

Form 1099-MISC and Form 1099-NEC Requirement Guidelines

January 13, 2026

When certain payments are made in the course of the trade or business the payments must be reported on federal form 1099 in January of each year. Based on the type of payment, will determine which form to use.

File Form 1099-MISC, Miscellaneous Information, for each person in the course of your business to whom you have paid the following during the previous year.

✓ **At least \$10 in royalties, or broker payments in lieu of dividends, or tax-exempt interest.**

✓ **At least \$600 in:**

1. Rents (box 1)
2. Prizes and awards (box 3)
3. Other income payments (box 3)
4. Generally, the cash paid from a notional principal contract to an individual, partnership, or estate (box 3)
5. Any fishing boat proceeds (box 5)
6. Medical and health care payments (box 6)
7. Crop insurance proceeds (box 9)
8. Gross proceeds paid to an attorney (box 10) (see instructions)
9. Section 409 A deferrals (box 12) or
10. Nonqualified deferred compensation (box 15)

You may either file Form 1099-MISC (box 7) or Form 1099-NEC (box 2) to report sales totaling \$5,000 or more of consumer products to a person on a buy-sell, a deposit-commission, or other commission basis for resale.

Form 1099-Misc is due to be reported to the recipient by February 2, 2026 and filed with the IRS by **March 2, 2026 for paper filing** and by **March 31, 2026 for e-filing**. Refer to IRS instructions for additional information regarding due dates.

File Form 1099-NEC, Nonemployee Compensation (NEC), for each person in the course of your business to whom you have paid the following during the year:

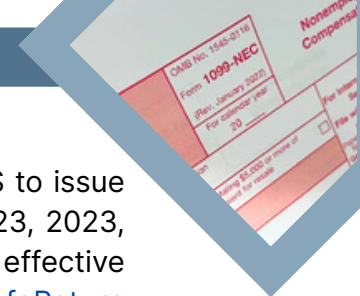
✓ **At least \$600 in:**

1. Services performed by someone who is not your employee (including parts and materials) (box 1)
2. Cash payments for fish (or other aquatic life) you purchase from anyone engaged in the trade or business of catching fish (box 1) or
3. Payments to an attorney (box 1)

You must also file Form 1099-MISC and Form 1099-NEC for each person from whom you have withheld any federal income tax (report in box 4) under the backup withholding rules regardless of the amount of the payment.

Form 1099-NEC is due to be reported to the recipient and filed with the IRS by February 2, 2026 and filed with the IRS by **March 2, 2026 for paper filing** and by **March 31, 2026 for e-filing**. Refer to IRS instructions for additional information regarding due dates.





E-filing

The Taxpayer First Act of 2019 authorized the Department of the Treasury and the IRS to issue regulations that reduce the 250-return e-file threshold. TD 9972, published February 23, 2023, lowered the e-file threshold to 10 (calculated by aggregating all information returns), effective for information returns required to be filed on or after January 1, 2025. Go to [IRS.gov/InfoReturn](https://www.irs.gov/InfoReturn) for e-file options.

Exceptions

Some payments do not have to be reported on Form 1099, although they may be taxable to the recipient. Payments for which a Form 1099 is not required include all of the following:

- Generally, payments to a corporation (including a limited liability company (LLC) that is treated as a C or S corporation).
- Payments for merchandise, telegrams, telephone, freight, storage, and similar items.
- Payments of rent to real estate agents or property managers.
- Wages paid to employees (report on Form W-2, Wage and Tax Statement).
- Military differential wage payments made to employees while they are on active duty in the Armed Forces or other uniformed services (report on Form W-2).
- Business travel allowances paid to employees (may be reportable on Form W-2).
- Cost of current life insurance protection (report on Form W-2 or Form 1099-R, Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.).
- Payments to a tax-exempt organization including tax-exempt trusts (IRAs, HSAs, Archer MSAs, Coverdell ESAs, and ABLE (529A) accounts), the United States, a state, the District of Columbia, a U.S. possession, or a foreign government.
- Payments made to or for homeowners from the HFA Hardest Hit Fund or similar state program (report on Form 1098-MA).
- Compensation for injuries or sickness by the Department of Justice as a public safety officer disability or survivor's benefit, or under a state program that provides benefits for surviving dependents of a public safety officer who has died as the direct and proximate result of a personal injury sustained in the line of duty.
- Compensation for wrongful incarceration for any criminal offense for which there was a conviction under federal or state law. See section 139F, Certain amounts received by wrongfully incarcerated individuals.

Please visit <https://www.irs.gov/pub/irs-pdf/i1099gi.pdf> for instructions and filing requirements for Certain Information Returns (Forms 1096, 1097, 1098, 1099, 3921, 3922, 5498, and W-2G).

Please Note:

For 2026 1099 tax returns that will be filed in January 2027, the filing threshold will increase from \$600 to \$2,000.