

# 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: Must be e-filed with the IRS by **January 31st.**
- For other 1099s : Must be e-filed 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.....\$130 per 1099

More than 150 days.....\$330 per 1099

Intentional Disregard: \$660 per return with no maximum limit

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.

<b>1. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>FEES \$1 FOR FIRST</b>	
<b>Business name/ entity, if applicable</b>		<b>EIN</b>					
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate		
<b>ADDRESS</b>		<b>CITY</b>		<b>STATE</b>	<b>ZIP</b>		
<b>2. NAME</b>		<b>SS#</b>			<b>AMT\$</b>		<b>\$ 0 FOR 2-6</b>
<b>Business name/ entity, if applicable</b>		<b>EIN</b>					
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate		
<b>ADDRESS</b>		<b>CITY</b>		<b>STATE</b>	<b>ZIP</b>		
<b>3. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$ 0</b>	
<b>Business name/ entity, if applicable</b>		<b>EIN</b>					
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate		
<b>ADDRESS</b>		<b>CITY</b>		<b>STATE</b>	<b>ZIP</b>		
<b>4. NAME</b>		<b>SS#</b>			<b>AMT\$</b>		<b>\$50</b>
<b>Business name/ entity, if applicable</b>		<b>EIN</b>					
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate		
<b>ADDRESS</b>		<b>CITY</b>		<b>STATE</b>	<b>ZIP</b>		
<b>5. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$ 0</b>	
<b>Business name/ entity, if applicable</b>		<b>EIN</b>					
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate		
<b>ADDRESS</b>		<b>CITY</b>		<b>STATE</b>	<b>ZIP</b>		
<b>6. NAME</b>		<b>SS#</b>			<b>AMT\$</b>		<b>\$50</b>
<b>Business name/ entity, if applicable</b>		<b>EIN</b>					
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate		
<b>ADDRESS</b>		<b>CITY</b>		<b>STATE</b>	<b>ZIP</b>		
<b>Have more names? Please see the "1099 Continuation 2" sheet.</b>					<b>Total of 1099s AMT\$</b>	<b>-</b>	

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

- an upload to my CloudCabinet free
- an E-mail, pdf [password protected]
- free a Paper Copy \$45

Card Number \_\_\_\_\_ EXP. Date \_\_\_\_\_ Sec. Code \_\_\_\_\_

**BILLING ADDRESS FOR CREDIT CARD:**

\_\_\_\_\_

# 1099 Continuation Sheet

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

<b>7. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	\$45 FOR NEXT 10
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>8. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	\$45
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>9. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	\$45
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>10. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	\$45
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>11. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	\$45
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>12. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	\$45
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>13. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	\$45
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
Have more names? Please see the "1099 Continuation 3" sheet.					<b>Total of 1099s</b>	<b>AMT\$</b> -

# 1099 Continuation Sheet

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

<b>14. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$45</b>
<b>Business name/ entity, if applicable</b>		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>15. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$45</b>
<b>Business name/ entity, if applicable</b>		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>16. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$45</b>
<b>Business name/ entity, if applicable</b>		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>17. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$35</b> <b>FOR NEXT 8</b>
<b>Business name/ entity, if applicable</b>		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>18. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$35</b>
<b>Business name/ entity, if applicable</b>		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>19. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$35</b>
<b>Business name/ entity, if applicable</b>		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>20. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$35</b>
<b>Business name/ entity, if applicable</b>		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>Have more names? Please see the "1099 Continuation 3" sheet.</b>					<b>Total of 1099s</b>	<b>AMT\$ -</b>

# 1099 Continuation Sheet

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

<b>21. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$35</b>
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>22. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$35</b>
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>23. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$35</b>
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>24. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$35</b>
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>25. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>ADDITIO NAL 1099s \$30</b>
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>26. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$30</b>
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
<b>27. NAME</b>		<b>SS#</b>			<b>AMT\$</b>	<b>\$30</b>
Business name/ entity, if applicable		<b>EIN</b>				
<b>Check the appropriate box</b>	Individual / sole proprietor single-member LLC	C Corporation	S Corporation	Partnership	Trust / Estate	
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>			
Have more names? Please see the "1099 Continuation 3" sheet.					<b>Total of 1099s</b>	<b>AMT\$</b> -