

# ISSUING 1099s

## 1099-NEC

### WHAT USED TO BE 1099-MISC, BOX 7, IS NOW 1099-NEC, BOX 1, AS OF 2020

If you paid \$600.00 or more (\$10.00 or more in interest / royalties) to any Freelancer, Independent Contractor (IC), Subcontractor or any other individual or LLC (excluding Corporations) in the course of your business, or paid business rent of \$600 or more, you are required to **issue them a 1099 by January 31st.**

- For 1099-NEC with box 1 (nonemployee compensation) filled: submit or e-file copy to the IRS by **January 31st.**
- For other 1099s : submit a paper copy to the IRS by **February 28th** or e-file with the IRS by **March 31.**

#### **CURRENT PENALTIES ON 1099-NEC 1099-MISC**

The penalty for late filing is:

Up to 30 days late.....\$60 per 1099

From 31 days to 150 days late.....\$120 per 1099

More than 150 days.....\$310 per 1099

Additional penalties and other burdens are applicable for mismatched names and social security numbers.

**To reduce the risk of mismatched penalties, have your freelancers complete W-9 Form throughout the year BEFORE you pay them the first check. We encourage you to email us the W-9 form throughout the year for review.**

**If you paid your freelancers and contractors 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, wire transfers, ACH transfers, and cash. The credit card processors are now required to issue a form **1099-K** to recipients who received total payment transactions over \$600 by credit cards, or third-party network transactions, etc.

**Some states also require the issuers of 1099s to file with the state of the recipients. We will inform you of the requirements, if applicable, after you submit your list of 1099s to us.**

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

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

Best regards,



Juda Kallus

**Please note: We will mail your 1099s to the recipients for FREE with payment of your invoice in full.**

CO. / PAYER NAME:	TITLE:	PHONE:
ADDRESS:	CITY:	STATE: ZIP:
EMPLOYER ID#:	EMPLOYER SS#:	

PLEASE CHECK THE APPLICABLE BOX IF YOU ARE ISSUING:

☐ 1099 NEC    ☐ 1099 Rental    ☐ 1099 INTEREST\*    ☐ 1099 ROYALTIES\*    \*MUST ISSUE IF PAID \$10 OR MORE
**(USE SEPARATE SHEETS FOR EACH CATEGORY CHECKED)**

Did you pay any of your freelancers by credit cards, paypal, etc? ☐ YES    ☐ NO

If yes, please read our cover letter of this PDF about the new regulations.

1. NAME	SS#	AMT\$	<b>FEE\$ \$175 FOR FIRST</b>
Business name/ entity, if applicable	EIN		
Check the appropriate box	<input type="checkbox"/> Individual / sole proprietor single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust / Estate		
ADDRESS	CITY	STATE ZIP	
2. NAME	SS#	AMT\$	<b>\$45 FOR 2-6</b>
Business name/ entity, if applicable	EIN		
Check the appropriate box	<input type="checkbox"/> Individual / sole proprietor single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust / Estate		
ADDRESS	CITY	STATE ZIP	
3. NAME	SS#	AMT\$	<b>\$45</b>
Business name/ entity, if applicable	EIN		
Check the appropriate box	<input type="checkbox"/> Individual / sole proprietor single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust / Estate		
ADDRESS	CITY	STATE ZIP	
4. NAME	SS#	AMT\$	<b>\$45</b>
Business name/ entity, if applicable	EIN		
Check the appropriate box	<input type="checkbox"/> Individual / sole proprietor single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust / Estate		
ADDRESS	CITY	STATE ZIP	
5. NAME	SS#	AMT\$	<b>\$45</b>
Business name/ entity, if applicable	EIN		
Check the appropriate box	<input type="checkbox"/> Individual / sole proprietor single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust / Estate		
ADDRESS	CITY	STATE ZIP	
6. NAME	SS#	AMT\$	<b>\$45</b>
Business name/ entity, if applicable	EIN		
Check the appropriate box	<input type="checkbox"/> Individual / sole proprietor single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust / Estate		
ADDRESS	CITY	STATE ZIP	
Have more names? Please see the "1099 Continuation 2" sheet.		Total of 1099s	AMT\$ -

☐ Please mail 1099s to my recipients at no cost to me, I am enclosing full payment with my order.    ☐ Please charge my credit card    ☐ Check - Date sent: \_\_\_\_\_

Please send me my copy as    Card Number \_\_\_\_\_ EXP. Date \_\_\_\_\_ Sec. Code \_\_\_\_\_

☐ an upload to my CloudCabinet    free

☐ an E-mail, pdf [password protected]

