

# THE 1099, TRANSLATED

A plain-English field guide to the forms  
that show up in January

---

Gig work. Freelance work. Online sales.  
Royalties. Bank interest. Prizes.

When a dense little form lands in the mailbox,  
this pamphlet explains what it is saying.

**FREE FROM THE MEEKDUKE FREE PANTRY**

MeekDuke Books  
[meekdukebooks.com](http://meekdukebooks.com)

*We translate forms. We do not prepare taxes.  
Please read page 2 first.*

## Read This First

A 1099 can look like a bill, a warning, or a final grade. It is usually none of those. It is a report about money that moved during the year.

This pamphlet slows the form down. It explains the names, boxes, and numbers in everyday words so the paper is less frightening and easier to organize.

### PLEASE READ — WHAT THIS PAMPHLET IS AND IS NOT

This pamphlet is **general information only**. It is **not tax advice**, and it is not a substitute for advice about your own situation.

MeekDuke Books is a publisher. We **translate** forms and explain common words and boxes. We **never fill in a form for a reader**, decide what a reader may claim, choose a filing path, or decide anyone's taxes.

Tax rules can differ by year, state, payer, and personal circumstance. For your situation, talk with a qualified tax professional or use an IRS or state tax-agency resource.

**Never send us your tax documents.** Do not mail, email, or upload a 1099 or other personal tax paper to MeekDuke. We do not read, review, store, or interpret anyone's documents.

### A quick promise about examples

Any person or business used as an example in this pamphlet is **made up**.

Example amounts are teaching examples, not predictions and not a description of your money.

You do not need to understand every tax rule to use this guide. Start with the form in your hand, find its name, and read that section.

# What Is a 1099?

A **1099** is a report card for money that was already earned or paid. The payer sends one copy to the person who received the money and another copy to the Internal Revenue Service (IRS). Some forms are also reported to a state.

The form normally arrives *after* the year it describes. A form for 2026, for example, is reporting money connected with 2026 — it is not asking you to earn that money again.

## Why the IRS gets a copy

The matching copy lets the IRS compare the payer's report with the records connected to your name and taxpayer number. That is why a wrong name, wrong taxpayer number, or wrong amount is worth checking: the form is not private paperwork that only you saw.

## Why a 1099 amount may not match a bank deposit

- **Gross amount** means the amount *before* fees, refunds, or other reductions are taken out.
- A platform may report the full customer payment while your payout was smaller after its fees.
- Refunds or chargebacks can make the year-end paper look different from a simple list of deposits.
- Two forms can sometimes describe the same underlying work or payment in different ways. Do not panic — and do not assume. Ask the payer or a tax professional how the reports fit together.

### THE PLAIN-ENGLISH VERSION

A 1099 says: “Here is the amount this payer says it paid, under this category, to this person during this year.” It is a report — not by itself a bill from the IRS.

Keep the form even if the amount looks small. Small does not make the paper imaginary, and a missing form does not erase money that was earned.

# 1099-NEC — Contract and Freelance Work

**NEC** stands for **nonemployee compensation**. In ordinary words: pay for work done by someone who was not treated as the payer's employee for that work.

## Who might receive one

- Freelancers and independent contractors
- Gig and project workers paid directly by a business
- Some authors, speakers, designers, editors, and other service providers
- Business owners who also perform contract work for other businesses

## The box people look for

| Box              | Plain-English meaning                                                                              |
|------------------|----------------------------------------------------------------------------------------------------|
| <b>Box 1</b>     | Nonemployee compensation — the total the payer reports for the work.                               |
| <b>Box 4</b>     | Federal income tax withheld, if any amount was withheld. Many forms show zero or leave this blank. |
| <b>Boxes 5–7</b> | State tax withheld, state or payer number, and state income, when state reporting applies.         |

## The reporting floor — a concept, not a switch for your income

Businesses generally use Form 1099-NEC when reportable payments for services reach **\$600**. The verified anchor for this pamphlet is: **\$600 for 2025 payments, rising to \$2,000 for 2026 payments**.

