FLAT FEE/SERVICE BUSINESS LICENSE

INSIDE JEFFERSON CITY LIMITS
HOME-BASED BUSINESS

REQUIREMENTS:

1. Completed license application and license fee payment.
2. Completed Home Occupation Application and one-time payment of $53.
3. If you are a contractor, either proof of Worker's Compensation OR an Affidavit of Exemption (see http://www.moga.mo.gov/statutes/chapters/chap287.htm).

Completed application (and all applicable documentation) and payment may be dropped off at or mailed to:

City of Jefferson, John G. Christy Municipal Building
Attn: Business Licensing
320 E. McCarty Street, Room 202
Jefferson City, MO 65101

We also accept submittal of your application (and all applicable documentation) by email (dhartley@jeffcitymo.org) or fax (573-634-6329) and subsequent credit or debit card payment by phone (573-634-6322).

Contact Debbie Hartley, Business License Administrator at (573) 634-6322 or dhartley@jeffcitymo.org for any further questions.

You may find the relevant City code, Chapter 17 – Licenses, Taxation and Miscellaneous Business Regulations and Chapter 35 – Zoning Code – online at http://www.jeffersoncitymo.gov/government/city_code.php. You are encouraged to review its contents.

BENEFICIAL REFERENCES:

1. To see if you qualify for a Cole County Merchants License, contact the Cole County Collector's office located at 311 E. High Street, Room 100 or call (573) 634-9124 or you may go to their website. http://www.colecountycollector.org/collector.htm?id=117
2. To register your business name, you may either go to the Missouri Secretary of State's office located at 600 West Main Street, call (573) 751-4153 or go their website. http://www.sos.mo.gov/forms/corp/corp56.pdf
3. To decide which form of business entity you wish to establish, you may visit the local IRS office located at 3702 West Truman Blvd., call (573) 635-6827 or you may go to their website. http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Business-Structures
4. To apply for a Federal Employee Identification number, you may visit the local IRS office located at 3702 W. Truman Blvd., Jefferson City, MO, call (573)635-6827 or go to their website: http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Employer-ID-Numbers-EINs.
5. To apply for a Missouri State Sales Tax number, contact the Missouri Department of Revenue at (573)751-9268 or visit their website: http://dor.mo.gov/business/

OFFICE OF THE CITY LICENSE INSPECTOR
320 EAST MCCARTY ST.
JEFFERSON CITY, MO 65101
PHONE: (573)634-6322 FAX: (573)634-6329
EMAIL: DHARTLEY@JEFFCITYMO.ORG

FLAT FEE BUSINESS LICENSE APPLICATION

INSIDE CITY LIMITS
HOME-BASED BUSINESS

CHECK ONE OF THE FOLLOWING: NEW BUSINESS: ☐ CHANGE IN LOCATION: ☐ CHANGE IN OWNERSHIP: ☐

BUSINESS NAME: _____

Doing Business As: _____

BUSINESS PHYSICAL LOCATION: _____

MAILING ADDRESS
(IF DIFFERENT THAN ABOVE): _____

PHONE # _____ FAX # _____ CELL # _____

EMAIL: _____

TYPE OF BUSINESS/GOODS/
SERVICES TO BE OFFERED (BE SPECIFIC): _____

APPROXIMATE # OF EMPLOYEES: _____

OWNER NAME: _____

MISSOURI STATE SALES TAX NUMBER: _____

FEDERAL EMPLOYEE # OR DRIVERS LICENSE # _____

CONTRACTORS:
REQUIRED TO CARRY WORKERS COMPENSATION, PER MISSOURI STATE STATUTE 287.061? YES ☐ NO ☐
(If you answered yes, we will need a copy of your certificate. If you answered no, you must file an Affidavit of Exemption for Workers Compensation with our office (attached).

EMERGENCY AFTER HOUR CONTACT NAME AND PHONE
NUMBER: _____

I affirm that the information on this application is factual, that this business will be conducted in accordance with all applicable State and City laws and that all City taxes/fees have been paid. I understand that if I am approved that any false statements made by me on this application may result in the revocation of this license.

