

1099/W-2 Requirements

Filing deadline is 1/31/2020



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Who is required to receive a Form 1099?

You must issue a 1099 to all vendors, sub-contractors, and rent recipients that were paid during your normal course of business, if 1) the combined annual total is more than \$600 within the calendar year and 2) the recipient's tax entity is not an S or C Corporation. (Lawyers are the exception: even if they are incorporated, you must still issue a 1099 if you paid them more than \$600 within the year.) Interest payments over \$10 must also be reported.

Information Needed from Payees:

- Legal Business or Individual Name
- Employer Identification Number (FEIN) or Social Security Number
- Address

A best business practice to implement is requesting a W-9 Form from any vendor before you pay them. A W-9 will have all the information needed to fill out a 1099 or to determine if a 1099 is required.

Who is required to receive a Form W-2?

Employees and former employees who were paid wages and from those wages had funds withheld for income taxes, social security taxes or Medicare taxes.

What is a Form W-3?

Form W-3 is a summary of the individual W-2 forms your company submits to the Social Security Administration.

Information Needed from Employees:

Always have employees fill out Form W-4, WT-4 & Form I-9. These forms include critical information about withholding and the employee's legal name, address, and social security number, all of which are needed to complete a W-2.

Due Date:

January 31st

All forms are due to vendors/sub-contractors, employees, and to the government for the prior calendar year.

Example: For the year 2019, forms are due January 31, 2020.

Failure to File Penalties (assessed per form):

- \$50 – Not more than 30 days late
- \$110 – More than 30 days late but before August 1st
- \$270 - Filed after August 1st
- \$550 – Intentionally neglecting to file

Wisconsin requires electronic filing if you have 10 or more W-2s or 1099s.