



**Note:** *The draft you are looking for begins on the next page.*

## **Caution: DRAFT—NOT FOR FILING**

This is an early release draft of an IRS tax form, instructions, or publication, which the IRS is providing for your information. **Do not file draft forms.** We incorporate all significant changes to forms posted with this coversheet. However, unexpected issues occasionally arise, or legislation is passed—in this case, we will post a new draft of the form to alert users that changes were made to the previously posted draft. Thus, there are never any changes to the last posted draft of a form and the final revision of the form. Forms and instructions are subject to OMB approval before they can be officially released, so we post drafts of them until they are approved. Drafts of instructions and pubs usually have some additional changes before their final release. Early release drafts are at [IRS.gov/DraftForms](https://www.irs.gov/DraftForms) and remain there after the final release is posted at [IRS.gov/LatestForms](https://www.irs.gov/LatestForms). Also see [IRS.gov/Forms](https://www.irs.gov/Forms).

Most forms and publications have a page on IRS.gov: [IRS.gov/Form1040](https://www.irs.gov/Form1040) for Form 1040; [IRS.gov/Pub501](https://www.irs.gov/Pub501) for Pub. 501; [IRS.gov/W4](https://www.irs.gov/W4) for Form W-4; and [IRS.gov/ScheduleA](https://www.irs.gov/ScheduleA) for Schedule A (Form 1040), for example, and similarly for other forms, pubs, and schedules for Form 1040. When typing in a link, type it into the address bar of your browser, not a Search box on IRS.gov.

If you wish, you can submit comments to the IRS about draft or final forms, instructions, or pubs at [IRS.gov/FormsComments](https://www.irs.gov/FormsComments). Include “NTF” followed by the form or pub number (for example, “NTF1040”, “NTFW4”, “NTF501”, etc.) in the body of the message to route your message properly. We cannot respond to all comments due to the high volume we receive and may not be able to consider many suggestions until the subsequent revision of the product, but we will review each “NTF” message. If you have comments on reducing paperwork and respondent (filer) burden, with respect to draft or final forms, please respond to the relevant information collection through the Federal Register process; for more info, click [here](#).

# Instructions for Form 1099-PATR



(Rev. April 2025)

## Taxable Distributions Received From Cooperatives

Section references are to the Internal Revenue Code unless otherwise noted.

### Future Developments

For the latest information about developments related to Form 1099-PATR and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form1099PATR](https://irs.gov/Form1099PATR).

You can get the General Instructions for Certain Information Returns at [IRS.gov/1099GeneralInstructions](https://irs.gov/1099GeneralInstructions).

### Reminders

In addition to these specific instructions, you should also use the current General Instructions for Certain Information Returns. Those general instructions include information about the following topics.

- Who must file.
- When and where to file.
- Electronic reporting.
- Corrected and void returns.
- Statements to recipients.
- Taxpayer identification numbers (TINs).
- Backup withholding.
- Penalties.
- Other general topics.

**Online fillable copy.** To ease statement furnishing requirements, Copy B has been made fillable online in a PDF format available at [IRS.gov/Form1099PATR](https://irs.gov/Form1099PATR). You may fill out Copy B online and send it to the recipient.

**Continuous use revision.** Use these instructions for tax year 2025 and subsequent years until a superseding revision is issued.

### Specific Instructions

File Form 1099-PATR, Taxable Distributions Received From Cooperatives, for each person to whom the cooperative has paid at least \$10 in patronage dividends and other distributions described in section 6044(b), or from whom you withheld any federal income tax under the backup withholding rules regardless of the amount of the payment. A cooperative determined to be primarily engaged in the retail sale of goods or services that are generally for personal, living, or family use of the members may ask for and receive exemption from filing Form 1099-PATR. See Form 3491, Consumer Cooperative Exemption Application, for information about how to apply for this exemption. Report dividends paid on a cooperative's capital stock on Form 1099-DIV, Dividends and Distributions.



*Report on Form 1099-PATR only items of income, expenses, and credits that you properly pass through to patrons for reporting on the patron's tax return.*

**Exceptions.** Generally, you are not required to file Form 1099-PATR for payments made to a corporation, a tax-exempt organization including tax-exempt trusts (HSAs, Archer MSAs, and Coverdell ESAs), the United States, a state, a possession, or the District of Columbia. See Regulations section 1.6044-3(c).

### Statements to Recipients

If you are required to file Form 1099-PATR, you must furnish a statement to the recipient. For more information about the requirement to furnish statements to recipients, see part M in the current [General Instructions for Certain Information Returns](#).

**Truncating recipient's TIN on payee statements.** Pursuant to Regulations section 301.6109-4, all filers of this form may truncate a payee's TIN (social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN)) on payee statements. Truncation is not allowed on any documents the filer files with the IRS. A filer's TIN may not be truncated on any form. See part J in the current [General Instructions for Certain Information Returns](#).

### 2nd TIN Not.

You may enter an "X" in this box if you were notified by the IRS twice within 3 calendar years that the payee provided an incorrect TIN. If you mark this box, the IRS will not send you any further notices about this account.

However, if you received both IRS notices in the same year, or if you received them in different years but they both related to information returns filed for the same year, do not check the box at this time. For purposes of the two-notices-in-3-years rule, you are considered to have received one notice and you are not required to send a second "B" notice to the taxpayer on receipt of the second notice. See part N in the current General Instructions for Certain Information Returns for more information.