SIGNATURE: _____ DATE: _____
(Owner/Officer/Authorized Agent)

PRINT NAME OF SIGNER: _____ TITLE OF SIGNER: _____

Individuals should contact the ADA Coordinator at (573) 634-6570 to request accommodations or alternative formats as required under the Americans with Disabilities Act. Please allow three business days to process the request.

FEES (TABLE 1)

Description	Amount	Description	Amount
Abstract Agency	$ 40.00	Gymnastics/Health Club	$ 60.00
Advertising	$ 60.00	Heating/Air Conditioning ONLY	$ 50.00
Amusements, per Machine	$ 5.00	Hotels & Motels, per Sleeping Unit	$ 2.00
Architects	$ 50.00	Insurance Agent/Broker	$ 20.50
Artists	$ 15.00	Janitorial/Cleaning	$ 50.00
Auctioneers, per Day	$ 10.00	Junk Dealers/Recycler	$ 75.00
Auctioneers, per Year	$ 50.00	Karate Instructors	$ 60.00
Auto & Truck Rental Agency	$ 75.00	Key & Locksmith Shop	$ 30.00
Auto Yard, per Space	$ 2.00	Lawn Care/Landscaping	$ 50.00
Bank or Banking Facility	$ 150.00	Loan Company	$ 100.00
Barbershop, for First Chair	$ 10.00	Long Distance Telephone Company	$ 350.00
Plus $5 per year for each additional chair	$ 5.00	Manufacturing Agent	$ 60.00
Beauty Parlor, per Shop	$ 10.00	Manufacturing Companies	$ 100.00
Plus $5 per Operator	$ 5.00	Massage Therapy	$ 50.00
Beauty School	$ 50.00	Merry-Go-Rounds, per Week	$ 10.00
Billiard or Pool Tables, per Table	$ 10.00	Miniature Golf Course	$ 40.00
Bottling Works	$ 100.00	Minnow & Fish bait Dealers	$ 15.00
Boxing or Wrestling Exhibitions	$ 50.00	Movie Theaters	$ 100.00
Bowling Alley, per Alley	$ 10.00	Moving & Storage Companies	$ 75.00
Brokers/Stocks/Bonds	$ 75.00	Painting & Wallpaper Contractors	$ 60.00
Business Schools (private)	$ 60.00	Palmists	$ 100.00
Business Unspecified	$ 50.00	Pawnbroker	$ 50.00
Bus Leasing Service	$ 60.00	Photographers	$ 50.00
Cabinetmaker Shops	$ 60.00	Private Investigators	$ 60.00
Carnivals, per Day	$ 100.00	Real Estate Brokers/Appraisals	$ 60.00
Car Wash (independent of a srvc station/garage)	$ 60.00	Security/Surveillance	$ 50.00
Caterer	$ 50.00	Shooting Galleries	$ 50.00
Circus, per Day	$ 100.00	Skating Rink	$ 60.00
Cleaning & Pressing Establishment	$ 50.00	Storage Warehouse	$ 75.00
Coal Dealer	$ 40.00	Surveying/Engineering	$ 75.00
Collection Agencies	$ 60.00	Tailors	$ 15.00
Concerts, per Day	$ 5.00	Tax Service	$ 50.00
Consulting/Therapy Mgmt./Counseling	$ 60.00	Taxicabs or Limo, per Vehicle	$ 100.00
Contractors & Subcontractors	$ 75.00	Towel, Linen, Uniform & Apron Supply Svcs	$ 60.00
Dancing School/Studio	$ 60.00	Trailer Courts, per Trailer Stall	$ 2.00
Dry Cleaners	$ 50.00	Travel Agencies	$ 60.00
Employment Agency or Office	$ 60.00	Truck Terminals	$ 100.00
Express Company Agency	$ 100.00	Water Service Company	$ 100.00
Exterminators	$ 50.00	Wholesale Merchant	$ 100.00
Fortune Tellers	$ 100.00	Wood Dealers	$ 40.00

For prorating purposes, select the month that you are applying for a new license and enter the rate multiplier below.

