

Senate Bill 106

By: Senators Brown of the 26th, Henson of the 41st and Tate of the 38th

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-7-127 of the Official Code of Georgia Annotated, relating to tax
2 penalties, so as to provide that it shall be illegal for any person knowingly to coerce, induce,
3 assist, or threaten an individual falsely to declare himself or herself to be an independent
4 contractor or falsely to claim that an individual employed by such person is an independent
5 contractor in order to avoid or evade the withholding and payment of taxes; to provide for
6 penalties for violations; to provide for related matters; to repeal conflicting laws; and for
7 other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Code Section 48-7-127 of the Official Code of Georgia Annotated, relating to tax penalties,
11 is amended by adding a new subsection (j) to read as follows:

12 *"(j) False claims of independent contractor status.*

13 (1) It shall be illegal for any person knowingly to coerce, induce, assist, or threaten an
14 individual falsely to declare himself or herself to be an independent contractor or falsely
15 to claim that an individual employed by such person is an independent contractor in order
16 to avoid or evade the withholding or payment of taxes required under this title.

17 (2) In addition to any other penalties provided by law, any person who violates
18 paragraph (1) of this subsection shall be guilty of a felony and, upon conviction, shall be
19 imprisoned for one year or shall pay a fine of not more than \$10,000.00 or the total
20 amount of tax that would have otherwise been due but for such person's false declaration,
21 whichever is greater, for each violation. In addition, such person shall be ineligible to bid
22 on any state, county, or municipal contract and to do any business with any state, county,
23 or municipal government for a period of one year after the date of such conviction."

24 **SECTION 2.**

25 All laws and parts of laws in conflict with this Act are repealed.