

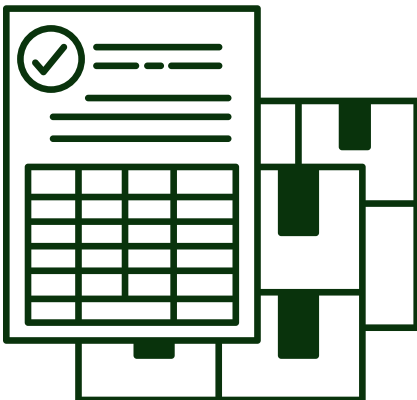
In an effort to prepare for a seamless tax season it's time to gather information for 1099's, please review the following guide, should you have questions PLEASE DON'T WAIT to reach out.

## WHAT IS A 1099?

- A form to verify income for services rendered in which not reported as a employee on a W2.
- A 1099 is a form to verify income for services paid, dependent on your type of business you may have customers/clients provide you with a 1099 for any amount over \$600.00 they've paid you.
- In this instance we are discussing you are required to provide a 1099 to any vendors YOUR business paid over \$600.00 to (criteria listed below).

## WHAT ARE THE TYPES?

- 1099-NEC – Non-Employee Compensation – usually services rendered
- 1099-MISC – Misc. – usually rents
- These forms are accompanied by a form 1096 submitted to the IRS.



## WHEN ARE THEY DUE?

These are due by January 31, if not filed you could incur fee penalties by the IRS.

## AS A BUSINESS OWNER YOU ARE REQUIRED

to issue a 1099 to any vendors which meet the following criteria:

1

Anyone you paid over \$600.00 to for the following items could qualify:

**SERVICES**

**RENTS**

**INTEREST**

**LEGAL SERVICE**

2

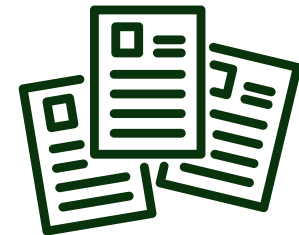
The vendor needs to meet the following criteria (found on their W9):

**INDIVIDUAL    PARTNERSHIP**

**LLC (IF TAXED AS AN INDIVIDUAL OR PARTNERSHIP)**

3

Anyone you paid rent to will receive a 1099-MISC



## WHAT DO I NEED AS A BUSINESS OWNER?

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Review your vendors as to who you have paid over \$600.00 in services.



Verify with their W9 their business type, found on the top box of the W9.

Call your accountant or bookkeeper to determine who will be reporting these for you.



Determine if they meet the criteria for a 1099.

If you are completing these yourself and need help, please reach out to your accountant or bookkeeper prior to the January 31 deadline to confirm capacity to help .