

FORM 1099 MISC REMINDERS FOR STATE & LOCAL GOVERNMENTS

WHO MUST FILE:	DO ISSUE:	DON'T ISSUE:
<p>Any entity conducting a trade or business is required to file Form 1099. Government Agencies and non-profit organizations are also required to file Form 1099.</p> <p>SECURING VENDOR INFORMATION</p>	<p><u>Payments of \$600 or more FOR:</u> Services Rents Medical Services (Corp. Included) Attorney Services (Corp. Included)</p> <p><u>Payments of \$10 or more FOR</u> Royalties</p>	<p><u>Payments of \$600 or more for:</u></p> <p>Products Workmen's Compensation Storage Telephone</p> <p><u>Payments of \$600 or more TO:</u></p> <p>Governmental Agencies Rental Agencies Corporations (Except MEDICAL & ATTORNEYS)</p>
WHAT INFORMATION IS NEEDED:	WHO GENERALLY RECEIVES	
<p>Owner's Name (if sole proprietor), Legal Business Name, Mailing Address Taxpayer Identification Number</p>	<p>Individuals, Partnerships, Estates, Trusts Medical and Attorney Corporations</p>	
WHEN TO GET INFORMATION:	CAUTION: Do NOT automatically treat a payee as a corporation simply because the payee's name ends with " LLC", "Company" or "Co."	
<p>Obtain vendor information up front; don't wait until year-end. Forms 1099 are required to be issued once payments total \$600 or more.</p>	EXAMPLES OF REPORTABLE PAYMENTS	
WHY GET THE INFORMATION:	NON-EMPLOYEE COMPENSATION (Form 1099 MISC, Box 7)	MEDICAL & HEALTH CARE SERVICES (1099 MISC, Box 6, includes Corporations)
<p>If your vendor fails to supply an identification number, you must withhold 28% and pay it over to the IRS on Form 945. This is called BACKUP WITHHOLDING TAX. If you do not backup withhold, you may be liable for this tax.</p>	<p>Advertising Auto Repair Construction Custodial / Maintenance Landscapers, Locksmiths Photographers, Printing Services Professional Services Accountants Appraisers Architects Attorneys Fees (Includes Corporations)* Consultants Engineers Referees Rubbish Removal</p>	<p>Ambulance Services Dentists Doctors For-Profit Hospitals Lab Services Optometrists Private Duty Nurses Psychiatrists, Psychologists Rehabilitation Centers Therapists</p>
HOW TO GET THE INFORMATION:		RENTS -(Form 1099 MISC, Box 1)
<p>Form W9 or substitute</p>		<p>Office Space Parking Lot Space Welfare Rental Assistance (to Landlords) Equipment</p>
DUE DATES FOR FORMS 1099		
<p>Copy B to RECIPIENTS by January 31st Copy A to IRS by February 28th</p>		

*If compensation then enter income in box 7. If not able to determine percentage of compensation from gross payment, then total in box 14