

## 1099 REPORTING REQUIREMENTS

### Form 1099-NEC (Nonemployee Compensation) - Due January 31, 2024

File Form 1099-NEC for each person in the course of your business to whom you have paid the following during the year.

At least \$600 in:

1. Services performed by someone who is not your employee (including parts and materials) (box 1); or
2. Payments to an attorney (box 1) (not settlement fees) – even if a Corporation

“Person” is any non-corporation and includes individuals, LLCs (not taxed as corporations), partnerships, trust, and non-profits). The exception is for legal fees which get reported even if paid to a corporation.

### 1099-MISC (from IRS.gov)

File Form 1099-MISC, Miscellaneous Income, for each person in the course of your business to whom you have paid the following during the year:

1. At least \$10 in royalties (see the instructions for box 2) or broker payments in lieu of dividends or tax-exempt interest (see the instructions for box 8).
2. At least \$600 in:
  - Rents (box 1)
  - Prizes and awards (box 3)
  - Other income payments (box 3)
  - Generally, the cash paid from a notional principal contract to an individual, partnership, or estate (box 3)
  - Any fishing boat proceeds (box 5)
  - Medical and health care payments (box 6) – even if a Corporation
  - Crop insurance proceeds (box 9)
  - Gross Proceeds to an attorney (box 10) (see *Payments to attorneys*, later) – even if a Corporation
  - Section 409A deferrals (box 12); or
  - Nonqualified deferred compensation (box 15)

Also, use this form to report that you made direct sales of at least \$5,000 of consumer products to a buyer for resale anywhere other than a permanent retail establishment. You must also file Form 1099-MISC for each person from whom you have withheld any federal income tax (report in box 4) under the backup withholding rules regardless of the amount of the payment.

### EXCEPTIONS FOR 1099-NEC and 1099-MISC:

- Payments for merchandise, telegrams, telephone, freight, storage, and similar items.
- Payments to a corporation (C-corporation or S-corporation) unless for legal or medical services.
- Payments made with a COMPANY credit card.

Only payments you make by cash or check are reported on Form 1099-MISC/1099-NEC. Payments made with a credit card are reported on Form 1099-K by credit and debit card companies and third-party networks such as PayPal.

For instructions and more details:

<https://www.irs.gov/pub/irs-pdf/i1099mec.pdf>

# Urke & Stoller, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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2023  
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## 1099-INT and 1099-DIV

File this form for each person/company to whom you have paid during the year:

- Interest payments of at least \$10 made in the course of your trade or business. (Excluding interest on an obligation issued by an individual)
- Dividend payments (including capital gain dividends) and other distributions on stock of \$10 or more.
- Payments of \$600 or more as part of a liquidation.

## Other 1099 series forms

Contact our office if you have questions as to whether or not you may need to file the following 1099 series forms or other informational forms:

- 1099-A Acquisition or Abandonment of Secured Property
- 1099-B Proceeds from Broker and Barter Exchange Transactions
- 1099-C Cancellation of Debt
- 1099-R Distributions from Pensions, Annuities, Retirement Plans, IRAs or Insurance Contracts
- 1042-S Foreign Person's U.S. Source Income
- 1095-B Health Coverage (If you provide/reimburse Health Insurance to individual outside of the Company sponsored plan)
- 1095-C Employer-Provided Health Insurance Offer and Coverage – for APPLICABLE LARGE EMPLOYER Members