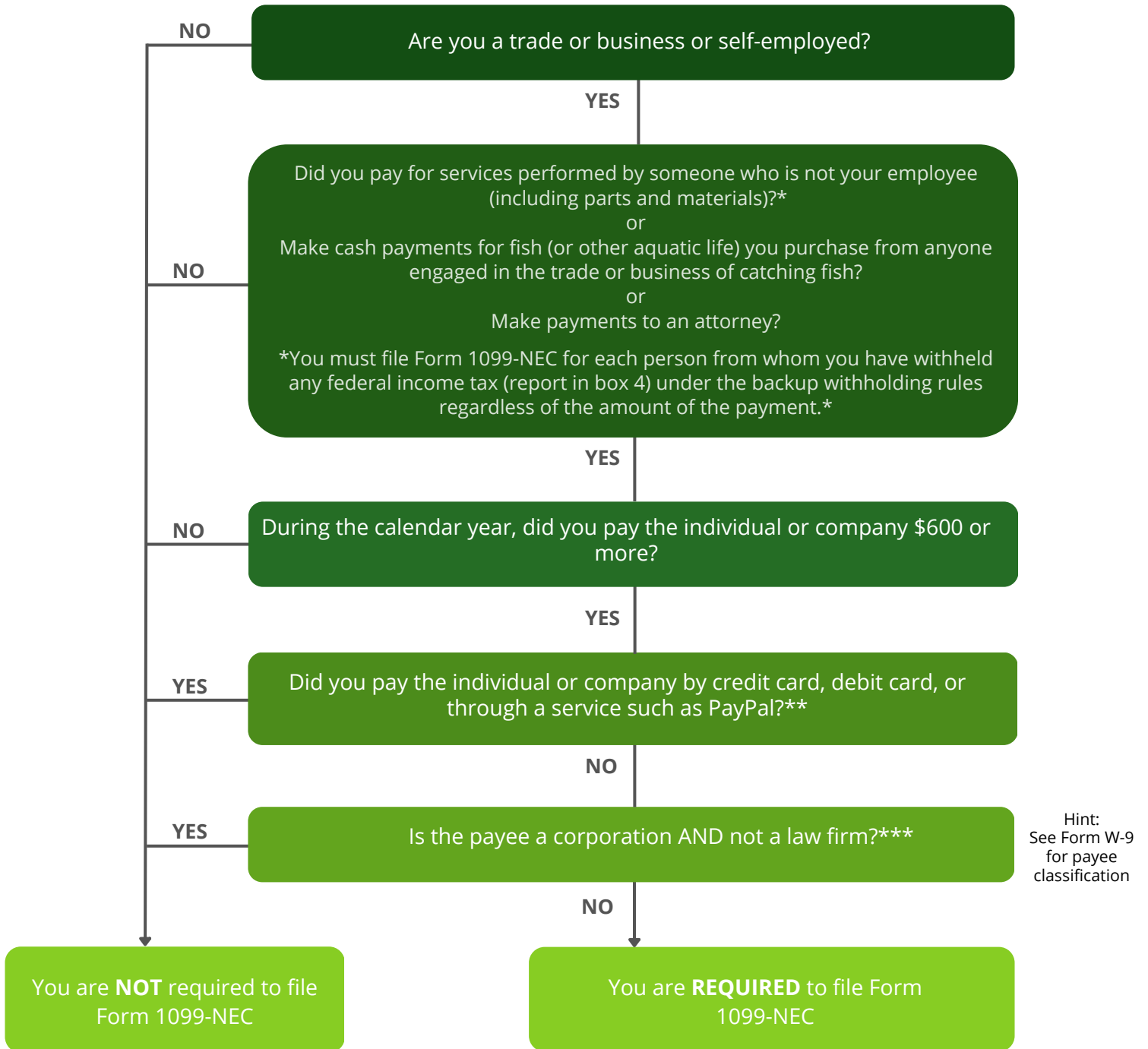


DO I NEED TO FILE FORM 1099-NEC?



Beginning with tax year 2020, the IRS has introduced Form 1099-NEC. This form is to report payments to independent contractors, officially known as non-employee compensation (NEC), for each person in the course of your business you have paid at least \$600 for specified purchases, as detailed below.



* Examples of services: subcontractors, independent contractors, consultants, and repair and maintenance services.

** Payments by cash or check payments are required to be reported, however, payments by credit and debit cards, or PayPal type payments are not.

*** Payments to a C or S corporation or an LLC treated as a corporation are not required to be reported on Form 1099-NEC, however, this exception does not apply to payments to attorneys.