☐ free a Paper Copy    \$45

**BILLING ADDRESS FOR CREDIT CARD:** \_\_\_\_\_

# 1099 Continuation Sheet

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

7. NAME		SS#		AMT\$		\$35 FOR NEXT 10	
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation	<input type="checkbox"/> Partnership		<input type="checkbox"/> Trust / Estate
ADDRESS		CITY		STATE			ZIP
8. NAME		SS#		AMT\$		\$35	
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation	<input type="checkbox"/> Partnership		<input type="checkbox"/> Trust / Estate
ADDRESS		CITY		STATE			ZIP
9. NAME		SS#		AMT\$		\$35	
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation	<input type="checkbox"/> Partnership		<input type="checkbox"/> Trust / Estate
ADDRESS		CITY		STATE			ZIP
10. NAME		SS#		AMT\$		\$35	
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation	<input type="checkbox"/> Partnership		<input type="checkbox"/> Trust / Estate
ADDRESS		CITY		STATE			ZIP
11. NAME		SS#		AMT\$		\$35	
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation	<input type="checkbox"/> Partnership		<input type="checkbox"/> Trust / Estate
ADDRESS		CITY		STATE			ZIP
12. NAME		SS#		AMT\$		\$35	
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation	<input type="checkbox"/> Partnership		<input type="checkbox"/> Trust / Estate
ADDRESS		CITY		STATE			ZIP
13. NAME		SS#		AMT\$		\$35	
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation	<input type="checkbox"/> Partnership		<input type="checkbox"/> Trust / Estate
ADDRESS		CITY		STATE			ZIP
Have more names? Please see the "1099 Continuation 3" sheet.				Total of 1099s	AMT\$	-	

1099 Continuation Sheet

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

14. NAME		SS#	AMT\$		\$35		
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation		<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate
ADDRESS		CITY	STATE	ZIP			
15. NAME		SS#	AMT\$		\$35		
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation		<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate
ADDRESS		CITY	STATE	ZIP			
16. NAME		SS#	AMT\$		\$35		
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation		<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate
ADDRESS		CITY	STATE	ZIP			
17. NAME		SS#	AMT\$		\$30 FOR NEXT 8		
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation		<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate
ADDRESS		CITY	STATE	ZIP			
18. NAME		SS#	AMT\$		\$30		
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation		<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate
ADDRESS		CITY	STATE	ZIP			
19. NAME		SS#	AMT\$		\$30		
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation		<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate
ADDRESS		CITY	STATE	ZIP			
20. NAME		SS#	AMT\$		\$30		
Business name/ entity, if applicable		EIN					
Check the appropriate box		<input type="checkbox"/> Individual / sole proprietor single-member LLC	<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation		<input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate
ADDRESS		CITY	STATE	ZIP			
Have more names? Please see the "1099 Continuation 3" sheet.			Total of 1099s	AMT\$	-		

# 1099 Continuation Sheet

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

21. NAME	SS#	AMT\$	\$30
Business name/ entity, if applicable	EIN		
Check the appropriate box <input type="checkbox"/> Individual / sole proprietor single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate		
ADDRESS	CITY STATE ZIP		
22. NAME	SS#	AMT\$	\$30
Business name/ entity, if applicable	EIN		
Check the appropriate box <input type="checkbox"/> Individual / sole proprietor single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate		
ADDRESS	CITY STATE ZIP		
23. NAME	SS#	AMT\$	\$30
Business name/ entity, if applicable	EIN		
Check the appropriate box <input type="checkbox"/> Individual / sole proprietor single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate		
ADDRESS	CITY STATE ZIP		
24. NAME	SS#	AMT\$	\$30
Business name/ entity, if applicable	EIN		
Check the appropriate box <input type="checkbox"/> Individual / sole proprietor single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate		
ADDRESS	CITY STATE ZIP		
25. NAME	SS#	AMT\$	ADDITIO NAL 1099s \$25
Business name/ entity, if applicable	EIN		
Check the appropriate box <input type="checkbox"/> Individual / sole proprietor single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate		
ADDRESS	CITY STATE ZIP		
26. NAME	SS#	AMT\$	\$25
Business name/ entity, if applicable	EIN		
Check the appropriate box <input type="checkbox"/> Individual / sole proprietor single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate		
ADDRESS	CITY STATE ZIP		
27. NAME	SS#	AMT\$	\$25
Business name/ entity, if applicable	EIN		
Check the appropriate box <input type="checkbox"/> Individual / sole proprietor single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership	<input type="checkbox"/> Trust / Estate		
ADDRESS	CITY STATE ZIP		
Have more names? Please see the "1099 Continuation 3" sheet.		Total of 1099s	AMT\$ -