RATE MULTIPLIER (TABLE 2)

Application Month	*Rate Multiplier*	*Application Month*	*Rate Multiplier*
January (Dec. 16-Jan. 15)	No Prorating	July (June 16-July 15)	0.50000
February (Jan. 16-Feb. 15)	0.91666	August (July 16-Aug. 15)	0.41666
March (Feb. 16-March 15)	0.83333	September (Aug. 16-Sept. 15)	0.33333
April (March 16-April 15)	0.75000	October (Sept. 16-Oct. 15)	0.25000
May (April 16-May 15)	0.66666	November (Oct. 16-Nov. 15)	0.16666
June (May 16-June 15)	0.58333	December (Nov. 16-Dec. 15)	0.08333

License Fee (Table 1) _____ x Rate Multiplier (Table 2) _____ = Amount Due _____

Round the amount to the nearest cent.

APPLICATION FOR HOME OCCUPATION

City of Jefferson, Missouri
320 East McCarty Street
Jefferson City, Missouri 65101

Please type or print clearly with blue or black ink. Please attach the application fee of $53.

1. Applicant Name(s): _____
2. Street address of home occupation: _____
3. Telephone No. (Business) _____(Cell/Home) _____
4. Name of business (if named) _____
5. Describe type or nature of business _____
6. a. Do you reside at the above address? _____ No _____Yes
   b. If no, where do you reside? _____
7. Are you the owner of this property? _____ No (please see Page 2) _____Yes
8. Other home occupations at this address (please list): _____
   _____
9. How many persons will be involved or employed in the conduct of the proposed occupation:
   Full-time residents of the dwelling: _____ Others: ____ Total: _____
10. a. Do you have employees? _____ No _____Yes
    b. If yes, number of employees _____
    c. If yes, where will employees report for work? _____
    d. Will employees come to the residence? _____Yes _____ No
    e. How often will employees come to the residence? _____
11. What are the hours of operation? _____
12. a. Please list mechanical, electrical or other equipment used in the home occupation.
    _____
    b. Does equipment require special mechanical, electrical or plumbing? ____No ____Yes
    c. Location where such equipment is used or stored_____
13. a. Please list substances or chemicals are used in the home occupation _____
    _____
    b. Location where substances or chemicals are used and/or stored:_____
    _____
14. Type of customer/client contact to obtain product or utilize service (check all that apply):
    a. _____ Telephone, internet, or by mail
    b. _____ Off-site, at client's home or place of business
    c. _____At your home; please explain _____
15. If people will come to your home to obtain products or services,
    a. How many per day? _____ b. How many per week? _____
    c. How many people at one time (groups)? _____
16. a. Will you receive any deliveries for the home occupation? ____No ___Yes
    b. If yes, how many deliveries will be received each week? _____
    c. If yes, name the carrier and type of vehicle: _____
17. a. Number and type of vehicles used in your home occupation_____
    b. Number and type of trailers used in home occupation (if any) _____
    c. If trailer(s) is used, license number(s): _____
    _____
    d. Where will vehicles and trailers be parked/stored? _____
    _____
18. List square feet (SF) used for the home occupation:
    a. Inside the residence:_____SF b. In accessory buildings: _____SF
19. Please indicate the total floor area of the residence: _____ SF
20. a. Do you intend to advertise your home occupation? _____No _____Yes
    b. If yes, please explain _____

Rev 6.7.2013

Individuals should contact the ADA Coordinator at (573) 634-6570 to request accommodations or alternative formats as required under the Americans with Disabilities Act.
Please allow three business days to process the request.

Applicant's Certification. I certify that the information contained in this application is complete and accurately represents my home occupation. I have read Section 35-41.B.12 of the Jefferson City Zoning Code (standards for the conduct of home occupations) and agree to operate my home occupation in conformity with these standards.

