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Missing An IRS Form 1099? Don't Ask For It

Deep into IRS [Form 1099](#) season, many people are watching their mailbox for those tell-tale tax forms. Each Form 1099 is important, matched to your [Social Security number](#). That way the IRS can spew out a tax bill if you fail to report one. But should you *ask* for one that doesn't arrive? We'll come back to that question. There is more angst this year than usual, since the IRS has [changed the filing date for some Forms 1099](#).

This year, the IRS moved up the filing date—for IRS copies going to the IRS—to January 31, for Forms 1099-MISC reporting non-employee compensation in box 7. January 31 is the normal due date for the forms to be issued to *recipients*. But in the past, companies issuing the form had an extra month or two thereafter to send the forms *to the IRS*. This year, there will be many forms sent to taxpayers and the IRS simultaneously. That means less time to catch and correct errors.

9595		<input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED			
PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		1 Rents \$	2 Royalties \$	3 Other income \$	4 Federal income tax withheld \$
PAYER'S federal identification number		RECIPIENT'S identification number		5 Fishing boat proceeds \$	6 Medical and health care payments \$
RECIPIENT'S name		7 Nonemployee compensation \$		8 Substitute payments in lieu of dividends or interest \$	
Street address (including apt. no.)		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>		10 Crop insurance proceeds \$	
City or town, state or province, country, and ZIP or foreign postal code		11		12	
Account number (see instructions)	FATCA filing requirement <input type="checkbox"/>	2nd TIN not <input type="checkbox"/>	13 Excess golden parachute payments \$	14 Gross proceeds paid to an attorney \$	
15a Section 409A deferrals \$	15b Section 409A income \$		16 State tax withheld \$	17 State/Payer's state no.	18 State income \$
Form 1099-MISC		Cat. No. 14425J		www.irs.gov/form1099misc	
Department of the Treasury - Internal Revenue Service					
Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page					

Miscellaneous Income
Copy A
For Internal Revenue Service Center
File with Form 1096.
For Privacy Act and Paperwork Reduction Act Notice, see the 2015 General Instructions for Certain Information Returns.

Note, though, that the old delayed filing dates remain unchanged for Forms 1099-MISC that *do not* report in box 7. In general, IRS Forms 1099 remind you that you earned interest, received a consulting fee, or were paid some

other kind of income. There are many varieties, including [1099-INT](#) for interest, [1099-DIV](#) for dividends, [1099-G](#) for tax refunds, [1099-R](#) for pensions, and [1099-MISC](#) for miscellaneous income. Sometimes, you even receive a [Form 1099 that reports more than you received](#).

There are different types of Forms 1099, and some of them you might need. But what about the common Form 1099-MISC? The most common is Form 1099-MISC, which can cover just about any kind of income. Consulting income, or non-employee compensation is a big category for 1099-MISC. In fact, apart from wages, *whatever* you were paid in 2016, is likely to be reported on a Form 1099.

Surprisingly, many people can't wait for them to arrive. yet in my view, *asking* for one can be a mistake. If you find yourself wanting a form, you obviously know about the payment you received. Just report the income. You don't need the form. The IRS does not consider it a mismatch if you report *extra* income that doesn't match a Form 1099. Only the *reverse* is a problem.

And in my experience, asking can backfire. If you call or write the payer asking for a Form 1099, the payer may issue it incorrectly. Alternatively, you may end up with two, the first one that you didn't receive, and the second issued because you *asked* for it. The IRS may get both, and the IRS computer may think you had *twice* the income you did. It happens.

Although asking can be a mistake, you do want to receive the forms if they are issued. So make sure payers have your correct address so you get a copy. Update your address directly with payers, and put in a forwarding order at the U.S. Post Office. You'll want to see any forms the IRS sees. Of course, even if an issuer has your *old address*, the information will be reported to the IRS (and your state tax authority) based on your Social Security number.

It's also a good idea to file an IRS change of address [Form 8822](#). The IRS explains [how to notify IRS](#). Keeping track of each Form 1099 you receive is important, but asking for the forms can sometimes mean you'll end up with forms you might not need or that duplicate income. One settling for this common mistake is a Form 1099 for your lawsuit recovery. Generally, everything is income, including money for settling a lawsuit. One of the few exceptions is lawsuit recoveries for physical injuries. Forms 1099 can make your tax position more complex. That's just one of [10 things to know about taxes on legal settlements](#).

What's an exception to my suggestion not to ask about Forms 1099? The IRS suggests that if you don't receive a Form 1099-R, you should ask. In other contexts, consider it carefully. Forms 1099 are important. In fact, you are almost guaranteed an audit or tax notice if you fail to report a Form 1099. Mistakes matter, especially [now that the IRS has six years to audit, not three.](#)

For alerts to tax articles, email me at Wood@WoodLLP.com. This article is not legal advice.