

The hiring and management of employees presents an opportunity, but & - -

This is a general overview of employer responsibilities to set up for and employ workers on your farm. For more detailed information you will need to contact the following agencies:

Vermont Health Care Connect, Small Business Page: <http://info.healthconnect.vermont.gov/SB/faq>

VT Department of Taxes oversees numerous programs. Most relevant to farms will be individual income taxes, sales/rooms/meals taxes if required and property taxes.

<http://www.state.vt.us/tax/business.shtml> or 802-828-

icare taxes, FUTA, self-employment tax and more.

<http://www.irs.gov/Businesses/S>

you can choose to work with a hired accountant, bookkeeper or professional payroll service. Certain software programs also have the capacity to manage payroll requirements. These are the basic steps to setting up the documentation and tax record for an employee:

- Obtain Employer Identification Number (EIN)

employee taxes from their regular paycheck (withholding, Social Security)



Wages, Hours and Fair Labor Standards for Agriculture

The United States Department of Labor provides information related to the Fair Labor Standard

Workers' Compensation insurance is available for all workers, regardless of their immigration status.

For more information, contact:

Stephen Monahan
Director, Workers' Compensation & Safety Division
Vermont Department of Labor
5 Green Mountain Drive
PO Box 488
Montpelier VT 05601-0488
Tel.: 802-828-2138
Fax: 802-828-2195

Independent Contractor vs. Employee

Business owners are required to correctly determine if individuals providing services are considered employees or independent contractors. In general, businesses will need to withhold income taxes, withhold and pay Social Security and Medicare and pay unemployment taxes in addition to the wages paid to the employee. You do not generally withhold or pay any taxes on payments made to independent contractors.

The determination is based on the following three categories that provide evidence of the degree of control over the person providing service: behavioral, financial and type of relationship. In general, employees fall under a degree of behavioral control where the empl