Applicant's Signature: _____ **Date:** _____

Property Owner Approval. If the applicant is not the property owner, a property owner must complete this section. I certify that I am the owner of the property referenced above, and I hereby grant permission to the Applicant to operate the home occupation described in this application upon the referenced property (only one property owner is required to sign).

_____ _____
Name (type or print) Property Owner Signature

_____
Mailing Address

_____
Telephone Numbers (Home/Work) (Cell)

Do not write below this line – for City use only

If APPROVED this application becomes the HOME OCCUPATION PERMIT. Applicants who are denied home occupation permits may appeal to the Board of Adjustment in accordance with Section 35-73 of the Zoning Code.

☐ **DENIED**

This application for home occupation permit **does not conform** to Section 35-41.B.12 and is **DENIED** for the following reason(s):

_____

_____

_____

By _____

Date _____

☐ **APPROVED**

☐ **CONDITIONALLY APPROVED**

This application for home occupation permit conforms to Section 35-41.B.12 and is approved subject to the following conditions:

_____

_____

_____

By _____

Date _____

Rev 6.7.2013

Individuals should contact the ADA Coordinator at (573) 634-6570 to request accommodations or alternative formats as required under the Americans with Disabilities Act.
Please allow three business days to process the request.

CITY OF JEFFERSON, MISSOURI DEPARTMENT OF PLANNING AND PROTECTIVE SERVICES ZONING REGULATIONS FOR HOME OCCUPATIONS

Section 35-41.B.12. Home Occupations.

a. Purpose. The purpose of these home occupation regulations, standards and requirements are:

(1) to permit and regulate the conduct of home occupations as an accessory use incidental to a dwelling unit, whether owner or renter occupied;

(2) to ensure that such home occupations are compatible with, and do not have a injurious effect on adjacent and nearby residential properties and uses;

(3) to adequately protect existing residential neighborhoods from dust, odors, noise, traffic and/or other potentially adverse effects of home occupations;

(4) to allow residents of the community to use their homes as a work place and a source of livelihood, under certain specified standards, conditions and criteria;

(5) to enable the fair and consistent enforcement of these home occupation regulations; and

(6) to promote and protect the public health, safety and general welfare.

b. Generally. No home occupation, except as otherwise provided herein, may be initiated, established, or maintained except in conformance with the regulations, administrative procedures and standards set forth in this Section.

c. Permit Required. No home occupation shall be established until a home occupation permit has been issued by the Director.

d. Home Occupation Performance Standards. Home occupations shall comply with the following performance standards:

(1) Home occupations may be operated only by a full-time resident of the property in which the activity occurs. A home occupation shall not involve the assistance of on-site employees who do not reside on the premises as full-time residents.

(2) The home shall maintain a residential appearance and shall not be modified to call attention to the home occupation.

(3) No more than one non-illuminated sign, with a maximum size of one square foot, and affixed against the wall or a window, shall be permitted for a residence where one or more home occupations are operated.

(4) The home occupation shall be conducted completely within the residence or accessory structure and the total space used for all home occupations shall not exceed 25 percent of the total floor area, or 400 square feet, whichever is less, of the residence including basement and/or finished attic spaces.

(5) The applicant for a home occupation shall demonstrate that public facilities and utilities are adequate to safely accommodate any equipment used in conjunction with the home occupation.

Individuals should contact the ADA Coordinator at (573) 634-6570 to request accommodations or alternative formats as required under the Americans with Disabilities Act.
Please allow three business days to process the request.

(6) Mechanized equipment, used in conjunction with the home occupation, shall be used only within a completely enclosed structure. No equipment shall be used that creates a nuisance due to odor, vibration, noise, electrical interference or fluctuation in line voltage beyond the property line of the lot upon which the home occupation is conducted. Use of power equipment in open garages, on driveways, or on patios is prohibited. No mechanized equipment shall be stored outside.

