

## Florida Business Required to Report Independent Contractors Effective October 1

**September 30, 2021**

**Executive Summary:** Effective October 1, 2021, Florida businesses will be required to submit new hire information for their independent contractors to the Florida Department of Revenue. This is a significant change for business in Florida as previously reporting of independent contractors by a business was optional.

### ***Background***

On June 16, 2021, Governor DeSantis signed into law Senate Bill 1532, amending Fla. Stat. 409.2576, to now require any “service recipient” in Florida to submit a report to the State Directory of New Hires for each individual who is not an employee but is nonetheless paid \$600 or more per calendar year for services.

### ***What Does This Mean?***

Specifically, Florida businesses that have paid an independent contractor \$600 or more in a calendar year must submit new hire information within 20 days after their first payment to the independent contractor or the date on which the business and independent contractor entered into the contract, whichever is earlier.

For example, if a business (the “service recipient”) contracts with a painter on October 10 to paint its offices and makes the first payment to the painter on October 24, the business must submit information within 20 days of October 10.

If businesses (service recipients) report individuals electronically, the reports may be made in two monthly transmissions, but the transmissions may not be less than 12 days or more than 16 days apart.

The report must include the (i) name, (ii) address, (iii) social security number or other identifying number assigned to the individual under section 6109 of the Internal Revenue Code, (iv) the date services for payment were first rendered by the individual, and (v) the name, address, and employer identification number of the service recipient. Questions on reporting can be submitted to Florida New Hire Reporting Center at (850) 656-3343 or Toll-Free 1 (888) 854-4791 or email [newhiresupport@floridarevenue.com](mailto:newhiresupport@floridarevenue.com)

### **MEET THE AUTHOR**



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## **Bottom Line**

Business should:

- Evaluate their existing independent contractor relationships and determine their reporting requirements under the new law; and
- Update their internal onboarding and reporting policies.

Given the mandatory reporting obligations to the state, it is also recommended that businesses consider performing an audit of their worker classifications to ensure that their independent contractors are properly classified.

If you have any questions about the new law or other labor or employment issues, please contact the author of this Alert, [Michelle Tatum-Bush](#), partner in our Melbourne and Jacksonville Florida offices, at [mtatum@fordharrison.com](mailto:mtatum@fordharrison.com). Of course, you can also contact the FordHarrison attorney with whom you usually work.