



Silverberg & Cook, INC
a wealth management firm

IT'S 1099 TIME AGAIN !!!

This letter is to remind you that you must give a form 1099-Misc. to any business or individual (not corporation) to whom you paid \$600 or more for any services performed during the year 2017. This includes the landlord for rent, sales people, subcontractors, accounting, lawyers, maintenance, repairs, gardeners, etc

A Form 1099-Int is also to be sent to anyone that you have paid over \$10.00 in interest during the year.

Each Form 1099 must be sent to the payee by January 31, 2018. It must include the **correct** name (generally as it appears on their Social Security Card), address, social security number or tax I.D. number (TIN) and the amount paid. Review the specific instructions on the back of the W-9 Form (attached) & more on the page following this letter for clarification. If you are a sole proprietor and do not have a Federal ID # for your business, use your social security #.

If anyone refuses to give you their information, you are required by law to withhold 28% of their payment to protect yourself from penalties. There is a \$30-100 fine (depending on how late you file) for failure to file a Form 1099 (per form).

We have enclosed a blank W-9 Form to help you get the correct information that you will need. Make copies of this form as needed. The W-9 Form should be filled out by all subcontractors **before** you enter into any contract agreement.

The 1099 Forms can be purchased at most large stationary stores or they can be obtained from the IRS at no cost by calling 1-800-829-3676 or from their web site (www.irs.gov). Although handwritten forms are acceptable, they must be in black ink (not felt pen) and completely legible. **“Copy A” must be a scannable red form (not a computer-generated facsimile).** A penalty of \$50 per form may be imposed for filing copies of forms that cannot be scanned.

Please be aware that our office does not do 1099s as a part of our contracted services because we do not have the needed information. We **CAN** do them for you, however, **if you provide us with all the information needed as soon as possible but no later than January 18, 2018** on the enclosed **1099 Summary Sheet**. We charge \$12.00 for each 1099 and 1096 (cover sheet).

WE URGE YOU TO TAKE THIS MATTER SERIOUSLY, BECAUSE THE PENALTIES CAN BE VERY HIGH.

PLEASE! PLEASE! PLEASE! CALL OUR OFFICE IF YOU HAVE ANY QUESTIONS. WE ARE HERE TO HELP.

Cordially,

Coleman Cook