(7) No materials, goods or equipment, including equipment being repaired or used in conjunction with the home occupation, shall be stored or displayed outdoors.

(8) Only one vehicle may be used for the home occupation and shall not exceed one ton capacity. One trailer only may be used in the conduct of a home occupation and shall be stored in an enclosed garage on the premises or stored off-site at a location approved for such storage.

(9) Storage or use of dangerous, combustible or volatile materials to be used in conjunction with the home occupation shall be governed by the Jefferson City Fire Code.

(10) No more than eight (8) additional vehicle trips per day shall be generated by the home occupation.

(11) Deliveries related to the home occupation shall not occur more frequently than twice per day between 7:00 a.m. and 7:00 p.m., not including any deliveries made by the U.S. Postal Service. Deliveries shall not require the use of vehicles other than parcel post or similar parcel service vehicles. Tractor trailer use for general freight hauling is not permitted.

(12) Customer and client contact shall be conducted by electronic means, telephone, by mail, or off-site and not on the premises of the home occupation, except for home occupations such as day care service, tutoring, or teaching. The home occupation shall not solicit customers to come to the home address by (1) advertising an "open house" for marketing products or services available; or (2) print or broadcast media including telephone "yellow page" ads.

e. Prohibited Home Occupations. The following uses shall not be permitted as home occupations:

(1) Any home occupation that involves the congregation of non-resident employees at a dwelling unit;

(2) Barber shops and beauty parlors;

(3) Cabinet making, furniture making;

(4) Dancing schools;

(5) Medical or dental offices or clinics, chiropractors, veterinarians, massage therapy, tattooing, body piercing, and counseling provided at the residence;

(6) Motor vehicle repair or service;

(7) Stripping, sanding, refinishing, restoration or painting of vehicles, household appliances or furniture;

(8) Antique, resale, or second hand shops;

(9) Repair shop for appliances, computers or equipment, except that an office only for such businesses may be established as a home occupation with no storage or dropping off of the appliances, computers or equipment at the residence;

(10) Studios, including photography, audio and video production;

(11) Contractors' operations, including home maintenance, excavating, landscaping or lawn maintenance services; except that an office only for such businesses may be established as a home occupation, with no storage or dropping off of equipment, vehicles, or materials at the residence;

(12) Home occupations which fail to meet the standards of this Article.

f. Burden of Proof. In any and all procedures, hearings and appeals, the burden of proof regarding compliance and qualification for a home occupational use of property shall be on the person seeking or attempting to retain a home occupation use.

g. Application Content. Any application required for any permit or license related to a home occupation shall include at least the following information:

(1) the first and last name(s) of the persons operating the home occupation;

(2) the specific nature of the home occupation;

(3) the address of the residence to be used for said home occupation;

(4) whether or not the home occupation will involve the receiving of clients or customers, and if so, the anticipated volume and frequency of the same;

(5) the anticipated frequency of the deliveries related to the home occupation; and

(6) list of chemicals, materials and substances used in conjunction with the home occupation.

h. Revocation of Home Occupation Permits. If, in the opinion of the Director, any home occupation has become a safety hazard to the public, pedestrians, motorists, or to adjacent or nearby properties, residents or businesses, the Director shall institute proceedings to revoke the home occupation permit. Failure to abide by performance standards in this ordinance, failure to abide by any special conditions of the permit or the operation is not in compliance with the conditions described in the permit application shall be grounds for revocation of the home occupation permit. Notice of Intent to Revoke the Home Occupation shall be sent to the property owner on which the home occupation is being undertaken and the operator of the home occupation. Notice and procedure shall be in accordance with Section 35-70.

i. Appeals of Decisions Involving Home Occupations. The applicant shall have the right to file an appeal of a decision of the Director with the Board of Adjustment in conformance with Section 35-73B or C.

Individuals should contact the ADA Coordinator at (573) 634-6570 to request accommodations or alternative formats as required under the Americans with Disabilities Act.
Please allow three business days to process the request.

