Are you looking to outsource the hassle of hiring contractors in different jurisdictions? Through our AOR service we act as a third party intermediary between your company and your independent contractors and freelancers, thus removing all the compliance risk from you. An AOR provides an added layer of insurance to businesses that want to scale globally and flexibly with a contingent workforce, without the fuss.
1) DID YOU KNOW THAT NON-COMPLIANCE FINES CAN GO UP TO $500,000?

A lack of compliance can cause businesses to incur fines, penalties, lawsuits, and in the most extreme cases, jail time.

Misclassifying employees as independent contractors and failing to provide W-2 forms can subject an employer to back taxes of as much as 41.5% of the contractors’ wages, according to the IRS. And these penalties can be back-dated for three years.”

If the IRS thinks businesses intentionally misclassified workers, they may seek a criminal conviction with up to a year in jail and a fine as high as $500,000 for a corporation.

In such cases businesses get the label “tax evader” and the independent contractor may be audited and may be forced to repay any business deductions they took during that time.

Federal criminal penalties of up to $1,000 per misclassified worker and one year in prison can be imposed if you and your company are found to have misclassified employees.
2) WHAT ARE THE BENEFITS OF USING AN AOR?

- Mitigating the risk of contractor misclassification
- Borderless hiring without the admin
- AOR expertise on demand
- Ongoing independent contractor (IC) compliance

Hiring contractors and freelancers drives value and is very beneficial for businesses. However, there are lots of compliance risks involved. According to SIA, more than one-third of mid-size businesses have been fined or penalized for not complying with laws about how they manage their workforce. It’s a long and complex process and that is why businesses choose to outsource.

3) WHAT DOES TALENTEDESK’S AOR SERVICE INCLUDE?

- Help with hiring contractors and freelancers globally
- Ensuring contracts are signed compliantly
- Collecting and storing important compliance documentation
- Onboarding contractors and freelancers on our platform
- Running background checks and verifications
- Acting as a legal authority on behalf of your business

WANT TO LEARN MORE ABOUT OUR AOR SERVICE?

SPEAK TO US