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issues 1099-Ks.

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By Leada Gore, al.com (TNS)

The IRS has advice or taxpayers who typically submit returns in late January or early February: You may want to wait a while in 2023.

In a recent release, [the IRS warned that early filers may receive a 1099-K form](#), which will track third-party payment systems like Venmo, PayPal, Facebook Marketplace, Etsy, or Uber.

“The IRS cautions people in this category who may be receiving a Form 1099 for the

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The caution comes due to a change in how the IRS issues 1099-Ks.

Previously, 1099-Ks were issued when the total number of transactions exceeded 200 for the year and the aggregate amount of those transactions was more than \$20,000. The American Rescue Plan Act of 2021 lowered the reporting threshold to \$600 from any one source.

The deadline for companies to send the 1099-K form is Jan. 31, 2023. Due to the change, [tax experts are recommending taxpayers](#) file in late February or early March in 2023. That timeframe allows any misdirection or slowness with the mail to be corrected before taxpayers file and ensure the correct 1099-K is received.

The form doesn't mean there's a change in the taxability of income, the IRS said. All income, including from part-time work, side jobs or sale of goods is still taxable and must be reported unless excluded by law. Also, money received through payment networks from friends and relatives as personal gifts or reimbursements for person expenses – a person paying you back for a shared gift, for example – are not typically taxable expenses.

If you do receive a 1099-K and the information on it is incorrect, you should contact the payer – the company whose name appears on the upper left corner of the form – immediately. The error cannot be corrected by the IRS.

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