MISSOURI DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

DIVISION OF WORKERS' COMPENSATION

AFFIDAVIT OF EXEMPTION FOR WORKERS' COMPENSATION INSURANCE PURSUANT TO § 287.061, RSMo

Before me, the undersigned authority, personally appeared _____
Name of Affiant

who, being duly sworn on this oath states as follows:

1. My name is _____. I am of legal age and sound mind, capable of making this affidavit, and personally acquainted with the facts herein stated. I understand that by submitting this affidavit to the city or county for an occupational or business license as a contractor in the construction industry, I am stating that my business is exempt from carrying workers' compensation insurance coverage.

2. I am the sole proprietor, owner or partner of _____,
Name of Business
a business engaged in construction industry that is not required to purchase workers' compensation insurance coverage for the following reason:

   (Check One)

   ☐ I am a sole proprietor **and have no "employees"** as defined under the law, see page 2.

   ☐ I am a partner in a partnership **with no "employees"** as defined under the law, see page 2.

   ☐ I have filed a Notice of Employer's Exemption with the Missouri Division of Workers' Compensation (Division) for _____ to be withdrawn from
   Name of Corporation
   coverage because there are no more than two owners of the corporation who are also the only employees of the corporation. A copy of the acknowledgement letter from the Division dated _____ is enclosed.
   Date
   Further, I have not filed a notice to withdraw this exemption for my corporation with the Division and my corporation has no other workers' compensation insurance coverage.

3. I have read and reviewed the concept of "statutory employment" explained on pages 2-3. My business operation is not being carried out by persons who may be regarded as statutory employees.

4. **I understand that providing fraudulent information on this affidavit is unlawful under §§287.128, 287.061(3), 570.090, 575.040, 575.050, and/or 575.060, RSMo, and may be either a misdemeanor or a felony, punishable by imprisonment and fine, as indicated on page 3.**

_____ *Affiant* _____ *Date*

STATE OF MISSOURI)
)
COUNTY OF _____)

Subscribed and sworn to before me this _____ day of _____, 20 _____

My Commission Expires: _____

_____
Notary Public (SEAL)

Affidavit of Exemption for Workers' Compensation Insurance
Applicable Statutory Provisions and Guidelines to be followed

The Division has developed the "Affidavit of Exemption for Workers' Compensation Insurance Pursuant to §287.061, RSMo" that is required to be filed by a contractor in the construction industry when he/she applies for an occupational or business license in any city or county only if the contractor does not have proof of workers' compensation insurance coverage. If a contractor fails to comply with the requirements relating to providing proof of coverage or completing the "Affidavit of Exemption" form, he/she shall be denied the business license until the contractor obtains a certificate of insurance. If the contractor submits the "Affidavit of Exemption" form to obtain the business license he/she should familiarize himself/herself with the following key statutory provisions. **Those who are unsure as to whether they may lawfully submit such affidavit should seek competent legal advice.**

Every employer who is subject to the requirements of chapter 287, RSMo must insure its workers' compensation liability with an insurance company authorized to insure such liabilities in the state of Missouri by the Missouri Department of Insurance Financial Institutions and Professional Registration or meet the Division's requirements to be self-insured. If an employer fails to obtain the insurance coverage he/she may be held liable to an injured employee for all of the benefits under the Law in either a civil law suit or in an administrative proceeding before the Division.

Employee: §287.020, RSMo: The definition of "employee" includes both full- and part-time employees, and includes every person in the service of an employer under any contract of hire, express or implied, oral or written, or under any appointment or election, including executive officers of a corporation. It includes minors whether or not they are employed in violation of the law and family members. It may include volunteer workers who do not receive any income or compensation unless the exception noted below applies.

Please Note: As an exception, the workers' compensation law does not apply to volunteers if:

- The entity is a tax-exempt organization which operates under the standards of section 501(c)(3) of the federal Internal Revenue Code;
- The volunteers are not paid wages; and
- The volunteers provide services purely on a charitable and voluntary basis.

