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# 1099 Essentials Course Instructions

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## Instructions to Participants

To assist the participant with navigating the learning process through to successful completion, this course has been produced with the following elements:

**Overview of Topics / Table of Contents:** In this electronic format you'll find a slide menu on the left side of the screen. This serves as your overview of topics for the program. You may navigate to any topic by clicking on the slide name.

**Definition of Key Terms / Glossary:** You'll find key terms defined for this program in the course information on the following page(s).

**Index / Key Word Search:** You can find information quickly in the PDF materials (slide handout plus any additional handouts) by using the search function built into your Adobe Reader.

**Review Questions:** Questions that test your understanding of the material are placed throughout the course. You'll see explanatory feedback pop up for each incorrect answer, and reinforcement feedback for the correct answer for every review question.

**Final Exam:** The final exam measures if you have gained the knowledge, skills, or abilities outlined in the learning objectives. You may submit your final exam at the end of the course. Exams are graded instantly. A minimum score of 70% is required to receive the certificate of completion. **You have one year from date of purchase to complete the course.**

**Course Evaluation:** Once you have successfully passed your online exam, please complete our online course evaluation. Your feedback helps Wolters Kluwer maintain its high quality standards!

## About This Course

This section provides information that is important for understanding the course, such as course level and prerequisites. Please consider this information when filling out your evaluation after completing the course.

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### Course Description

Form 1099 Essentials is the course that will help you understand what 1099 reporting is, why it is important, and what could happen to your company if it is not done. In one information packed program, you'll gain a broad understanding of Form 1099 reporting, with special focus on the Forms 1099-NEC and 1099-MISC. You'll also learn the key elements needed to comply with IRS requirements and discover how best to respond to the IRS.

### Learning Objectives

Upon successful completion of this course, participants should be able to:

- Identify the key elements needed to comply with IRS requirements and discover how best to respond to the IRS
- Recognize what you are required to 1099 report and how to recognize when those payments are reportable
- Identify Form 1099-NEC/MISC boxes
- Describe what information you need from your payee to properly report a payment
- Recognize how to use the W-9 to collect the correct information and when you are required to obtain a signed W-9
- Identify how to use the IRS TIN Matching Program and how it can help ensure the information you have is correct
- Describe who is a U.S. or non-U.S. person is technical
- Differentiate IRC Sections and how they apply
- Recognize which information should be included in Box 6 of Form 1099-MISC
- Identify best practices for a second B-Notice

### NASBA Field of Study

Taxes. Some state boards may count credits under different categories—check with your state board for more information.

### Course Level

Basic. Program knowledge level most beneficial to CPAs new to a skill or an attribute. These individuals are often at the staff or entry level in organizations, although such programs may also benefit a seasoned professional with limited exposure to the area.

### Prerequisites

None.

### Advance Preparation

None.

**Course Expiration**

AICPA and NASBA Standards require all Self-Study courses to be completed and the final exam submitted within 1 year from the date of purchase as shown on your invoice. No extensions are allowed under AICPA/NASBA rules.

## Key Terms

- **Form 1099:** One of several IRS tax forms used in the U.S. to prepare and file an information return to report various types of income other than wages, salaries, and tips.
- **Independent Contactor:** A person, business, or corporation that provides goods or services under a written contract or a verbal agreement.
- **Limited Liability Company:** The US-specific form of a private limited company. It is a business structure that can combine the pass-through taxation of a partnership or sole proprietorship with the limited liability of a corporation.
- **Taxpayer Identification Number:** An identification number used by the Internal Revenue Service (IRS) in the administration of tax laws.
- **TIN Matching Program:** A free web-based tool offered by the IRS through e-services and was established for payers of reportable payments subject to the backup withholding provisions of section 3406 of the Internal Revenue Code.
- **Tax Gap:** The difference between taxes that are owed and collected.