

City of South El Monte Employee vs Contract Consultant

City Employees

City of South El Monte employees are paid either a pre-determined amount (on an hourly or salaried basis). All income earned is subject to federal, state, and local taxes, where applicable, and the City of South El Monte withholds those taxes from the employee's paycheck. All income earned during the course of a calendar/tax year is reported to the employee and to the federal government by the City of South El Monte on a W-2 form.

Contract Consultants

Contract Consultants are not employees of the City of South El Monte. Contract Consultants engage in a contracted agreement to provide services to the City of South El Monte in exchange for an agreed upon fee (lump sum, hourly, weekly, monthly, etc.). Contract Consultants are not placed on the City of South El Monte's payroll; instead, they invoice the City of South El Monte for work performed and the City of South El Monte pays for the Contract Consultants through Accounts Payable. The City of South El Monte does not withhold federal, state, and local taxes from the payment; Contract Consultants are responsible for satisfying all tax obligations. All income earned during the course of a calendar/tax year is reported to the Contract Consultants and to the federal government by the City of South El Monte on a 1099 form.

Contract Consultants are not eligible for the following benefits: CalPERS, sick leave, vacation, disability, unemployment and/or worker's compensation.

For more information, please call the Human Resources Department at (626) 579-6540.