



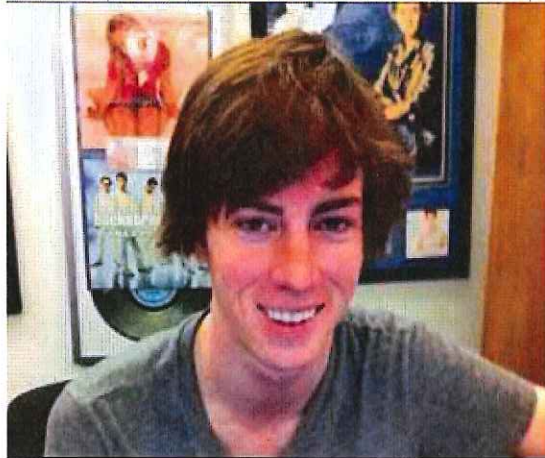
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Perma-interns: Is working for free a good career bet?

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When he isn't hitting the books at [Northwestern University](#) this summer, Mike Boyle of Chicago dreams of making it in the music industry. And why not? With his ready smile, tousled hair and laid-back demeanor, Boyle comes across as sharp and affable, a hipster with heart. And he grasps the fine points of the business like few 21-year-olds you'll meet.

Yet this organizational behavior major — who hopes to attend Northwestern's prestigious [Kellogg Graduate School of Management](#) — is taking a calculated risk. Following a summer 2010 internship at Jeff McClusky and Associates, Boyle stayed on, although not stepping up to full-time work. Boyle instead works for the independent radio promoter 16 hours a week, earning the hourly equivalent of a well-paid babysitter. But if you ask him, this internship extension is a sure bet, even it doesn't morph into a full-time job. "I don't consider the experience risky whatsoever," Boyle says.

"I'm learning a lot about the inner workings of the industry ... And Jeff McClusky is a phenomenal mentor figure. He's provided me with a sense of where I want to go and who I want to be." (McClusky has helped break acts from U2 to Mumford & Sons.)

Boyle belongs to a growing class — some call them "perma-interns" — who've stretched the traditional bounds of the one-semester internship, where non-paid labor is traded for college credit. If you listen to those who know the internship game well, Boyle's doing it right. After working for free in 2010, his modest pay entitles him to key tax deductions as an independent contractor. (CDs and downloads? Check. Concert tickets? Check.)

Perma-interns may be at the bottom of the office pecking order, but there are ways to benefit financially from the arrangement. The experts weighed in with these five tips.

1. See what your employer will reimburse.

If you're using your cellphone, taking public transit to work, or buy your own office supplies, ask your employer to foot the bill, says Jennifer Halperin, the internship and special projects coordinator for Columbia College Chicago's journalism department. "Once they're in place, even unpaid interns sometimes successfully negotiate for some sort of compensation for expenses," Halperin says.

2. Consult an accountant who knows your field to see what's deductible.

"Interns in journalism would do well to seek advice from an accountant who works with freelance writers to learn what expenses can be [legitimately deducted](#) come tax time," Halperin says. In media, these range from pens and pads to laptops. As for finding an ace accountant, Halperin suggests talking to co-workers.

The key is you must show reportable pay for [tax purposes](#), says attorney Bruce Givner, a partner with Givner & Kaye in Los Angeles: "How can you deduct expenses if you don't show any income? How can you justify it to the IRS? You'd be deducting employee expenses against what?"

3. Set a two-semester limit.

Lauren Berger, who runs [internqueen.com](#), completed an amazing 15 internships before starting her website. None lasted beyond a semester. "You could go longer if you've somehow tied it to a long-term job," Berger says. If a year or more has passed, you'll want to know you're more than just underpaid labor.

That's the time for a written agreement that ensures higher pay and more hours. "The important thing to do, for the employer and the student, is to make it clear what the relationship is in writing," says April Boyer, an employment law specialist and partner at K&L Gates in Miami.

4. Ask about the employer's resources and perks.

Some jobs may provide their most trustworthy interns with a company laptop or smartphone. Other times perks will depend on the type of business, Givner says: "At a CPA firm, they may very well pay for taking the CPA exam. At a high-end fashion internship, you may get to walk out with a lot of free clothes."

5. Cash in on recommendation letters on a company letterhead.

Halperin stresses that the more time you spend with an employer, the more you'll embody their mission and values. In an ideal world, that should make you ripe for hiring.

If it doesn't, make sure you stockpile some recommendations before you leave. "Always secure a written letter of recommendation on paper and in digital form," Halperin says. "It'll be worth its weight in gold when applying for future positions."

Boyle adds one more financial advantage to this list: access. The longer he's been at JMA, the more he's trusted to deal with movers and shakers, attend prime concerts such as Lollapalooza, and meet artists backstage. While worth hundreds of dollars in the short term, Boyle thinks the magic of McClusky's access should pay off in the long run, too: "Considering the music industry is often painted as dog-eat-dog, it's very encouraging."