Instructions for Form 1099-G

(Rev. December 2026)

Certain Government Payments

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

Future Developments

For the latest information about developments related to Form 1099-G and its instructions, such as legislation enacted after they were published, go to *IRS.gov/Form1099G*.

You can get Pub. 1099, General Instructions for Certain Information Returns, at *IRS.gov/1099GeneralInstructions*.

What's New

State paid family and medical leave programs. Rev. Rul. 2025-4 requires states to file with the IRS and furnish to an employee a Form 1099 to report family leave benefits paid by state paid family and medical leave programs. Box 10, Family leave benefits, was added to Form 1099-G to facilitate this reporting requirement. Consequently, state information boxes 10a, 10b, and 11 on Form 1099-G have been renumbered as 11a, 11b, and 12, respectively. For more information, see *Rev. Rul. 2025-4, 2025-7 I.R.B. 758*.

Address fields. For the Payer's and Recipient's information, we separated the address fields into individual entry boxes.

Continuous-use revisions. Use the December 2026 revision of Form 1099-G and these instructions to file 2026 information with the IRS in early 2027. Also use them to furnish the information to the recipient. Continue to use these revisions for subsequent years until we issue a superseding revision. Do not use these revisions for prior years.

E-filing returns. The Taxpayer First Act of 2019 authorized the Department of the Treasury and the IRS to issue regulations that reduce the 250-return e-file threshold. T.D. 9972, published February 23, 2023, lowered the e-file threshold to 10 (calculated by aggregating all information returns), effective for information returns required to be filed on or after January 1, 2024. Go to *IRS.gov/InfoReturn* for e-file options.

Information Returns Intake System (IRIS). The IRS has developed IRIS, an online portal for e-filing information returns. Go to *IRS.gov/IRIS* for more information.

Reminders

In addition to these specific instructions, you should use the current Pub. 1099, 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 PDF fillable Copies 1, B, and 2. To ease statement furnishing requirements, Copies 1, B, and 2 are fillable online in a PDF format available at *IRS.gov/Form1099G*. You can complete these copies online for furnishing statements to recipients and for retaining in your own files.

Continuous-use instructions. Use these instructions for tax year 2026 and subsequent years until a superseding revision is issued.

Replacement of lead service lines. Announcement 2024-10 addresses the federal income tax treatment of certain lead service line replacement programs for residential property owners. The replacement of lead service lines under the programs described in the announcement does not result in income. Water systems and state governments are not required to file information returns or furnish payee statements with respect to the replacement of lead service lines under these programs. For more information, see *Announcement 2024-10, 2024-11 I.R.B. 711*.

Specific Instructions

File Form 1099-G, Certain Government Payments, if, as a unit of a federal, state, or local government, you made payments of unemployment compensation; state or local income tax refunds, credits, or offsets; family leave benefits; Reemployment Trade Adjustment Assistance (RTAA) payments; taxable grants; or agricultural payments. You must also file this form if you received payments on a Commodity Credit Corporation (CCC) loan. The officer or employee of the government unit having control of the payments, received or made, (or the designated officer or employee) must file Form 1099-G.

You must also file Form 1099-G for each person from whom you have withheld any federal income tax (report in box 4) under the backup withholding rules regardless of the amount of the payment.

Certain amounts that are not reportable on Form 1099-G, such as compensation for services, prizes, and certain incentives, may be reportable on Form 1099-MISC, Miscellaneous Information, or Form 1099-NEC, Nonemployee Compensation. See the Instructions for Forms 1099-MISC and 1099-NEC for more information.

Statements to Recipients

If you are required to file Form 1099-G, you must furnish the same information to the recipient. Furnish a copy of Form 1099-G or an acceptable substitute statement to each recipient, except as explained later under *Box 2. State or Local Income Tax Refunds, Credits, or Offsets*. Also, see part M in Pub. 1099.

Truncating recipient's TIN on payee statements. Pursuant to Regulations section 301.6109-4, all filers of this form may truncate a recipient'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 filed with the IRS. A payer's TIN may not be truncated on any form. See part J in Pub. 1099.

Country

For a list of country codes, go to *IRS.gov/CountryCodes*.

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-G. Additionally, the IRS encourages you to designate an account

number for all Forms 1099-G that you file. See part L in Pub. 1099.

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 taxpayer 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 Pub. 1099.

Tip: For information on the TIN Matching System offered by the IRS, see *Items You Should Note* in Pub. 1099.

Caution: States have experienced a surge in fraudulent unemployment claims. Criminals are engaging in identity theft (IDT) to fraudulently collect benefits across multiple states. For information on reporting IDT and other types of unemployment fraud, including claimant fraud or employer fraud, go to *DOL.gov/agencies/eta/UIIDtheft*.

Box 1. Unemployment Compensation

Enter payments of $10 or more in unemployment compensation, including Railroad Retirement Board payments for unemployment. If you make payments from a contributory program that has been deemed to be in the nature of unemployment compensation, file a separate Form 1099-G for payments from each contributory program. Enter the total amount before any income tax was withheld. If you withhold federal income tax at the request of the recipient, enter it in box 4; see the instructions below.

Box 2. State or Local Income Tax Refunds, Credits, or Offsets

Enter refunds, credits, or offsets of state or local income tax of $10 or more you made to recipients. These include refunds or carryforward credits of overpayments of tax due to refundable state tax credits and incentive payments that are paid under an existing state tax law and administered by the state taxing agency. Filmmaker incentive credits, home improvement credits paid in low-income areas, and solar panel installation credits are some types of state programs which are generally reportable in box 2, to the extent a refund is paid by the state taxing agency or amount allowed as carryforward credit to the next tax year.

