**Section 2732.235 Effect Of Section 218 Of The Act On The Employment Status Of Certain Relatives**

a) In interpreting Section 218 of the Act, where the employing unit is a partnership, the term "employment" shall exclude service performed by an individual who has one of the following relationships with respect to each partner: father, mother, or spouse or a child under the age of 18.

Example: Mary Jones and Sally Johnson are partners in a cleaning service. Sam Johnson is employed by the cleaning service. While Mary Jones and Sally Johnson are unrelated, Sam Johnson is under the age of 18 and the son of Mary Jones and is the husband of Sally Johnson. Because a relationship specified in Section 218 of the Act exists between Sam Johnson and each of the partners, his services are excluded from the definition of "employment."

b) For purposes of Section 218 of the Act, the terms "father" and "mother" do not include a father-in-law or a mother-in-law; the term "child" includes only a natural or adopted child, a stepchild or a child who, by court order, is in the custody of the individual(s) claiming the exemption.

Example: Joe's Diner is a partnership whose partners are Joe and Stella Smith, husband and wife. Jack Jones is an employee of the partnership. He is also the father of Stella Smith. The services provided by Jack Jones to the partnership constitute "employment" under the Act. Section 218 of the Act does not apply because Jack Jones does not have one of the specified relationships with Joe Smith.

c) Section 218 of the Act does not apply to a corporation.

Example: Mrs. Murphy is the president and sole shareholder of Corporation A. Mr. Murphy, her husband, is employed by the corporation as a janitor. Section 218 of the Act does not apply in this situation because Mr. Murphy, is employed by the corporation, not by his spouse, Mrs. Murphy.

(Source: Added at 18 Ill. Reg. 16355, effective October 24, 1994)