

Independent Contractor Onboarding Checklist

Administrative steps commonly involved when engaging an independent contractor. Worker classification is fact-specific; this checklist covers paperwork only.

☐ 1. Written independent contractor agreement signed

Put the engagement in writing before work begins.

☐ 2. Scope of work defined

Describe deliverables, timeline, and acceptance criteria in the agreement.

☐ 3. Payment terms defined

State rate, invoicing process, and payment schedule in the agreement.

☐ 4. Form W-9 collected

Collect a completed Form W-9 from the contractor for tax reporting. Source: IRS.

☐ 5. 1099-NEC filing threshold noted

Businesses generally file Form 1099-NEC for contractors paid above the IRS reporting threshold in a year. Confirm the current threshold with the IRS. For payments made after December 31, 2025, the federal threshold is \$2,000, adjusted for inflation after 2026.

☐ 6. Intellectual property assignment addressed

If the contractor will create work product, address who owns it in the agreement. Absent a written assignment, ownership defaults may surprise both parties.

☐ 7. Confidentiality addressed

Include confidentiality terms if the contractor will see sensitive business information.

☐ 8. Classification guidance reviewed

Worker classification depends on the facts under IRS and U.S. Department of Labor tests. Review the official guidance; misclassification carries tax and legal consequences. This checklist does not determine classification.

Sources

IRS — About Form W-9 — <https://www.irs.gov/forms-pubs/about-form-w-9>

IRS — About Form 1099-NEC — <https://www.irs.gov/forms-pubs/about-form-1099-nec>

IRS — Independent contractor (self-employed) or employee? —

<https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-self-employed-or-employee>

U.S. Department of Labor — Employee or independent contractor classification under the FLSA —

<https://www.dol.gov/agencies/whd/flsa/misclassification/rulemaking>

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