

Senate Bill 486

By: Senators Balfour of the 9th, Schaefer of the 50th, Grant of the 25th, Shafer of the 48th
and Douglas of the 17th

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 34-8-35 of the Official Code of Georgia Annotated, relating to the
2 definition of employment under the employment security law, so as to exempt direct sellers
3 from the definition of employment; to provide for related matters; to repeal conflicting laws;
4 and for other purposes.

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6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7

SECTION 1.

8 Code Section 34-8-35 of the Official Code of Georgia Annotated, relating to the definition
9 of employment under the employment security law, is amended in subsection (n) by striking
10 "or" at the end of paragraph (16); by substituting "; or" for the period at the end of paragraph
11 (17); and by adding a new paragraph (18) to read as follows:

12 "(18) Services performed by a direct seller, provided that:

13 (A) Such individual:

14 (i) Is engaged in the trade or business of selling or soliciting the sale of consumer
15 products, including services or other intangibles, to any buyer on a buy-sell basis, a
16 deposit-commission basis, or any similar basis for resale by the buyer or any other
17 person in the home or otherwise than in a permanent retail establishment; or

18 (ii) Is engaged in the trade or business of selling or soliciting the sale of consumer
19 products, including services or other intangibles, in the home or otherwise than in a
20 permanent retail establishment;

21 (B) Substantially all the remuneration, whether or not paid in cash, for the performance
22 of the services described in subparagraph (A) of this paragraph is directly related to
23 sales or other output, including the performance of services, rather than to the number
24 of hours worked; and

25 (C) The services performed by the individual are performed pursuant to a written
26 contract between such individual and the person for whom the services are performed

1 and such contract provides that the individual will not be treated as an employee for
2 federal and state tax purposes."

3 **SECTION 2.**

4 All laws and parts of laws in conflict with this Act are repealed.