

IRS LAUNCHES PROGRAM TO HELP EMPLOYERS RECLASSIFY WORKERS

The Internal Revenue Service today launched a new program that will enable many employers to resolve past worker classification issues and achieve certainty under the tax law at a low cost by voluntarily reclassifying their workers. This new program will allow employers the opportunity to get into compliance by making a minimal payment covering past payroll tax obligations rather than waiting for an IRS audit. This is part of a larger "Fresh Start" initiative at the IRS to help taxpayers and businesses address their tax responsibilities. "This settlement program provides certainty and relief to employers in an important area," said IRS Commissioner Doug Shulman. "This is part of a wider effort to help taxpayers and businesses to help give them a fresh start with their tax obligations." The new Voluntary Classification Settlement Program (VCSP) is designed to increase tax compliance and reduce burden for employers by providing greater certainty for employers, workers and the government. Under the program, eligible employers can obtain substantial relief from federal payroll taxes they may have owed for the past, if they prospectively treat workers as employees. Read the full article here: IRS Launches Classification Settlement Program

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