

NOTICE TO CLIENTS ON 1099 REPORTING

What's a 1099?

If you hire a self-employed person to work for your business, you need to complete a 1099-MISC form if you paid them \$600 or more in non-employee compensation during the year. For more information, go to the [IRS instructions](#).

There are also other types of 1099 forms that are used to report income from interest, dividends, government payments and more.

How can I collect W-9 info from contractors?

It's easy to get accurate info. Just invite each contractor to enter the details themselves. Start from the Workers tab, select Contractors, and then add the contractor. You'll have the option to send them an invite. Once they're done, the details get uploaded into QuickBooks for you. Learn more

What are the IRS deadlines for getting 1099s done?

January 31 is the IRS deadline to file 1099-MISC forms that include non-employee compensation recorded in Box 7. This deadline applies whether you choose to e-file or mail copies to the IRS.

January 31 is also the IRS deadline to mail copies to contractors.

To comply with the IRS deadline, you need to finish up by 5 PM (PT) on January 27.

What if I miss the January 27 5 PM (PT) deadline?

After 5 PM (PT) on January 27, we'll continue to print and mail copies for your contractors, but we can't guarantee they'll be postmarked by January 31. In that case, you can request an IRS extension for delivering 1099s to your contractors.

To ensure you meet both the IRS and delivery deadlines, we highly recommend you e-file by January 27 so we can submit it to the IRS and make sure your contractors get it on time.

How much does this cost?

Prepare your 1099s. You start by preparing your 1099s in QuickBooks -- there is no additional cost. After you do, you have 2 options to file with the IRS and deliver copies to your contractors.

1099 E-File Service. Before January 17 you get an Early Bird Discount: \$12.99 for the first 3 forms. Each additional form is \$2.99. Forms beyond 20 are free.

On January 17, prices go up to \$14.99 for the first 3 forms, and \$3.99 each for additional forms. Forms beyond 20 are still free. There is no additional cost for Intuit to deliver copies to your contractors online or by mail.

Print and mail 1099s yourself. You'll need special 1099 forms for print. Intuit sells 1099 Kits starting at \$58.99 for 10 forms and their made-to-fit envelopes. Don't forget to include postage when you work out the cost of printing and mailing your 1099s. You'll be responsible for the the cost of postage.

Do I need to file with my state?

Check with your state to see if you need to file 1099-MISC info with them. We won't e-file 1099s to your state agency, but you'll be able to download copies to help you file with your state.

How do my contractors get copies?

When you e-file through Intuit, we invite your contractors to view their 1099s through an online portal. We also print and mail copies to your contractors for no additional cost.

When you print and mail yourself, you're responsible for delivering the 1099s to your contractors.

Request a 1099 extension from the IRS

You may need to request an extension to deliver 1099s to you contractors. If so, you need to send the IRS a letter by fax, the electronic FIRE system, or mail explaining why you need an extension. Be sure to include the following information:

- Payer or employer name
 - TIN
 - Address
 - Type of returns
-
- Specify that the extension request is to provide statements to recipients
 - Reason for the delay

- Signature of payer or Duly authorized person
- Only the payer or an authorized agent may sign the letter requesting the extension. However, if you have a contractual agreement with a payer to file extension requests on the payer's behalf, you should state so in the letter.

Send the letter by mail or fax by January 31, 2018 to:

Internal Revenue Service
Attn: Extension of Time Coordinator
240 Murall Drive Mail Stop 4360
Kearneysville, WV 25430

If the IRS approves the request, you'll have a maximum of 30 days from the delivery date to deliver 1099s to your contractors.

You can also file a request for an extension by submitting an electronic file. If you do so, fax a signed letter to the IRS. You won't need to include the list of payer or employer names, or the TINs since the information was in the electronic file.

Yours sincerely

Deanna R Nguetket
CEO/Owner
WSC Business Solutions