

CONSTRUCTION INDUSTRY TAX FRAUD

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\$52,620,834,677



WHAT IS “CONSTRUCTION INDUSTRY TAX FRAUD”?



- WAGE THEFT
- WORKER MISCLASSIFICATION
- MISCLASSIFYING AS INDEPENDENT CONTRACTORS
- CASH PAYMENTS
- USE OF LABOR BROKERS
- HUMAN TRAFFICKING
- NON-PAYMENT OF OVERTIME
- TAX FRAUD
- INSURANCE FRAUD
- OTHER CRIMES

\$52,621,363,541



WHO IS IMPACTED BY CONSTRUCTION INDUSTRY TAX FRAUD?

- ALASKA/AMERICAN WORKERS
AND THEIR FAMILIES
- TAX-PAYERS
- HONEST CONTRACTORS
- LOCAL BUSINESS
- WORKERS COMP PREMIUMS
- UNEMPLOYMENT INSURANCE
- SOCIAL SECURITY & MEDICAID
- STATE & FEDERAL BUDGETS



\$52,621,487,894



FINANCIAL IMPACTS OF CONSTRUCTION INDUSTRY TAX FRAUD

- ESTIMATED \$16,729 LOST WAGES PER WORKER
- ESTIMATED 8.2 BILLION ANNUAL LOSS IN TAX REVENUE
- ESTIMATED 1.74 BILLION LOSS TO WORKER'S COMP
- ESTIMATED 700 MILLION LOSS TO STATE U.I.
- ESTIMATED 800 MILLION LOSS OF OVERTIME WAGES
- ESTIMATED 2.98 BILLION TO FEDERAL PAYROLL TAX



\$52,638,068,053

HOW TO COMBAT CONSTRUCTION INDUSTRY TAX FRAUD

- DRAFT AND SUPPORT LEGISLATION
 - GENERAL CONTRACTOR LIABILITY LAWS
 - INDUSTRY PARTNER PROGRAMS
- INDUSTRY PARTNER VOLUNTEERING
- STRENGTHEN INDEPENDENT CONTRACTOR TESTING
- INCREASED DOLWD FUNDING
- SUPPORT LAW ENFORCEMENT
- INCREASED FINES AND PENALTIES FOR CHEATS
- SUPPORT HONEST CONTRACTORS
- PUBLIC AWARENESS

\$52,638,231,379





QUESTIONS?

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\$52,730,572,163

