



## What is a 1099?

**Form 1099 is an information tax return used to report certain payments made to certain individuals and businesses to the IRS**

***Form 1099 should be filed only when payments are made in the course of your trade or business. Personal payments are not reportable.***

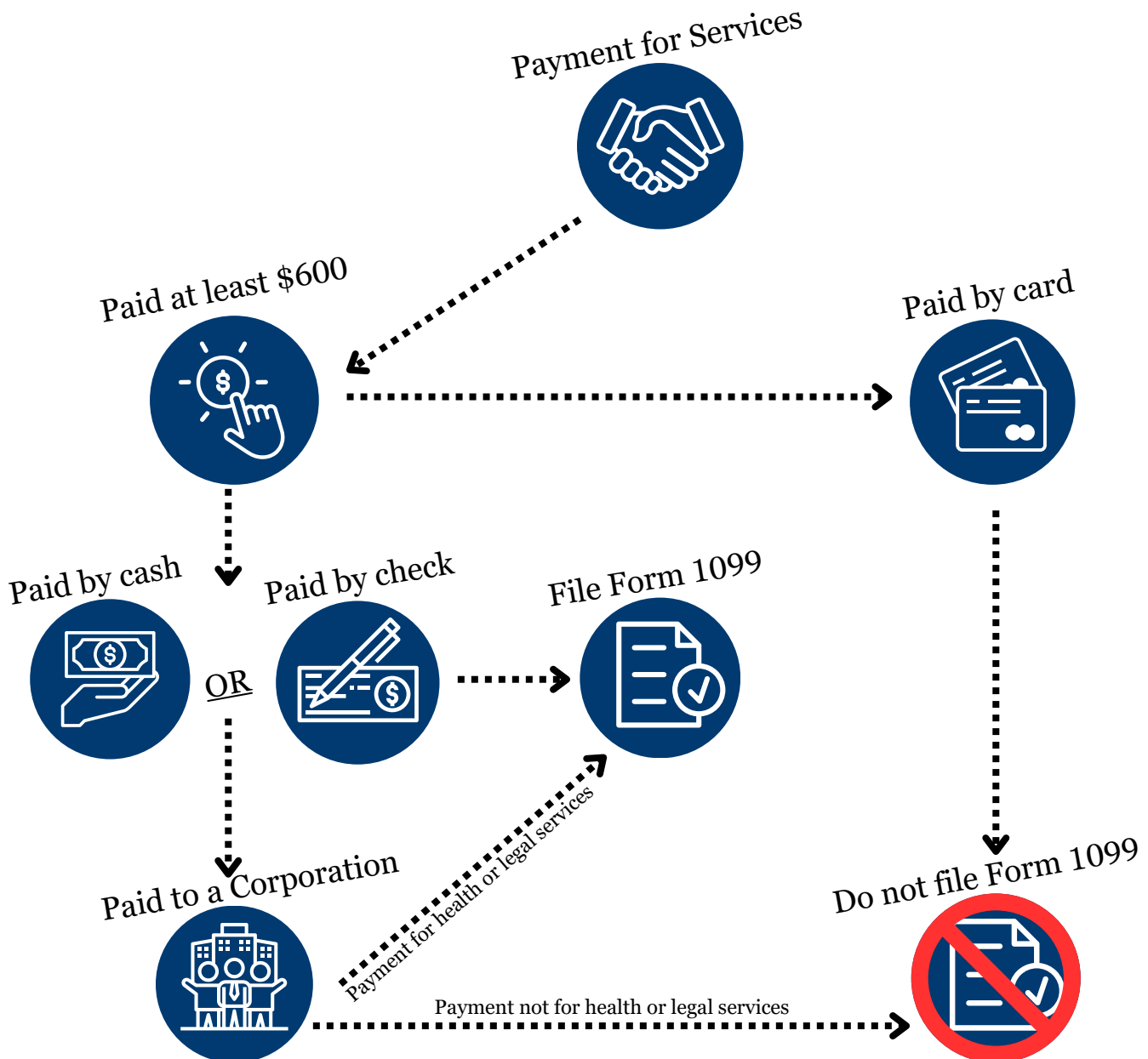
- **1099 - MISC**

In general, you should file Form 1099-MISC for each person in the course of your business for whom you have paid at least \$600 for the following during the year: Rents, prizes and awards, and other income payments. *(see Instructions for Form 1099-MISC for a list of all payments types that require a Form 1099-MISC)*

- **1099 - NEC**

In general, you should file Form 1099-NEC for each person in the course of your business for whom you have paid at least \$600 as nonemployee compensation. Nonemployee compensation are payments made to independent contractors, freelancers, sole proprietors, and self-employed individuals.

# Should a 1099 be filed?



\*This guide is not intended as a substitute for obtaining tax, accounting, legal, or financial advice.