



## **Don't Get Caught in Backup Withholding**

### **Information about Your Form 1099-K**

#### **Why you are receiving this notice**

Your name and taxpayer identification number (TIN) submitted on Form 1099-K, *Payment Card and Third Party Network Transactions*, by a payment card processor or third-party settlement organization does not match IRS records. If a payment card processor or third-party settlement organization submits a Form 1099-K for tax year 2013 with an incorrect TIN or name for you, the payments you receive for your payment card or third party network transactions will be subject to backup withholding. This means the payment card processor or third-party settlement organization will be required to withhold 28% from each payment to you beginning as early as September 2014.

If you operate as a partnership or subchapter S corporation, any monies withheld due to an incorrect name or TIN can only be claimed by the partners and shareholders on their individual income tax returns for their shares of the withheld amounts. The monies are not refundable to the partnership or subchapter S corporation.

#### **What you need to do**

You need to immediately contact your payment card processor or third-party settlement organization. Verify that the name and TIN the payment card processor or third-party settlement organization has in its records matches the exact name and TIN on your income tax return.

For additional information on Form 1099-K reporting and backup withholding, visit our website at [www.irs.gov](http://www.irs.gov) and enter keywords, "Third Party Reporting Center" or "Backup Withholding."