Do not enter in box 2 payments that are not state income tax refunds, credits, or offsets. This may include payments made under state grant, incentive, subsidy, or other individual assistance programs. Taxable grants are reported in box 6; see the instructions below. If recipients deducted the tax paid to a state or local government on their federal income tax returns, any refunds, credits, or offsets may be taxable to them. You are not required to furnish a copy of Form 1099-G or a substitute statement to the recipient if you can determine that the recipient did not claim itemized deductions on the recipient's federal income tax return for the tax year giving rise to the refund, credit, or offset. However, you must file Form 1099-G with the IRS in all cases.

A tax on dividends, a tax on net gains from the sale or exchange of a capital asset, and a tax on the net taxable income of an unincorporated business are taxes on gain or profit rather than on gross receipts. Therefore, they are income taxes, and any refund, credit, or offset of $10 or more of these taxes is reportable on Form 1099-G. In the case of the dividends tax and the capital gains tax, if you determine that the recipient did not itemize deductions, as explained above, you are not required to furnish a Form 1099-G or substitute statement to the recipient. However, in the case of the tax on unincorporated businesses, you must furnish a Form 1099-G or substitute statement to the recipient in all cases, as this is a tax that applies exclusively to income from a trade or business. See *Box 8. Trade or Business Income (Checkbox)*, later, and Rev. Rul. 86-140, 1986-2 C.B. 195.

If you pay interest that meets or exceeds the applicable reporting threshold on a refund, you must file Form 1099-INT, Interest Income, and furnish a statement to the recipient. See Pub. 1099 for information on the applicable reporting threshold.

Box 3. Box 2 Amount Is for Tax Year

No entry is required in box 3 if the refund, credit, or offset is for the current tax year. If it is for any other tax year, enter the year for which the refund, credit, or offset was made. Also, if the refunds, credits, or offsets are for more than 1 tax year, report the amount for each year on a separate Form 1099-G. Use the format "YYYY" to make the entry in this box. For example, enter "2020," not "20."

Box 4. Federal Income Tax Withheld

Backup withholding. Enter backup withholding on payments required to be reported in box 5, 6, or 7. You must backup withhold on such payments at a rate of 24% if a recipient does not furnish its TIN to you or if you are notified by the IRS that the TIN is incorrect (Notice CP2100 or CP2100A). For more information on backup withholding, see part N in Pub. 1099.

Voluntary withholding. Enter any voluntary federal withholding on unemployment compensation, CCC loans, and certain crop disaster payments. If you withhold state income tax, see *Boxes 11a Through 12. State Information*, later. However, you are not required to report state withholding to the IRS.

Caution: Voluntary withholding on RTAA payments is not permitted.

Box 5. RTAA Payments

Enter RTAA payments made to eligible individuals under the Reemployment Trade Adjustment Assistance program if the total amount paid meets or exceeds the applicable reporting threshold. See Pub. 1099 for information on the applicable reporting threshold.

Box 6. Taxable Grants

Enter any amount of a taxable grant administered by a federal, state, or local program to provide subsidized energy financing or grants for projects designed to conserve or produce energy, but only with respect to energy property or a dwelling unit located in the United States. Also, enter any amount of a taxable grant administered by an Indian tribal government.

Report amounts of other taxable grants if the total amount paid meets or exceeds the reporting threshold. See Pub. 1099 for information on the applicable reporting threshold. State and local grants are ordinarily taxable for federal income purposes. A federal grant is ordinarily taxable unless stated otherwise in the legislation authorizing the grant. Do not report scholarship or fellowship grants. See *Scholarships* in the Instructions for Forms 1099-MISC and 1099-NEC.

Box 7. Agriculture Payments

Enter USDA agricultural subsidy payments made during the year, including market facilitation program payments. If you are a nominee that received subsidy payments for another person, file

Form 1099-G to report the actual owner of the payments and report the amount of the payments in box 7.

Box 8. Trade or Business Income (Checkbox)

If the amount in box 2 is a refund, credit, or offset attributable to an income tax that applies exclusively to income from a trade or business and is not a tax of general application, enter an "X" in this box.

Box 9. Market Gain

Report market gain associated with the repayment of a CCC loan whether repaid using cash or CCC certificates.

Box 10. Family Leave Benefits

If you make payments of family leave benefits under a governmental paid family and medical leave program, enter the total amount before any income tax was withheld if the total amount paid meets or exceeds the applicable reporting threshold. See Pub. 1099 for information on the applicable reporting threshold. If you withheld federal income tax at the request of the recipient, enter it in box 4.

Boxes 11a Through 12. State Information

These boxes may be used by filers who participate in the Combined Federal/State Filing Program and/or who are required to file paper copies of this form with a state tax department. See Pub. 5717 for more information regarding the Combined Federal/State Filing Program. They are provided for your convenience only and need not be completed for the IRS. Use the state information boxes to report payments for up to two states. Keep the information for each state separated by the dash line. In box 11a, enter the abbreviated name of the state. In box 11b, enter the filer's state identification number. The state number is the filer's identification number assigned by the individual state. In box 12, enter the amount of any state income tax withheld.

If a state tax department requires that you send them a paper copy of this form, use Copy 1 to provide information to the state tax department. Give Copy 2 to the recipient for use in filing the recipient's state income tax return.