

IRS News Release

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IRS Requests Public Input on Expanded Information Reporting Requirement

IR-2010-79, July 1, 2010

WASHINGTON — The Internal Revenue Service today invited public comment on how to most effectively carry out a law change that, starting in 2012, will require businesses to report a wider range of payments to contractors, vendors and others, usually on Form 1099. These comments will help the IRS issue guidance that implements this provision in a manner that minimizes burden and avoids duplicate reporting.

The Treasury Department and IRS previously issued a proposed regulation under which many business purchases made with credit or debit cards would be exempt from the new reporting requirement because they will already be reported by banks and other payment processors. The IRS seeks comments on additional circumstances in which duplicate reporting might otherwise occur and on rules that would prevent such duplicate reporting.

The change, enacted in March but not effective until 2012, expanded existing reporting requirements to include a business's payments related to goods and other property, and payments to most corporations. With some exceptions, payments to corporations are currently exempt from this requirement.

There are three ways to submit comments.

- E-mail to: Notice.Comments@irs.counsel.treas.gov. Include "Notice 2010-51" in the subject line.
- Mail to: Internal Revenue Service, CC:PA:LPD:PR (Notice 2010-51), Room 5203, P.O. Box 7604, Ben Franklin Station, Washington, DC 20044.
- Hand deliver to: CC:PA:LPD:PR (Notice 2010-51), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW, Washington, DC, between 8 a.m. and 4 p.m., Monday through Friday.

The deadline is Sept. 29, 2010. Further details are in Notice 2010-51, posted today on IRS.gov.