

BALANCE SHEETS & BEYOND

Insight, advice, & guidance on tax news
that matters to you & your business



2023-2025 Comparative Key Tax Amounts

A schedule of comparative key tax amounts for the years 2023-2025 has been posted to our website.

[Click to View the 2023-2025 Key Tax Amounts](#)

Forms 1099-MISC and 1099-NEC

Businesses are required to file Form 1099 information returns for various types of payments made throughout the year. These forms are used to report payments to individuals and partnerships paid by a business for items such as dividends and royalties, interest paid in the course of a trade or business, rent, and non-employee compensation.

A trade or business must send a 1099-NEC to a non-corporate entity if payments made for the year total at least \$600 for services. They must also send a 1099-MISC to a non-corporate entity if payments made for the year total at least \$600 for rent, prizes, or awards. These are the most common types of payments, but this list is not all inclusive. Payments for legal services over \$600 must be reported even if paid to a corporation and would be reported on the 1099-NEC form. There are also other types of 1099s for interest, dividends, and other types of income.

Forms 1099-MISC must be filed annually on a calendar year basis. The 1099 must be sent to the recipient by **January 31, 2025**. The returns must be filed with the Internal Revenue Service (and in some cases to your state taxing authority) by **February 28, 2025**. **However, if the payment is for non-employee compensation to be reported on Form 1099-NEC, then it is required to be filed with the IRS by January 31, 2025.**

Electronic filing is required by the IRS if you are filing more than 10 copies combined of W-2's, 1099-NEC, 1099-MISC, 1099-INT, etc.

We recommend that you start gathering your data as soon as possible for your 1099 reporting. Please contact us if you would like our assistance in preparing your 1099s.

[Forms 1099 - Click to Read Full Article](#)

S Corporation Owners Health Insurance & HSA W-2 Reporting

Self-employed taxpayers are allowed an "above the line" deduction (a deduction directly from gross income) for 100% of the cost of providing medical and dental insurance for themselves and their families. S Corporation stockholders who own at least 2% of stock are considered self-employed for these rules. Please note that the IRS has issued commentary indicating that if these benefits are not treated properly,

the greater than 2% shareholder would not be entitled to applicable deductions on their tax return.

[HSA Reporting - Click to Read Full Article](#)

Due Dates to Remember

January 15 2024 Q4 Estimated Tax
January 31 2024 Q4 Payroll Filings
January 31 W-2's & 1099's sent

Reach out to your JAK + CO advisor if you have further questions.

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