

## New Law Requires 1099s for Goods and Services Starting in 2012

Under a provision in the new health care reform law, self-employed individuals, small businesses and charities will be required to provide 1099 forms to every vendor from whom they buy more than \$600 in goods, beginning in 2012. In order to minimize the burden that complying with this will bring, the Internal Revenue Service is considering exempting some small-business purchases made with credit or debit cards (as they will already receive a record of those transactions from financial institutions, starting in 2011). We will keep you posted on any changes to the new provision.