

# IMPORTANT AND URGENT

In the past, we have prepared Forms 1099, 1098, or 1099-INT for you. If you would like us to prepare your required forms this year, we need all of your information by **January 15, 2021**, to ensure timely filing.

*No extension is possible and the Late Filing Penalties are substantial.  
(The penalties for each Form filed after January 31, 2021 range from \$50 to \$280.)*

**NOTES:**

- *It is your responsibility to obtain and keep a signed Form W-9 from each vendor to document their tax filing status. Be sure to get one from ALL vendors.*
- *Amounts paid to vendors by debit or credit card are not reported on your Form 1099*

## FORMS 1099-NEC

*With the start of tax year 2020 employers must use this form to report nonemployee compensation for at least \$600 per payee. \**

*\*With the exception of a Corporation (including S-Corp) or an LLC taxed as a Corporation. Also note that fees to attorneys in any amount must be reported.*

If you paid someone who is not your employee for:

- Services performed (including parts and materials)
- Cash payments for aquatic life from anyone engaged in the trade or business of catching fish
- Payments to attorneys for any amount, to any entity type (LLC, partnership, corporation, etc.)
- Payments received for sales totaling \$5,000 or more of consumer products for resale, on buy-sell, deposit-commission, or any other basis

[Click here for more information on Form 1099-NEC from the IRS](#)

## FORMS 1099-MISC

*Owners of a farm, business, or rental property must use this form to report amounts paid to any vendor or payee of at least \$600. \**

*\*With the exception of a Corporation (including S-Corp) or an LLC taxed as a Corporation.*

A 1099-MISC is required for the following expenditures:

- Rent expense
- Prizes and awards
- Other income payments
- Payments to attorneys for other transactions such as payments for settlements or gross funding for real estate closing
- Any fishing boat proceeds
- Medical and health care payments (paid in the course of your business)
- Crop insurance proceeds
- Section 409A deferrals
- Nonqualified deferred compensation

Click here for more information on [Form 1099-MISC instructions](#)

## FORMS 1098

*To report mortgage interest received. If you received mortgage interest from an individual exceeding \$600 during 2020 on a loan related to your trade or business, you must file a Form 1098 for each payor by January 31, 2021.*

*If you want us to prepare your required Forms 1099 or 1098, please [click here](#) to download the template from our website to send the following information along with completed Forms W-9.*

1. *Vendor name*
2. *Vendor address*
3. *Vendor Federal ID number (or Social Security number)*
4. *Payment Type: Rent or Services*
5. *The total amount paid in 2020*

[Please use this link to upload requested documents](#)

*We must receive the details by **January 15, 2021** to ensure timely filing.*

*Thank you, and happy holidays!*

*Goldsmith Molis & Gray, PLLC*