

New Jersey seeks \$640M from Uber for misclassifying workers

14 November 2019, by Mike Catalini and Cathy Bussewitz



Credit: CC0 Public Domain

New Jersey is seeking more than \$640 million from Uber in taxes and penalties, saying the ride-hailing company misclassified its drivers as independent contractors.

The decision by New Jersey's labor department is the latest in a string of developments as governments around the country grapple with how to classify workers in the so-called [gig economy](#).

Companies such as Uber and Lyft rely heavily on contract labor to deliver the services at the heart of their popular apps. But worker advocates say that hurts the laborers and the states where they live, which miss out on [tax revenues](#).

The state's decision was first reported Thursday by Bloomberg Law. Uber disputed the state's findings.

New Jersey has among the strictest tests for determining whether a worker qualifies as an independent contractor.

© 2019 The Associated Press. All rights reserved.

APA citation: New Jersey seeks \$640M from Uber for misclassifying workers (2019, November 14)

retrieved 19 October 2021 from <https://techxplore.com/news/2019-11-jersey-640m-uber-misclassifying-workers.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.