

SUBCONTRACTOR SELF-EMPLOYMENT TAX ACKNOWLEDGEMENT AGREEMENT

This Agreement is entered into on this _____ day of _____, 20_____, by and between:

Contractor: _____

Subcontractor: _____

1. Independent Contractor Status

The Subcontractor acknowledges and agrees that their relationship with the Contractor is that of an independent contractor. Nothing in this Agreement shall be construed to create an employer-employee relationship, partnership, or joint venture between the parties.

2. Tax Responsibility and Self-Employment Taxes

The Subcontractor understands and agrees that they are solely responsible for the payment of all federal, state, and local taxes arising from the compensation paid under any agreement with the Contractor. This includes, but is not limited to, self-employment taxes (including Social Security and Medicare taxes), income taxes, FICA, FUTA, and any other required withholdings or contributions.

3. No Withholding

The Subcontractor acknowledges that the Contractor will not withhold any federal, state, or local income taxes, nor any social security, unemployment, or disability taxes from any payments made to the Subcontractor. The Contractor will issue a Form 1099-NEC (or applicable tax reporting form) to the Subcontractor and the Internal Revenue Service (IRS) as required by law.

4. Benefits Exclusion

The Subcontractor acknowledges that they are not eligible for, and shall not participate in, any employee benefit plans, fringe benefits, workers' compensation insurance, unemployment insurance, or other compensation arrangements provided by the Contractor to its direct employees.

5. Indemnification

The Subcontractor agrees to indemnify, defend, and hold harmless the Contractor from any and all claims, liabilities, damages, penalties, or interest, including reasonable attorney's fees, arising out of or related to the Subcontractor's failure to pay self-employment taxes or any other required taxes on the compensation received from the Contractor.

6. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of _____.

By signing below, the parties acknowledge that they have read, understood, and agreed to the terms of this Agreement.

CONTRACTOR:

Authorized Signature

Printed Name

Title

Date

SUBCONTRACTOR:

Authorized Signature

Printed Name

Title (if applicable)

Date