Directions Paper details: Your client is a Trucking Company that employs various drivers that lease the company’s trucks and get paid a commission based on a percentage of the delivery charges for a particular run. The drivers are free to make their deliveries according to their own schedule as long as the items are delivered during a given shift. The company owns and insures the trucks and takes care of the fuel costs. The company requires the drivers to maintain a commercial driver’s license and be in good standing with the state division of highway law enforcement. The operating agreement allows either party to terminate the contract at will and identifies the drivers as independent contractors. There are no benefits paid to the worker/drivers and the company reports the income earned by the drivers on Form 1099-NEC. Access CCH Intelleconnect on the Rowan University Library website under “databases” and look at Reg. 31.3121(d)-1(c) and 31.3306(i)(1b). The IRS is using these provisions to contend that the workers are independent contractors and subject to self-employment tax. The workers disagree and contend that they are employees under the rules set forth in Peno Trucking, Inc. (93 TCM 1027, T.C. Memo. 2007-66). Would you rule for the IRS or the taxpayer? Cite your reasons in a memo to the client/taxpayer.