

December 2025

Subject Line: 1099 Filing – Important Information

As we approach year-end, we would like to remind you of the general filing requirements for Forms 1099. For complete instructions, please refer to the form guidance available on the IRS website at www.irs.gov.

Important Deadlines

Form 1099-NEC (non-employee compensation), Form 1099-MISC, and Form 1099-INT are required to be furnished to recipients by January 31, 2026. Late filings or filings with incorrect information could lead to penalties ranging from \$60-\$340 per form. There is no limit to the penalty involving intentional disregard of filing requirements.

If you would like our firm to prepare your 1099's, we ask that you submit the 1099 worksheet found here, your QuickBooks printout, or sheet of your own to our office no later than January 9th, 2026. For security reasons, we cannot accept documentation via email. Documents may be uploaded through our current client portal, Onvio Client Center. We will soon be rolling out a new client portal and you will receive additional information shortly. Until then, please continue to use Onvio for all uploads. If electronic upload is not possible, you may fax documents to us or drop them off at our office.

Vendor Requirements

Except in the case of attorneys, incorporated businesses are exempt from receiving 1099s. It is important to note that an LLC may or may not be taxed as a corporation; therefore, it is essential to obtain a completed W-9 from all vendors/payees. It is recommended practice to obtain the W-9 when establishing a relationship with a vendor/payee and updating it annually. This form may be found on the IRS website at www.irs.gov. Ensure the form is completed legibly and that the vendor's entity type is clearly indicated in Section 3.

- If a vendor provides a social security number, use their individual name, not a business name.
- If a vendor provides an EIN, report the business name.

Payments Requiring Form 1099 Reporting for Tax Year 2025:

- Payments of \$600 or more made to anyone for services rendered (including parts and materials).
 - Form 1099-NEC, Box 1, unless the payee is incorporated
 - Payments for materials alone, with no associated labor, do not require reporting.
- Payments of \$600 to an attorney made in the course of your trade or business **regardless** of whether the attorney is incorporated. – Form 1099-NEC, Box 1
- Payments of \$600 or more made to anyone for rent. – Form 1099-MISC, Box 1 (unless the payee is incorporated)
- Payments of \$10 or more to anyone for interest. – Form 1099-INT, Box 1

Please remember that only payments made by cash, check, or Zelle should be reported on Forms 1099. Payments made by credit card or through third party settlement organizations (e.g., Venmo, PayPal, Cash App) will be reported by those organizations on Form 1099-K.

Payments of \$5,000 or more to non-residents of Pennsylvania may be subject to Pennsylvania withholding. To review these requirements, please visit <https://www.revenue.pa.gov> and search for "Nonresident Withholding".

As a reminder, if you would like our firm to prepare your 1099's, please submit the required documents to us no later than January 9th, 2026. Please note that Forms 1099 must be provided to recipients no later than January 31, 2026.

If you have any questions regarding 1099 filing requirements, please contact our office.

Sincerely,

Solara Group Tax & Bookkeeping Services, Corp.