All three requirements must be met in order for a volunteer worker not to be classified as an employee under §287.020, RSMo.

Employer: §287.030, RSMo, that defines "employer" includes a very broad category and states that every employer who has five or more employees must carry workers' compensation insurance with one exception for construction industry employers who erect, alter, demolish or repair improvements who must purchase workers' compensation insurance if they have one or more employees.

Sole Proprietor and Partner: §287.035, RSMo, provides that natural persons who are sole proprietors or partners are employers and they do not have to purchase workers' compensation insurance on themselves but they may voluntarily choose to do so. Further, close relatives by blood or marriage of sole proprietors or partners may be withdrawn from coverage but, under §287.030, these relatives are still considered to be "countable" employees. Note that these provisions do not apply if the business is a corporation or a Limited Liability Company [LLC].

Corporate Exemption (Two Owners/Employees): §287.090.5, RSMo. A corporation may withdraw from the provisions of this chapter, when there are no more than two owners of the corporation who are also the only employees of the corporation, by filing with the Division notice of election to be withdrawn. The election shall take effect and continue from the date of filing with the Division by the corporation of the notice of withdrawal from liability under this chapter. Any corporation making such an election may withdraw its election by filing with the Division a notice to withdraw the election, which shall take effect thirty days after the date of the filing or at such later date as may be specified in the notice of withdrawal.

Statutory Employer: §287.040, RSMo, provides that certain independent contractors may be considered to be "employees" of the person who hired them for workers' compensation purposes, under the legal principle known as "statutory employment." Missouri Law does not define "independent contractor." Missouri courts use three factors to determine when a statutory employment relationship exists: (1) the work is performed pursuant to a contract; (2) the injury occurs on or about the premises of the statutory employer; and (3) the work is in the usual course of the statutory employer's business. An employer cannot avoid its workers' compensation liability by hiring independent contractors to perform jobs that would otherwise be performed by its employees. A contract need not be in writing. The Missouri courts have ruled that the "employer's premises" can include a location where the employer is carrying on its business temporarily. As a construction industry employer you may be held responsible to pay workers' compensation benefits to an independent contractor or uninsured subcontractor or their employees. The immediate contractor or subcontractor is liable as an employer of the employees of the subcontractor. The liability of the immediate employer is primary and that of the others is secondary and any compensation benefits that are paid by those who are secondarily liable may be recovered from those primarily liable.

Please Note: A general contractor can require subcontractors to carry workers' compensation insurance. Generally, the Law says that the general contractor is liable for any injuries sustained by uninsured subcontractors or their uninsured employees (§287.040, RSMo). Because of this, the general contractor's insurer will charge an additional premium if the subcontractor cannot provide proof of coverage, even if the subcontractor has no employees. If the general contractor says he/she will not hire the subcontractor unless he/she has a policy and insures himself/herself, the subcontractor would need to buy a policy covering their business or himself/herself or work for a general contractor who does not make this a requirement.

Criminal Penalties: §287.128, RSMo makes it unlawful for any person to knowingly make or cause to be made any false or fraudulent material statement or material representation for the purpose of obtaining or denying any benefit. This is considered a class D felony punishable by fine up to $10,000 or double the value of the fraud whichever is greater. A subsequent violation is a class C felony.

Any person who knowingly misrepresents any fact in order to obtain workers' compensation insurance at less than the proper rate for that insurance shall be guilty of a class A misdemeanor. A subsequent violation is a class D felony. Any employer who knowingly fails to insure his liability pursuant to this chapter shall be guilty of a class A misdemeanor and, in addition, is liable to the state of Missouri for a penalty in an amount up to three times the annual premium the employer would have paid had such employer been insured or up to $50,000, whichever amount is greater. A subsequent violation is a class D felony.

Further, providing false information with the intent to deceive also can constitute a felony under §§570.090 (Forgery) and 575.040 (Perjury), and a misdemeanor under §§575.050 (False Affidavit) and 575.060 (False Declaration).