

ID: CCA_2011011212194270

Number: **201106015**

Office:

Release Date: 2/11/2011

UILC: 3121.04-03

From:

Sent: Wednesday, January 12, 2011 12:19:43 PM

To:

Cc:

Subject: Law firms whose attorneys perform services as city attorneys and judges for small municipalities

As I understand the facts:

The law firm provides one of its attorneys to perform legal services for a municipality. It's usually the same attorney every time. The firm sends an invoice to the municipality, and the municipality pays the firm. The municipality does not issue a Form 1099. The attorney is paid by the law firm. Small municipalities essentially contract out for these services when they can't afford their own full time city attorney.

The question is whether the IRS should assert that the attorney is an employee of the municipality, rather than an employee (or partner) of the law firm for purposes of the services provided to the municipality.

My answer is no. The attorney is not an employee of the municipality.