

MIDWESTERN STATE'S UI DIRECT SELLER EXCLUSIONS:

- ILLINOIS: (820 ILCS 405/217) (from Ch. 48, par. 327)

Sec. 217. (a) The term "employment" shall not include services performed as a real estate salesman to the extent that such services are compensated for by commission.

(b) *After December 31, 1986, the term "employment" shall not include services performed as a direct seller 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 in the home or in an establishment other than a permanent retail establishment, if:*

(1) Substantially all the remuneration, whether or not paid in cash, for the performance of such services is directly related to sales or other output, including the performance of services, rather than to the number of hours worked; and

(2) 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.

- IOWA:

g. The term "employment" shall not include:

...

(7) Services performed by an individual, who is not treated as an employee, for a person who is not treated as an employer, under either of the following conditions:

...

(b) The services are performed by an individual engaged in the trade or business of selling or soliciting the sale of consumer products to any buyer on a buy-sell basis or a deposit-commission basis, for resale by the buyer or another person in the home or in a place other than a permanent retail establishment, or engaged in the trade or business of selling or soliciting the sale of consumer products in the home or in a place other than a permanent retail establishment; substantially all of the remuneration for the services is directly related to sales or other output rather than to the number of hours worked; and the services are performed pursuant to a written contract between the individual and the person for whom the services are performed, which provides that the individual will not be treated as an employee with respect to the services for federal tax purposes.

- INDIANA:

(b) Services performed by an individual for remuneration shall be deemed to be employment subject to this article irrespective of whether the common-law relationship of master and servant exists, unless and until all the following conditions are shown to the satisfaction of the department:

(1) The individual has been and will continue to be free from control and direction in connection with the performance of such service, both under the individual's contract of service and in fact.

(2) The service is performed outside the usual course of the business for which the service is performed.

(3) The individual:

(A) is customarily engaged in an independently established trade, occupation, profession, or business of the same nature as that involved in the service performed; or

(B) is a sales agent who receives remuneration solely upon a commission basis and who is the master of the individual's own time and effort.

- MICHIGAN: 421.43 Services excluded from term "employment."

Sec. 43.

Except as otherwise provided in section 42(6), the term "employment" does not include any of the following:

(r) Subject to subdivision (s), services performed as a direct seller, if the person is engaged in either of the following:

(i) The trade or business of selling, or soliciting the sale of, consumer products or services to any buyer on a buy-sell basis, a deposit-commission basis, or any similar basis that the commission or the U.S. department of labor designates by rule or regulation, for resale by the buyer or any other person in the home or otherwise than in a permanent retail establishment.

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

- MINNESOTA: Subd. 20 "Noncovered employment" means:

(32) employment as a direct seller as defined in United States Code, title 26, section 3508;

- OHIO:

3) "Employment" does not include the following services if they are found not subject to the "Federal Unemployment Tax Act," 84 Stat. 713 (1970), 26 U.S.C.A. 3301 to 3311, and if the services are not required to be included under division (B)(2)(j) of this section:

(g) Service performed for one or more principals by an individual who is compensated on a commission basis, who in the performance of the work is master of the individual's own time and efforts, and whose remuneration is wholly dependent on the amount of effort the individual chooses to expend, and which service is not subject to the "Federal Unemployment Tax Act," 53 Stat. 183 (1939), 26 U.S.C.A. 3301 to 3311. Service performed after December 31, 1971: