

Dear Client,

We would like to remind you of your responsibility in filing year-end informational returns. In the course of your trade or business, if you paid \$600 or more to subcontractors, or other individuals for services, rent, professional fees, interest, etc you are required to:

- Issue them a Form 1099 by January 31st
- Submit copies of the 1099's to the IRS by February 29th

The penalty for failure to file these forms can result in a fine up to \$250 for *each* 1099 not filed.

If a business is an LLC, you may still need to file a 1099 unless they are incorporated. (This does not apply to attorneys - they still need a 1099 even if incorporated.)

Another area that the IRS is watching closely is subcontractors vs. employees. If you have a business and are paying someone who is actually an employee and you give them a 1099-Misc as if they are self-employed you are liable for a misclassification penalty of up to \$25,000!

Payer Information

Company/Payer Name	Title	Phone
Address	City	State Zip
Employer ID#	Employer SS#	

1099 Recipient Information

1	Name	SS#	Amount \$
	Address	City	State Zip

Description of Payment:

2	Name	SS#	Amount \$
	Address	City	State Zip

Description of Payment:

3	Name	SS#	Amount \$
	Address	City	State Zip

Description of Payment:

4	Name	SS#	Amount \$
	Address	City	State Zip

Description of Payment:

5	Name	SS#	Amount \$
	Address	City	State Zip

Description of Payment:

* * If you need to add more names, please make copies of this form. * *

Totals of 1099's \$

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