

SELF-EMPLOYMENT TAX LIABILITY AGREEMENT

This Self-Employment Tax Liability Agreement (the "Agreement") is entered into as of _____, by and between:

Contractor: _____

Subcontractor: _____

In consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Independent Contractor Status:** The Subcontractor acknowledges and agrees that they are performing services for the Contractor strictly as an independent contractor. Nothing in this Agreement, or the primary service agreement between the parties, shall be construed to create an employer-employee relationship, partnership, joint venture, or agency between the Contractor and the Subcontractor.
2. **Tax Responsibility and Liability:** The Subcontractor understands and agrees that they are solely responsible for all federal, state, and local taxes arising from payments made to them by the Contractor. This includes, but is not limited to, self-employment taxes (including Social Security and Medicare taxes under the Self-Employment Contributions Act - SECA), Federal Insurance Contributions Act (FICA) taxes, Federal Unemployment Tax Act (FUTA) taxes, state unemployment insurance, and federal, state, and local income tax withholdings.
3. **No Withholding:** The Subcontractor acknowledges that the Contractor will not withhold any taxes (federal, state, or local) or make any unemployment or disability insurance contributions from or on behalf of the payments made to the Subcontractor.
4. **Reporting (Form 1099):** The Contractor will report all payments made to the Subcontractor on IRS Form 1099-NEC (or other applicable tax information forms) as required by law. The Subcontractor is solely responsible for reporting this income to the Internal Revenue Service (IRS) and all relevant state and local taxing authorities.
5. **Indemnification:** The Subcontractor agrees to indemnify, defend, and hold harmless the Contractor, its officers, directors, employees, and agents from and against any and all claims, liabilities, penalties, interest, losses, damages, or expenses (including reasonable attorneys' fees) arising out of or resulting from the Subcontractor's failure to pay, or any determination by a government agency or court that the Subcontractor is an employee rather than an independent contractor, including any assessments for unpaid taxes or withholdings.
6. **Compliance with Laws:** The Subcontractor certifies that they comply with all federal, state, and local tax laws and regulations relative to their business operations and self-employment status.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

CONTRACTOR:

Authorized Signature

Printed Name

Title

Date

SUBCONTRACTOR:

Authorized Signature

Printed Name

Title

Date