NEW MEXICO WIC
Peer
Counseling

PC Policy #16:
Contracting Guidelines for Peer Counselors

Purpose: *The purpose of this policy is to clearly outline the roles, responsibilities, and expectations of New Mexico WIC Peer Counselors (PCs) as independent contractors and to describe the responsibilities of the New Mexico Breastfeeding Task Force (NMBTF), which serves as the fiscal agent for the NM WIC Peer Counseling Program. This policy ensures transparency in compensation procedures, tax requirements, and documentation expectations so that PCs understand their obligations as self-employed contractors and maintain compliance with state and federal regulations.*

1. Contractor Status of PCs

PC signs agreements as independent contractors through the NMBTF, the fiscal agent for the NM WIC PC Program.

- PCs are self-employed contractors, not employees of the NM Department of Health WIC program
  - *Independent contractors operate their own business and are responsible for filing and paying state and federal taxes on their own*
- The fiscal agent compensates PCs for approved activities.
- PCs are recruited and selected for interviews with Local Peer Counselor Coordinators (LPCCs), Team Leaders (TLs), and Breastfeeding Ambassadors for potential hiring.

2. Responsibilities of PCs

PC are responsible for fulfilling all duties outlined in their contract and following NM WIC PC Program polices

Responsibilities include, but are not limited to:

- Providing breastfeeding support within the PC scope of practice.
- Submitting accurate monthly invoices to the LPCC.
- Maintaining required documentation for tax and financial reporting
- Managing personal business obligations as an independent contractor.

Review ***PC Policy # 17 Scope of Practice***

3. Fiscal Agent Bookkeeper Responsibilities

- The fiscal agent will:
  - Issue payment to PC within two weeks of receiving their monthly invoice from the LPCC.

- Contact the LPCC if a PC invoice contains an error and withhold payment until corrections are made.
- Issue 1099 form by January 31 each year to PCs who receive $600 or more in payments during the prior calendar year.
- Be available to PCs for questions regarding verification of contract employment. *For example proof of income for public assistance programs.*
- Cannot provide any financial, legal or tax-related advice or PCs.

4. Tax Responsibilities of PCs

As self-employed contractors, PCs are responsible for managing their own tax obligations.

PC must:

- Pay their own state and federal taxes
- Pay New Mexico Gross Receipts Tax (GRT) monthly or quarterly, as required.
- Register with the New Mexico Taxation and Revenue Department (TRD) as a business entity providing PC contract services:
  - Obtain a Combined Reporting System (CRS) Identification Number, used for reporting and paying GRT
  - The TRD provides PCs with guidance on State of New Mexico tax reporting and payment procedures. TRD also offers an optional contractor training course, free of charge, which is recommended to support accurate and compliant tax practices.
  - PC must contact the TRD or IRS as needed for official guidance. The NM WIC PC Program cannot give PCs tax advice. Contact information is below:

New Mexico Taxation and Revenue Department
1100 South St. Francis Drive
Santa Fe, NM 87504
(505) 827-0700
http://www.tax.newmexico.gov/

Internal Revenue Service (IRS)
1-800-829-4933
www.irs.gov

5. Recommended Practices for PCs

PCs are encouraged to:

- Keep copies of all monthly invoices for financial and tax reporting.
- Obtain their own medical, dental, and vision insurance, if desired.
- Set aside a portion of each payment to cover taxes and fees.
- Seek additional resources on working successfully as an independent contractor.