

## Federal Information Reporting for the Advanced Filer Outline

- I. 1099 Overview
  - A. Learning Objectives
  - B. The Tax Gap
  - C. The Tax Gap and You
- II. What's New
  - A. Payments Reportable on Forms 1099
  - B. Select Internal Revenue Code Sections
  - C. IRC Sections 6041 and 3406 in detail
  - D. Goods and Services
  - E. 6041 Changes
  - F. New P-Card Rules
    - 1. Section 6050W
    - 2. TD 9496
    - 3. Draft Form 1099-K
    - 4. Impact on Payees/Payors
  - G. Announcement 2010-41
  - H. Increased Penalties
  - I. Take Away Points
- III. Advanced Non Resident Alien Reporting/Compliance – OFAC
  - A. Licensing
  - B. Specially Designated Nationals
  - C. Penalties
  - D. How to Handle a Match
- IV. Worker Classification
  - A. Determination of Worker Status
  - B. The Statutory vs. Non Statutory Employee
  - C. Independent Contractors
  - D. IRS and State Enforcement Efforts
  - E. Consequences of Misclassification
- V. Advanced Issues in Reporting Data
  - A. When Three Or More Parties Are Involved in the Transaction – “The Middleman”
    - 1. Constructive Receipt of Income
    - 2. Middleman Payment Examples

B. When Three Or More Parties Are Involved in the Transaction – Attorney and Settlement Reporting

1. Payments to the Attorneys
2. Payments to the Claimants
3. Identifying Settlement Issues

VI. Back-Up Withholding

- A. Triggers
- B. Processing Examples
- C. Reporting