



GITTELMAN & company, p.c.

- CERTIFIED PUBLIC ACCOUNTANTS
- MANAGEMENT CONSULTANTS

"Tomorrow's knowledge today"

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December 1, 2025

**INFORMATION CONCERNING FILING REQUIREMENTS
FOR FILING 1099-INFORMATION REPORTING-FOR 2025**

Dear Clients:

Internal Revenue Service Regulations require you to report all payments for services rendered to noncorporation payers in an amount that exceeds \$600 per calendar year. Payments to lawyers must be issued regardless of their operation in a corporation format. The IRS allows you to exclude any payment you made by credit card or third-party payment network, such as PayPal. These payments are being reported by the credit card issuers and third-party networks on Form 1099-K and do not have to be reported by you.

Please note that Limited Liability Companies (LLC) are non-corporate entities, and a 1099 must be issued to them if the LLC has not checked the box to be taxed as a corporation and the amounts paid exceed \$600. The Internal Revenue Service has recently increased the penalties associated with failure to file 1099 forms. These penalties can be substantial.

Starting in 2020, the IRS has made changes to how income is reported for Non-Employee Compensation. Among the changes is a change to the name of Form 1099-MISC, previously it was titled "Miscellaneous Income". A payer must file Form 1099-NEC for each person in the course of the payer's business to whom the payer has paid at least \$600 during the year for services performed by someone who is not the payer's employee. Other payments over \$600 that a payer makes in the course of the payer's business for things such as rent and "other income payments" are reported on Form 1099-MISC.

Gittelman & Company, P.C., assumes that you will be preparing and filing all 1099 Forms for the 2025 calendar year. Upon your request, Gittelman & Company, P.C. will prepare these forms for a fee of \$45 processing fee per 1099 Form plus our hourly rate to compile 1099 information. Unless otherwise requested by the Client, Gittelman & Company, P.C. will transmit all necessary forms to the Internal Revenue Service and mail the recipient copies by January 31, 2026. If the client opts out of using Gittelman and Company P.C. to transmit the necessary forms, the recipient copies of these filings are required to be sent no later than February 02, 2026, with copies to be filed with the Internal Revenue Service no later than February 02, 2026.

Please contact us should you require these services.

Please note that all taxpayers should require recipients to complete and submit Form W-9 before payments are made to them as this information will be required in order to prepare the 1099 forms.