities or obligations
9. Not economically dependent upon a particular unit with respect to the services being performed

**Non-profit business, government unit, loggers and truckers**

Workers are independent contractors if they meet both of these criteria:

1. That such individual has been and will continue to be free from the employing unit's control or direction over the performance of his or her services both under his or her contract and in fact; and
2. That such services have been performed in an independently established trade, business or profession in which the individual is customarily engaged.

(Additional criteria for truckers and loggers are in the Administrative Code DWD chs. 105 and 107.)