



YEAR END BUSINESS REMINDERS

By Vicki Hughes

As 2014 draws to a close, we want to remind you of some important reporting requirements to consider.

The Internal Revenue Service requires that Form 1099-Misc be issued to non-corporate service providers who are paid \$600 or more during a calendar year, as well as any payee which federal income tax was withheld for under the backup withholding rules, regardless of the amount of the payment. Best practice is to obtain a completed Form W-9 from each of your vendors prior to paying for services. The Form W-9 provides the vendor's name, address and tax ID number as well as their designation as a Corporation, Partnership, or other legal entity. The **recipient copies**

are due February 2, 2015 and the filing deadline is March 2, 2015.

Penalties for failure to file by the due date are \$30 per form if filed by March 30, 2015, \$60 per form if filed more than 30 days after the due date and before August 3, 2015, and \$100 per form if filed after August 1 or if you do not file. If the IRS deems negligence, the penalty is the greater of \$100 per form or 10% of the total amount that was to be reported.

Some businesses may be required to file other various forms such as: 1099-Int, 1099-Div, 1099-R, 1099-C, or 1098. We are happy to provide additional information or assistance with any of these items. If you would like assistance in preparing these forms, please contact our office as soon as possible.