

Aronson & Associates LLP

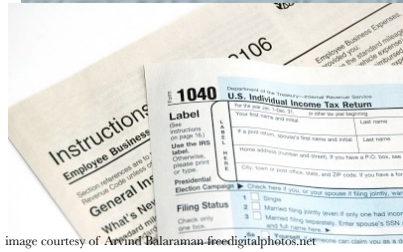


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Filing Requirement

1099 NEC

Due January 31, 2022
to IRS/state/recipient

1099 MISC

Due February 28, 2022
to IRS/state

Due to recipient
January 31, 2022

What we will need to prepare your 1099 Forms:

Copies of all W-9 forms or written confirmation with signature that you have obtained signed W-9 forms that include: address, taxpayer ID or SSN, signature, and full name.

**We will not be able to send out a 1099 form for which a taxpayer ID has not been provided.

1099 NEC Forms

All businesses should obtain a signed W-9 form from any individual or entity that is paid as a subcontractor. These forms should be kept on file and updated as needed.

A 1099 NEC is required to be filed for payments made in the course of business to an individual, partnership, LLC, or any other non-corporate entity for:

Payments of at least \$600 for services

A 1099 MISC is required to be filed if you paid more than \$600:

** At least \$10 in Royalty Payments - Box 2*

- Rent - Box 1
- Prizes & Awards - Box 3
- Settlement proceeds to Attorney - Box 10 (includes corporations)
- Medical or Health Care Services - Box 6 - THIS IS NOT FOR INSURANCE PREMIUMS PAID (includes corporations)

** You do not need to provide a 1099 form for amounts paid for merchandise, supplies, or product.

Backup Withholding:

The payer must withhold federal income tax at a flat 24% rate if:

1. You do not get a federal tax ID number from the recipient.
 2. The IRS notifies you that the taxpayer ID was incorrect.
 3. You fail to get a signature on the Form W-9 that certifies that the recipient is not subject to backup withholding.
 4. The IRS notifies you to start backup withholding because of unreported income on the recipient's tax return.
- This tax withheld is reported on the Form 1099 NEC - Box 4