

HB 2156 -- EMPLOYEE RECLASSIFICATION ACT

SPONSOR: Bahr

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Workforce Development by a vote of 8 to 2.

This bill specifies that for a taxpayer undergoing an audit by the Department of Labor and Industrial Relations regarding classification of an individual as an independent contractor or employee, if the taxpayer has been granted relief from the imposition of federal employment taxes under Section 530 of the federal Revenue Act of 1978, as amended, for an individual, with the result that the taxpayer can continue to classify the individual as an independent contractor for purposes of federal employment taxes, the department shall waive any penalties, fees or fines for the period of time covered under Section 530, RSMo.

This bill is similar to HB 356 (2017) and HB 1756 (2016).

PROPONENTS: Supporters say that this bill allows for fair treatment of employers for misclassification of employees. The employer still pays back taxes that are owed, however, if the employer was acting in good faith, the employer will not pay any fines or penalties.

Testifying for the bill was Representative Bahr.

OPPONENTS: There was no opposition voiced to the committee.