

Dear Friends,

If you paid \$600.00 or more to any Freelancer, Independent Contractor (IC), Subcontractor or any other individual or LLC (excluding Corporations) in the course of your business, you are required to:

- Issue them a 1099 by **January 31st**.
- Submit copies of the 1099s to the IRS by **February 28th** or April 2nd if e-filed.

**The federal penalty for late filing is up to \$50 for each 1099.**

**NEW > If you paid your freelancers and contractors in the past year using payment forms other than cash or checks (credit cards, debit cards, Paypal, etc.) you must exclude those payments from your 1099 amount.**

**In other words, your 1099 amounts should only include payments made by checks and cash. The credit card processors are now required to issue a new form 1099-K to recipients who received payments by credit cards, etc.**

If you want us to prepare your 1099s, please complete and print the 1099 data organizer on the next page, and email, fax or mail back to us with your payment.

If you paid wages to anyone during the year, you should have filed quarterly payroll tax returns with the IRS (Form 941) and your state tax department. The next quarterly tax forms are due on **January 31st** and you must:

- Issue W-2s to all employees by **January 31st**.
- Submit copies of W-2s to the SSA by **February 28, 2012**.  
Penalties for late filing are similar to the 1099s above.  
(Are you sure you want to have employees?)

If you want us to prepare your employees W-2s, please contact us for needed information.

Best regards,



Juda Kallus

PS – If you must pay wages, there are service firms that do all the paperwork (described above) including the printing of checks to the employees and preparation and filing of all payroll tax forms for a reasonable fee. Please call for more details.

**Please note: We will mail on your behalf your 1099s or W-2s to the recipients for FREE with payment of your bill in full.**



# 1099 Continuation Sheet

CO. / PAYER NAME: \_\_\_\_\_

<b>8</b> NAME	SS#		<b>AMT \$</b>	<b>\$15</b>
ADDRESS	CITY	ST	ZIP	
<b>9</b> NAME	SS#		<b>AMT \$</b>	<b>\$15</b>
ADDRESS	CITY	ST	ZIP	
<b>10</b> NAME	SS#		<b>AMT \$</b>	<b>\$15</b>
ADDRESS	CITY	ST	ZIP	
<b>11</b> NAME	SS#		<b>AMT \$</b>	<b>\$15</b>
ADDRESS	CITY	ST	ZIP	
<b>12</b> NAME	SS#		<b>AMT \$</b>	<b>\$15</b>
ADDRESS	CITY	ST	ZIP	
<b>13</b> NAME	SS#		<b>AMT \$</b>	<b>\$15</b>
ADDRESS	CITY	ST	ZIP	
<b>14</b> NAME	SS#		<b>AMT \$</b>	<b>\$15</b>
ADDRESS	CITY	ST	ZIP	
<b>15</b> NAME	SS#		<b>AMT \$</b>	<b>\$15</b>
ADDRESS	CITY	ST	ZIP	
<b>16</b> NAME	SS#		<b>AMT \$</b>	<b>\$15</b>
ADDRESS	CITY	ST	ZIP	
<b>17</b> NAME	SS#		<b>AMT \$</b>	<b>\$12</b> FOR 17 AND ABOVE
ADDRESS	CITY	ST	ZIP	
<b>18</b> NAME	SS#		<b>AMT \$</b>	<b>\$12</b>
ADDRESS	CITY	ST	ZIP	
<b>19</b> NAME	SS#		<b>AMT \$</b>	<b>\$12</b>
ADDRESS	CITY	ST	ZIP	
<b>20</b> NAME	SS#		<b>AMT \$</b>	<b>\$12</b>
ADDRESS	CITY	ST	ZIP	
<b>Totals of 1099s</b>			<b>\$</b>	<b>\$</b>

 **Total Fee**