



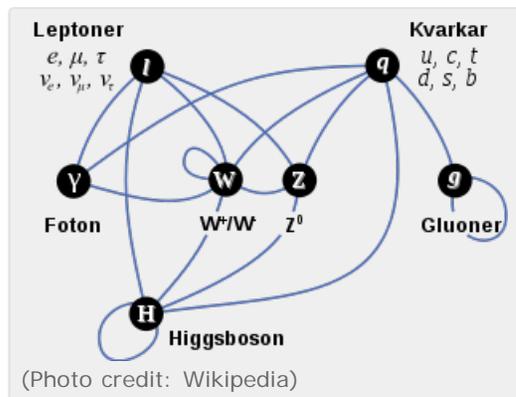
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IRS Form 1099: God Particle Of The Tax System

Considerable attention is paid these days to the Higgs boson particle. It's a proposed [elementary particle](#) in the [Standard Model](#) of [particle physics](#). Higgs boson is the [smallest possible excitation](#) of this field.



Confused? Suffice it to say that because of the key role Higgs boson is thought to play in just about everything, it is sometimes called the “God particle.” Even if that’s true, is there a Higgs boson in our tax system?

If there is, it’s probably information matching. The biggest driver of the information matching: IRS Form 1099. It may be hyperbole to call a lowly Form 1099 a God particle of the tax system. But it’s surprising how many people don’t appreciate just how critical Forms 1099 are. See [On Tax Returns, Don’t Forget Form 1099 Traps](#).

Every Form 1099 includes the taxpayer’s Social Security number and the IRS gets a copy of every one. IRS computers are whirring to match each dollar with your Social Security number. If you fail to include the amount of the Form 1099 on your tax return, guess what?

Every year the IRS sends millions of tax notices based on matching Forms 1099 asking for more money. See [Watch Your Mail For 1099s](#).

Other notices and audit activity pale by comparison. In general, businesses issue Forms 1099 if they pay \$600 or more during the year.

There are many 1099 varieties but [Form 1099-MISC](#) is used as a default. Businesses send out Forms 1099 to payees by each January 31 for the prior year. They have until the end of February to send copies of all those Forms 1099 to the IRS.

If you receive a 1099 don't ignore it because the IRS won't. Keeping payers advised of your current address is a good idea so you'll know what the IRS is receiving. However, if you **don't** receive a Form 1099 you expect, don't ask for it. If you are expecting a Form 1099, you know about the income. Just report it honestly on your tax return. The IRS computers have no problem with that. See [The Truth About IRS Forms 1099](#).

Besides, if you call or write the payer and ask, "Where is my 1099?" the payer may issue the form incorrectly. Or you may end up with two of them, one issued in the ordinary course (even if you never received your copy) and a second because you asked! The IRS computer might end up thinking you had twice the income you did.

Forms 1099 are a vital part of IRS computer matching. Nearly all of us receive payments reported in this way. Take these forms seriously. The IRS is watching.

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