



General Instructions for Forms 1099, 1098, 5498, and W-2G

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

Contents	Page
Reminders	1
What's New	1
Items You Should Note	2
A. Who Must File	3
B. Other Information Returns	4
C. When To File	4
D. Where To File	4
E. Filing Returns With the IRS	5
F. Electronic Reporting	5
G. Paper Document Reporting	6
H. Corrected Returns on Paper Forms	6
Filing Corrected Returns on Paper Forms	7
I. Void Returns	8
J. Recipient Names and Taxpayer Identification Numbers (TINs)	8
K. Filer's Name, Identification Number, and Address	9
L. Account Number Box on Forms	9
M. Statements to Recipients (Borrowers, Debtors, Donors, Insureds, etc.)	9
N. Backup Withholding	11
O. Penalties	12
P. Payments to Corporations and Partnerships	13
Q. Earnings on any IRA, Coverdell ESA, Archer MSA, or HSA	13
R. Certain Grantor Trusts	13
S. Special Rules for Reporting Payments Made Through Foreign Intermediaries and Foreign Flow-Through Entities on Form 1099	13
T. How To Get Tax Help	15
Guide to Information Returns	17
Types of Payments	19

Reminders

Electronic Filing. *E-filers* are reminded that using the FIRE system requires following the specifications contained in Pub. 1220, Specifications for Filing Forms 1098, 1099, 5498, and W-2G Electronically. Also, the IRS does not provide a fill-in form option. See part F on page 5 for information on *e-file*.

Payee. Throughout these instructions the term "payee" means any recipient of Forms 1099, 1098, 5498, or W-2G including borrowers, debtors, donors, insureds, participants, policyholders, students, transferors, and winners on certain forms.

Where to file. All information returns filed on paper will be filed with only two Internal Revenue Service Centers: Austin, TX, and Kansas City, MO. See part D on page 4 and Form 1096, Annual Summary and Transmittal of U.S. Information Returns.

What's New



See the specific form instructions for more information on the changes listed below.

General Instructions for Forms 1099, 1098, 5498, and W-2G.

Where to file. All information returns filed on paper must use a 3-line mailing address. See part D on page 4.

Use of magnetic media. All references to magnetic media have been removed from these instructions, all specific instructions, and forms to which these instructions refer. Enterprise Computing Center—Martinsburg (ECC—MTB) will no longer accept tape cartridges for returns filed after December 1, 2008. After that date, electronic filing will be the only acceptable method for filing information returns with ECC—MTB. See part F on page 5.

Instructions for Form 1098. The Mortgage Forgiveness Debt Relief Act of 2007 extended the requirement to report in box 4 qualified mortgage insurance premiums paid by the borrower through December 31, 2010.

Instructions for Form 1098-C. Do not file Form 1098-C at the Internal Revenue Service Center at Ogden, UT, after December 31, 2007. All forms filed after December 31, 2007, should be filed at either the Austin, TX, center or the Kansas City, MO, center, depending on the location of your principal business, office, agency, or legal residence. See part D on page 4.

Instructions for Forms 1099-A and 1099-C. Form 1099-C is not to be filed when fraudulent debt is cancelled due to identity theft and the debtor is not liable for the debt. Form 1099-C is to be used only for cancellations of debts for which the debtor is personally liable.

Form 1099-CAP. We have removed the box 6 checkbox from Form 1099-CAP. Under Regulations section 1.367(a)-3 nonrecognition of losses is required for all reportable transactions from corporate inversions, making the checkbox unnecessary.

Instructions for Form 1099-CAP. A *TIP* has been added under *Who Must File* to inform brokers of the sources of readily available public information for use in determining the broker's filing requirement. The instructions for box 6 have been removed.

Form 1099-DIV. Box 7 may be blank as RICs no longer have to report this information to recipients.

Instructions for Form 1099-DIV.

- The capital gains rate for qualified dividends has generally been reduced to zero after December 31, 2007, for individuals whose other income is taxed at the 10% or 15% rate.
- RICs meeting the requirements under final Regulations section 1.853-4 have new reporting requirements for boxes 6 and 7.

Instructions for Form 1099-MISC. Revenue Ruling 2007-69 provides that payments made by the U.S. Department of Veterans Affairs under the compensated work therapy program are exempt from federal income tax as veterans' benefits and are no longer required to be reported on Form 1099-MISC.

Instructions for Form 1099-PATR.

- The *Caution* for box 6 has been revised to reflect the allowance under new final Regulations section 1.199-6. The allowance of the deduction at the entity level changes the tax treatment of the cooperative's deduction under section 1382.
- Section 8211(a) of the U.S. Troop Readiness, Veterans Care, Katrina Recovery, and Iraq Accountability Act extended the work opportunity credit through August 31, 2011.
- In the instructions for *Box 10. Other Credits and Deductions*, the reference to Form 8861, Welfare-To-Work Credit, has been deleted from the list of pass-through credits due to its repeal as a separate credit. Instead, qualified second-year wages are reported on Form 5884, Work Opportunity Credit. Also, the

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on these forms to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to figure and collect the right amount of tax.

Sections 170(f)(12), 199, 220(h), 223, 408, 408A, 529, 530, 6041, 6041A, 6042, 6043, 6044, 6045, 6047, 6049, 6050A, 6050B, 6050D, 6050E, 6050H, 6050J, 6050N, 6050P, 6050Q, 6050R, 6050S, 6050T, and their regulations require you to file an information return with the IRS and furnish a statement to recipients. Section 6109 and its regulations require you to provide your taxpayer identification number on what you file.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. If you fail to provide this information in a timely manner, you may be subject to penalties.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file the following forms will vary depending on individual circumstances. The estimated average times are:

1096	13 minutes
1098	7 minutes

1098-C	15 minutes
1098-E	7 minutes
1098-T	13 minutes
1099-A	9 minutes
1099-B	20 minutes
1099-C	10 minutes
1099-CAP*	11 minutes
1099-DIV	18 minutes
1099-G	11 minutes
1099-H	18 minutes
1099-INT	13 minutes
1099-LTC	13 minutes
1099-MISC	16 minutes
1099-OID	12 minutes
1099-PATR	15 minutes
1099-Q	11 minutes
1099-R	18 minutes
1099-S	8 minutes
1099-SA	8 minutes
5498	12 minutes
5498-ESA	7 minutes
5498-SA	10 minutes
W-2G	18 minutes

* Privacy Act does not pertain to this form.

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send these forms to this address. Instead, see part D on page 4.