

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Sep. 04, 2018



Rules and deadlines for filing 1099 forms are constantly revised and it's important for tax professionals to stay on top of the changes. Here are two changes coming for the upcoming tax filing season involving 1099-MISC and 1099-K.

## New IRS rules for submitting late 1099-MISC with Box 7

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

filled in and your e-file provider has put them in the same record, as per last year's format, the MISC with Box 7 will be flagged as late, which indeed it is. The challenge is, however, that the 1099-MISC with Box 1 may also be flagged as late, even though it is not, since it is not due until Mar. 31.

It is important to make sure your e-file provider is following the correct IRS transmitting rules that separates the 1099-MISC reporting after the January 31 deadline to prevent companies from getting erroneous section 6721 penalty notices who are not filing with Box 7.

For more details, see <https://www.irs.gov/forms-pubs/changes-to-current-forms-publications/filing-forms-1099-misc-with-nec-in-box-7-with-the-irs-dec-2017>

If companies do accidentally submit non-Box 7 1099-MISC along with late Box 7 forms and get a Notice 972CG, A Penalty is Proposed for Your Information Returns, according to the IRS they may respond and clarify the content of the submission, indicating the number of Forms 1099-MISC that did not report Box 7.

### **New 1099-K State Filing requirements with Gross Amount more than \$600**

Certain states are starting to require submitting 1099-Ks that have more than \$600 in Box 1a Gross Amount, which is far less than the \$20,000 minimum required for federal reporting.

The IRS does not currently require companies to submit 1099-Ks unless the Box 1a Gross Amount for the year is at least \$20,000. However, individual states have become attuned to the income reporting possibilities with this form and are mandating submission of the 1099-K for gross payments more than \$600. This \$600 is the same threshold for 1099-MISC Box 7 reporting.

For various reasons, many companies prefer not to report to the IRS the 1099-Ks that

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

<https://www.mass.gov/technical-information-release/tir-17-11-new-massachusetts-reporting-requirements-for-third-party>

<http://tax.vermont.gov/news/1099-k-information-reporting>

---

S. Lindsey West is a Stanford aerospace engineer who founded [Track1099](#) in 2010, creating an online IRS e-file and e-delivery platform that has served more than 100,000 businesses filing 1099-MISC, W-2, W-9, 1095-C and other IRS-related forms.

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved