

In-Home Caregivers: The Advantages of Hiring Legally and the Consequences of Hiring Under the Table

Presented by: Robert E. King, Esq., Legally Nanny®

- I. Hiring Through an Agency vs. Direct Hire
- II. Do I Have an Employee?
 - A. Test: Control
 - B. Exceptions
- III. So I Have an Employee, I'm Not Going to Get Caught, Right?
Common Ways People Get Caught Paying Someone Under The Table
 - A. Unintentional: Government benefits
 - B. Intentional: IRS audit, blackmail
- IV. Consequences of Hiring Illegally
 - A. Federal Tax Fraud
 - 1. Taxes, penalties and interest
 - 2. Perjury, tax evasion
 - 3. Fines, potential imprisonment and a criminal record
 - B. Reputation and Career Issues
 - C. B&P Code §6068(o)(4) – The State Bar Wants To Know!
 - D. Advise Your Caregiver Not To Tell Anyone? Conspiracy
 - E. Big Professional Fees
- V. Advantages of Hiring Legally
 - A. For the Client
 - 1. Dependent Care Account ("DCA")
 - 2. Federal Child & Dependent Care Tax Credit ("CDCTC") – qualifying person
 - 3. Cash flow
 - 4. Peace of mind

- B. For The Caregiver
 - 1. Access to government benefits
 - 2. Building an employment history and establishing credit
 - 3. Federal Earned Income Tax Credit
- C. Your Bottom Line

VI. Governing Laws

- A. Wage Order 15 & Federal Fair Labor Standards Act (FLSA)
- B. CA Law - Personal Attendants
- C. Compensation - Must Be Paid Hourly
- D. Overtime
- E. Live-in Caregivers
- F. Sleep Time - California
- G. Weighted Overtime
- H. What's Not Required

VII. Minimum Wage

- A. Local Minimum Wage Ordinances
- B. OT & Minimum Wage Apply to All


VIII. Paid Sick Days

IX. Registries

Questions?
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