*For information on the TIN Matching System offered by the IRS, see Items You Should Note in the current General Instructions for Certain Information Returns.*

### Account Number

The account number is required if you have multiple accounts for a recipient for whom you are filing more than one Form 1099-PATR. Additionally, the IRS encourages you to designate an account number for all Forms 1099-PATR that you file. See part L in the current [General Instructions for Certain Information Returns](#).

### Box 1. Patronage Dividends

Enter the patron's share of total patronage dividends paid in cash (including qualified or "consent" checks), qualified written notices of allocation (face amount), and other property (except nonqualified written notices of allocation) allowable as a deduction under section 1382(b)(1).

### Box 2. Nonpatronage Distributions

For farmers' cooperatives exempt from tax under section 521 only, enter the patron's share of the total amount paid in cash (including qualified or "consent" checks), qualified written notices of allocation (face amount), and other property (except nonqualified written notices of allocation) on a patronage basis with respect to the cooperative's earnings that are derived from business done for the United States or any agency thereof or

from nonpatronage sources allowable as a deduction under section 1382(c)(2)(A).

Redemptions of nonqualified written notices of allocation that were paid on a patronage basis with respect to the cooperative's earnings from nonpatronage sources allowable as a deduction under section 1382(c)(2)(B) are also required to be included in box 2.

### Box 3. Per-Unit Retain Allocations

Enter the patron's share of the total per-unit retain allocations paid in cash, qualified per-unit retain certificates (face amount), and other property (except nonqualified per-unit retain certificates) allowable as a deduction under section 1382(b)(3).

### Box 4. Federal Income Tax Withheld

Enter backup withholding on patronage payments. Persons who have not furnished their TIN to you in the manner required are subject to withholding on payments required to be reported in boxes 1, 2, 3, and 5 to the extent such payments are in cash or qualified check. See Regulations section 31.3406(b)(2)-5 for more information on backup withholding by cooperatives.

For more information on backup withholding, including the applicable rate, see part N in the current General Instructions for Certain Information Returns.

### Box 5. Redeemed Nonqualified Notices

Enter the amount of redeemed nonqualified written notices of allocation that were paid as a patronage dividend and the amount of redeemed nonqualified per-unit retain certificates that were paid as a per-unit retain allocation. See sections 1382(b)(2) and (4).

### Box 6. Section 199A(g) Deduction

For specified agricultural and horticultural cooperatives only, enter the patron's share of the amount of section 199A(g) deduction claimed by the cooperative under section 199A(g) and passed through to the patron. This amount must have been designated in a written notice sent to the patron from the cooperative within the payment period under section 1382(d). The deduction allocated to each patron cannot exceed 9% of the qualified payments reported in box 7. Only eligible taxpayers, which does not include a C corporation that is not itself a specified agricultural or horticultural cooperative, may claim a section 199A(g) deduction that is passed through. Do not reduce the amounts reported in box 1 or box 3 by the amount reported in box 6.

**Note.** The cooperative must reduce its section 1382 deduction by the amount of the section 199A(g) deduction passed through to its patrons.

### Box 7. Qualified Payments

For specified agricultural and horticultural cooperatives only, enter the qualified payments paid to the patron. You are required

to provide this information whether or not you pass any of the section 199A(g) deduction through to the patrons. See section 199A(b)(7).

### Box 8. Section 199A(a) Qualified Items

Enter amounts reported to the patrons that are qualified items of income, gain, deduction, or loss from qualified trades or businesses that are not a specified service trade or business (SSTB) for purposes of section 199A. Examples of income that are not qualified items include tax-exempt income, capital gains, and income that isn't effectively connected with the conduct of a trade or business within the United States. See the Instructions for Form 8995-A, Qualified Business Income Deduction, for more information on qualified items. Report items relating to SSTBs separately in box 9.

### Box 9. Section 199A(a) SSTB Items

Enter amounts reported to the patrons that are qualified items from otherwise qualified trades or businesses that are an SSTB for purposes of section 199A. Examples of SSTBs include the provision of services in the fields of health, law, accounting, etc. See the Instructions for Form 8995-A for more information on SSTBs and income that does not qualify as qualified items.

### Box 10. Investment Credit

Enter the patron's share of total investment credit.

### Box 11. Work Opportunity Credit

Enter the patron's share of total work opportunity credit.

### Box 12. Other Credits and Deductions

For the patron, state separately in box 12 the type and amount of each of the following credits and deductions.

- The empowerment zone employment credit (Form 8844).
- The low sulfur diesel fuel production credit (Form 8896).
- The credit for small employer health insurance premiums (Form 8941).
- The credit for employer differential wage payments (Form 8932).
- The deduction for capital costs incurred by small refiner cooperatives when complying with EPA sulfur regulations.
- The small agri-biodiesel producer credit of an eligible small agri-biodiesel producer (Form 8864).

### Box 13. Specified Cooperatives

Check this box if you are reporting information as a specified agricultural or horticultural cooperative, defined in section 199A(g)(4)(A) as a cooperative to which part I of subchapter T of chapter 1 of subtitle A of the Code applies, which is engaged (1) in the manufacturing, production, growth, or extraction in whole or significant part of any agricultural or horticultural product; or (2) in the marketing of agricultural or horticultural products.