I wanted to reach out regarding the annual Form 1099's. **The deadline for the 1099s is January 31** – so we would like to have this information as soon as it is available.

There are 2 general types we use:

1099-MISC- this will be used if you paid rent.

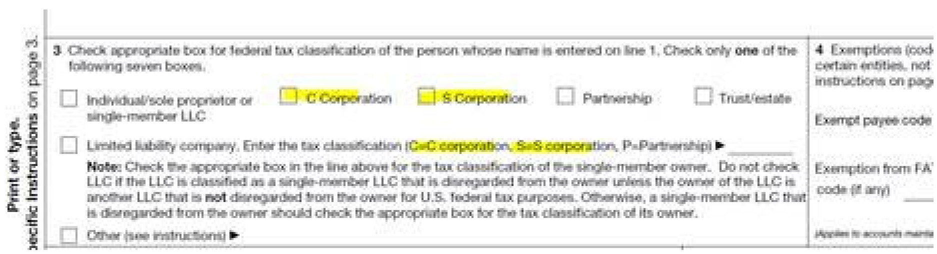
1099-NEC- this will be used for **services over $600**:

- Contract Labor
- Repairs and Maintenance
- Professional fees (Legal, Accounting, IT, Medical**) Legal fees and Medical payments are at any level- not just the threshold of over $600.**
- Consultants

1099s are needed only for payments through the bank accounts- not credit cards, or payment services like Venmo, Zelle or PayPal.

Attached is the W9 form that the IRS requires you can use to collect the necessary information from the vendor and have them sign it to determine if they qualify for a 1099:

The highlighted check boxes DO NOT get a 1099. The Partnership or Single member LLC do get a 1099. Also- just because it is named "Inc." doesn't mean it is an actual Corporation.


Print or type.
Specific Instructions on page 3.

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (cod certain entities, not instructions on pag

Exempt payee code

Exemption from FA code (if any)

You do not have to send the W9 forms to us unless you have a question on it. It is always a good practice to get a W-9 form when you first start using a service vendor so it saves chasing the down later.

After you have the information- you can send us a list of **the vendors needing a 1099**, preferably in the attached Excel format, or a report from your accounting software. There are instructions for the spreadsheet on it.

If you have any questions- please feel free to email or call me.