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Understanding W-9s & 1099s

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Collect **BEFORE** making payments

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- Reports Payments to Vendors
- Needed for Accurate Tax Filing

Helps at Year-End Filing Time

New Rule in 2026!
Reporting Threshold Increasing from \$600 to **\$2,000**

Use Your Client Portal to Request W-9s!

W-9s & 1099s: Clearing Up the Confusion

Now that the January 1099 deadline is behind us, I wanted to take a moment to clear up a topic that causes a lot of confusion each year: W-9s and 1099s -specifically who to collect them from and why they matter from a bookkeeping perspective.

W-9s: What they are & when to collect them

A W-9 is a form your vendor or contractor provides to you. It includes their legal name, tax classification, and taxpayer ID so your records are complete.

Best practice is to **collect a W-9 before or when you begin paying a vendor**, not after the year has ended.


Common examples where a W-9 is often needed include:

- Contractors and service providers
- Co-counsel arrangements
- Property managers, maintenance vendors, and consultants
- Certain professional services

1099s: Why W-9s matter

A 1099 is a year-end form that reports payments made for certain types of services.

Whether a vendor ultimately receives a 1099 depends on several factors, but having a **W-9 on file upfront** helps keep your books organized and makes year-end filings much smoother.

 **Looking ahead:** Starting in **2026**, the federal reporting threshold increases from **\$600 to \$2,000**, but maintaining proper vendor records is still important year-round.

How to request a W-9 using your portal

Your client portal makes W-9 collection simple.

- In the **Resources** section, you'll find a link labeled **"W-9 Request Link."**
- You can send this link directly to your vendor.
- Once they complete the form electronically:
 - You'll receive a copy automatically
 - It uploads directly into your portal for our records

If I send you a W-9 request and you don't have it yet, you can:

- Upload the vendor's completed W-9 directly into the portal, **or**
- Send me the vendor's email address, and I'll send the W-9 request through the portal on your behalf.

This keeps all vendor tax forms organized and helps ensure everything is ready when 1099 filings come around.

👉 If your **Resources** tab is missing the W-9 Request Link, just let me know. Each link is entity-specific, and I'm happy to add it.

As always, feel free to reach out if you have questions about organizing vendor records or payments within your books.

Thank you,

Marie

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