



Musicians

For-Profit Enterprises

Oregon Employment Department Law contains a special provision for musicians. ORS 657.506 provides that a musician or musicians are employees of the person or organization engaging their services, unless the musician(s) are hired under a written contract with specific terms. In the case of a group, the contract must expressly designate one or more of the musicians as responsible for the filing of wage reports and the payment of unemployment taxes, and those musicians must sign the contract. The law also requires that the members of the group who signed the contract are employers of any members who did not.

The Contract should cover the time period of the entire engagement and a new contract is needed for every new engagement, even if it is for the same musicians.

Since this statute specifically states that “The person or organization engaging the services of a musician or musicians shall be considered the employer,” no other exclusion may be applied. For example, if a proper contract is not in effect, the musicians are employees of the organization for unemployment tax purposes and may not be excluded as independent contractors.

Non-Profit Enterprises

ORS 657.506 does not apply to services performed for non-profit enterprises, the state, political subdivisions or Indian tribes. Organizations, such as community music festivals, may not exclude musicians solely on a contract. The musicians would need to meet another exclusion, such as the independent contractor exclusion.

ORS 657.506 Reports and taxes for musicians under contract; applicability. (1) The person or organization engaging the services of a musician or musicians shall be considered the employer for the purposes of this chapter, except when the services are performed pursuant to a written contract that expressly designates one or more musicians who sign the contract as responsible for the filing of any reports and the payment of any taxes based upon wages or earnings of a musician or musicians performing services under the contract. A written contract that so designates a musician or musicians as responsible shall be conclusive evidence that the person or organization engaging the services is not the employer of a musician or musicians performing services under the contract. The musician or musicians who sign a written contract designating them as responsible shall, for purposes of this chapter, be considered the employer of any musician performing services under the contract who did not sign the contract.

- (2) The provisions of subsection (1) of this section do not apply to services performed for:
- (a) A nonprofit employing unit;
 - (b) This state;
 - (c) A political subdivision of this state; or
 - (d) An Indian tribe.

For more information, please refer to:

- [Oregon Employment Department Flyer for the Restaurant and Bar Industry](#)
- [Oregon Employment Department Flyer For Independent Contractors](#)
- Oregon Court of Appeals Cases:
 - » [A127239](#)
 - » [A123406](#)

Questions

If you have questions or need additional information, please contact the Employment Department tax representative in your area or call 503-947-1488; TDD/Nonvoice Users 711 or by email at taxinfo@emp.state.or.us You may also visit our web site at www.Oregon.gov/employ/tax

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