

## Contacts for assistance in complying with Maryland's Workplace Fraud Act

### Unemployment Insurance

1-800-492-5524

<http://www.dllr.state.md.us/employment/unemployment.shtml>

### Workers' Compensation Insurance

410-494-2000 or 1-800-264-IWIF.

You may obtain coverage from a private insurance company or by becoming self-insured, or by contacting the Injured Workers Insurance Fund.

### Comptroller of Maryland (MD income tax)

1-800-492-1751—<http://business.marylandtaxes.com/>

### Combined Registration Application

<https://interactive.marylandtaxes.com/webapps/comptrollercra/entrance.asp>

The online Combined Registration Application (CRA) allows you to apply for many business tax accounts, including an employer withholding and unemployment insurance accounts.

### MD's Business License Information System

<http://choosemaryland.org/blis/>

Maryland's Business License Information System (BLIS) helps business owners determine which state permits and licenses are required to operate their business. The system also gives comprehensive information and contacts for all of Maryland's occupational licenses, as well as helpful links to other business-related sites throughout the state.

### State License Bureau

410-260-6240 or 1-866-239-9359

[www.slb@comp.state.md.us](mailto:www.slb@comp.state.md.us)

### New Hire Registry

410-281-6000 / 1-888-634-4737

[www.mdnewhire.com](http://www.mdnewhire.com)

Employers and/or labor organizations doing business in Maryland must report new employees, rehires or recalled employees, and temporary employees.



### Worker Classification Protection Unit

1100 N. Eutaw St., Room 607

Baltimore, MD 21201

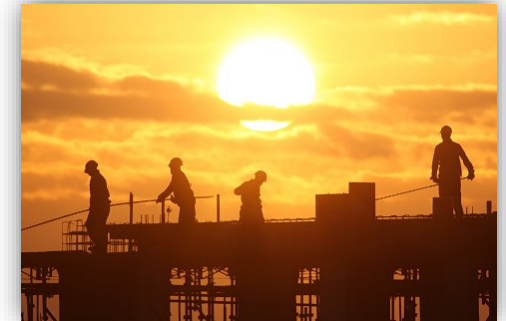
Phone: 410-767-9885

email: [dldliwcpu-dllr@maryland.gov](mailto:dldliwcpu-dllr@maryland.gov)

Learn more about Worker Classification Protection in Maryland by logging onto:  
[www.dllr.maryland.gov/workplace/](http://www.dllr.maryland.gov/workplace/)



## Maryland Worker Classification Protection



*A guide to understanding  
Maryland's Workplace  
Fraud Act*

Rev. 9/2015

## Worker Misclassification Facts:

Work providers who fail to properly classify their workers deny those workers critical workplace protections, such as unemployment benefits, workers' compensation, and other workplace protections.

Work providers who operate outside of the law by not paying taxes and premiums have an unfair advantage over competitive businesses that operate within the law.

The misclassification of workers in the Construction and Landscaping industries is illegal in Maryland. Work providers who knowingly misclassify their workers are subject to fines.

To report Construction or Landscaping worker misclassification, contact the Worker Classification Protection Unit at: 410-767-9885 or Email: [dldliwcpu\\_dllr@maryland.gov](mailto:dldliwcpu_dllr@maryland.gov)

## Some of the differences between an employee and an independent contractor:

Employee	Independent Contractor
<ul style="list-style-type: none"><li>• Means and manner of work are (or can be) controlled by work provider.</li><li>• May be trained by work provider to perform job.</li><li>• May work at work provider's business location.</li><li>• Is eligible for unemployment insurance, workers' compensation coverage and other workplace protections.</li><li>• Works for one work provider.</li><li>• Hours are set by employer.</li><li>• Is hired and can be fired by employer.</li></ul>	<ul style="list-style-type: none"><li>• Free from direction and control.</li><li>• Has necessary skills and training to complete job.</li><li>• Provides equipment and tools used to complete job.</li><li>• Supplies materials needed to do job.</li><li>• Files self-employment taxes.</li><li>• Has right to hire and fire workers.</li></ul>

For the construction and landscaping industries, Maryland *presumes* an employer-employee relationship unless the work provider proves one of the following:

- 1) The worker is exempt because they own/operate their own business and do not have any employees other than their parents, spouse, or children;
- 2) that there is a legitimate relationship working relationship between two business entities;
- 3) certain documents are presented that provide evidence of the contractual relationship between the parties and the worker's status as an independent contractor; or,
- 4) that the worker is an independent contractor under the "ABC test":
  - A. the worker is free from control and direction;
  - B. the worker is customarily engaged in an independent business of the same nature; and,
  - C. the work is either:
    1. outside of the usual course of business of the work provider or
    2. performed outside of any place of business of the work provider.

Work providers who enter into a business relationship with an individual must give the individual written notice, in both English and Spanish, of the consequences of the individual's classification as an independent contractor or exempt person.

