

Policy Regarding 1099's

Definitions:

- 1099
 - Form 1099-Misc is a tax form that reports the year-end summary of all non-employee compensation. The 1099-Misc form covers rent, royalties, self-employment and independent contractor income as well as other miscellaneous income.

Policy:

1099-Miscellaneous forms will be prepared for vendors, as required by the Internal Revenue Service, that have received more than \$600.00 within a calendar year from WPWDB.

Exceptions that do not require a 1099-Miscellaneous include: payments to a corporation, including a limited liability company that is treated as a C or S Corporation; payments for merchandise, telegrams, telephone, freight storage and similar items; payments of rent and utilities; employee reimbursements; wages paid to employees; military differential wage payments made to employees while they are on active duty in the Armed Forces or other uniformed services; and, payments to a tax-exempt organization.

1099-Miscellaneous forms must be mailed to the vendor, the State of Virginia, and the Internal Revenue Service by January 31st of the year following the calendar year earned.

Fiscal Agent for West Piedmont Workforce Investment Board will have their Finance Director to prepare all 1099-Miscellaneous forms in January of each year for the previous year and the Finance Director will maintain an official copy of all 1099-Miscellaneous forms by year in a binder in the Finance Office.

Approval Signature:



Revision Date: June, 2017