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Who should I send a W-9 form to?

W-9's should be sent to any vendor that provides a "service" to your firm.

By "service", I mean that the vendor provides time or labor such as any subcontractor, consultant, lawyer, website designer, etc.

If you purchase a product from a vendor, such as printed material, internet service, bottled water, telephone service, utilities, job materials, office supplies, software, etc; you do not need to send them a W-9.

As a general rule of thumb the purpose of a W-9 is to force the reporting of income that is for time and effort, not for a physical or "real property" that you now own.

The W-9 should be given to **ALL service based** vendors, regardless of how much you think you will pay them, at the time that they are first hired. If they refuse to complete the form, don't do business with them since they are likely to not give you the information necessary to file a 1099, which is a time-consuming pain at the end of the year and can indicate that they don't plan on reporting all their income.

If the vendor returns the W-9 and has indicated that they are doing business as a Corporation, you do not need to send them a 1099, regardless of how much you pay them. If they are any other type of business (sole-proprietor, partnership, LLC that is not a corporation) then you send them a 1099 in January, after you determine whether or not you have paid them \$600 or more.



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