

Hirth Norris & Garrison, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Partners

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Dear Client;

We are providing you this letter as a reminder of the 1099 filing requirements you may have for payments made during the year for **accounting, legal, commissions, cleaning, maintenance, repairs or other personal services**.

The IRS requires businesses to issue 1099's to unincorporated service providers if the amount paid is over specified amounts. These requirements include having a valid name, dba name (if any), address, social security number (or FEIN number) and the amount paid. The 1099's issued to partnerships must include the partnership name, address, identification number and the amount paid.

Payments made to unincorporated entities for **personal services, rent or director fees**, require a 1099 if the amount paid is in excess of \$600.00. **Interest** and **dividend** payments require a 1099 if the amount paid is in excess of \$10.00. **Payment of \$600.00 or more to attorneys** must be reported on a 1099, whether the law firm is incorporated or not.

The IRS can assess a penalty of \$100.00 per missing 1099 if you fail to file the appropriate forms. If you file some 1099's but fail to include all payments required to be reported, you could also become subject to IRS penalties.

We will be happy to prepare your 1099 forms for this calendar year. These forms are due to the service providers and to the IRS **before** January 31st. We will need the information listed above, including names, addresses, identification numbers and amounts, for each provider. If you need a copy of your previous year forms as a reference, please call our office or email Julie at Julie@hngcpa.com, who will assist you.

HIRTH, NORRIS & GARRISON, LLP