

26 United States Code Section 3508

Sec. 3508. - Treatment of real estate agents and direct sellers

(2) Direct seller

The term "direct seller" means any person if -

(A) such person -

(i) is engaged in the trade or business of selling (or soliciting the sale of) consumer products to any buyer on a buy-sell basis, a deposit-commission basis, or any similar basis which the Secretary prescribes by regulations, for resale (by the buyer or any other person) in the home or otherwise than in a permanent retail establishment,

(ii) is engaged in the trade or business of selling (or soliciting the sale of) consumer products in the home or otherwise than in a permanent retail establishment, or

(iii) is engaged in the trade or business of the delivering or distribution of newspapers or shopping news (including any services directly related to such trade or business),

(B) substantially all the remuneration (whether or not paid in cash) for the performance of the services described in subparagraph (A) is directly related to sales or other output (including the performance of services) rather than to the number of hours worked, and

(C) the services performed by the person are performed pursuant to a written contract between such person and the person for whom the services are performed and such contract provides that the person will not be treated as an employee with respect to such services for Federal tax purposes.

Notes on Sec. 3508.

SOURCE

Added Pub. L. 97-248, title II, Sec. 269(a), Sept. 3, 1982, 96 Stat. 551

amended Pub. L. 104-188, title I, Sec. 1118(a), Aug. 20, 1996, 110 Stat. 1764.

RULES AND REGULATIONS

Section 269(c)(3) of Pub. L. 97-248 provided that: "Nothing in section 530 of the Revenue Act of 1978 (set out as a note under section 3401 of this title) shall be construed to prohibit the implementation of the amendments made by this section (enacting this section, amending section 410 of Title 42, The Public Health and Welfare, and amending provisions set out as a note under section 3401 of this title)."

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 42 section 410.