A reporting floor is about when the *payer* must send the form. It is not a line that changes whether money was earned. Being under a floor, or not receiving a form, does not make completed work disappear.

### MADE-UP EXAMPLE

Harbor Notes LLC, an invented business, pays fictional editor Jae Park for editing work. Its 1099-NEC reports the payer's total in Box 1. Jae checks the name, taxpayer number, payer, and amount against personal records.

# 1099-K — Payment Apps and Marketplaces

Form 1099-K reports certain payments settled through payment cards or third-party payment networks. Think marketplace payouts, ticketing platforms, and payment apps used for goods or services.

## The three surprises on this form

- **Box 1a is gross.** It is the total amount of reportable payment transactions before fees and other adjustments.
- **Box 5** breaks the year into monthly amounts, labeled 5a through 5l.
- **Box 2** may show a merchant category code — a broad label for the kind of business, not a diary of every sale.

A 1099-K can therefore be larger than the money that reached a bank account. The platform may have subtracted fees, and customers may have received refunds. Keep platform statements with the form so the numbers can be understood in context.

## The federal threshold, stated carefully

For third-party network transactions, the federal reporting threshold for 2025 is **\$20,000 in gross payments and 200 transactions**. Both parts matter in that federal rule.

State rules differ. A platform may also send a form when the federal threshold is not met. Receiving the form does not change what you earned; not receiving one does not change it either. The form is a report about transactions, not a profit statement.

### PERSONAL PAYMENTS CAN GET MIXED IN

Money sent by friends or family for personal reasons is a different story from payment for goods or services. If an account mixes both, keep clear records and ask the platform or a tax professional about a form that appears to combine them. Do not ignore a mismatch.

Reports can overlap. If another payer reports the same work, compare what each payer counted; do not discard either form.

# 1099-MISC — Rents, Prizes, and Other Buckets

**MISC** means miscellaneous. This form has several labeled buckets because several different kinds of payments do not belong on the NEC.

## Boxes people commonly see

| Box           | What it reports                                                                                                                               |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Box 1</b>  | Rents — for example, rent paid in a business setting.                                                                                         |
| <b>Box 2</b>  | Royalties — payments connected with property or creative work. The reporting floor for royalties is different from the familiar \$600 figure. |
| <b>Box 3</b>  | Other income — a broad bucket that can include prizes and awards and other payments that fit the form’s rules.                                |
| <b>Box 6</b>  | Medical and health-care payments reported on this form.                                                                                       |
| <b>Box 10</b> | Gross proceeds paid to an attorney, when reportable.                                                                                          |

## Why the box matters

The box is the payer’s label for the payment. “Other income” does not mean unimportant, and “rent” does not mean rent you paid. Read the direction carefully: on a 1099, the recipient is generally the person the payer says received the payment.

An author may see royalties in a different place depending on who paid them and how the relationship was set up. If two payers label similar money differently, keep both forms and ask a tax professional rather than relabeling one yourself.

### **WATCH THE FORM NAME**

Before 2020, many people learned contract pay as a 1099-MISC item. Modern service pay is commonly reported on the 1099-NEC, while the MISC still handles rents, royalties, prizes, and other categories.

# 1099-INT and 1099-DIV — Money From Accounts

These forms come from banks, credit unions, brokerages, funds, and similar institutions. They report money an account produced, rather than pay for a job you performed.

## 1099-INT — interest

| Box          | Plain-English meaning                                        |
|--------------|--------------------------------------------------------------|
| <b>Box 1</b> | Interest income reported by the payer.                       |
| <b>Box 2</b> | An early-withdrawal penalty, if the institution reports one. |
| <b>Box 3</b> | Interest on U.S. savings bonds and Treasury obligations.     |
| <b>Box 4</b> | Federal income tax withheld, if any.                         |
| <b>Box 8</b> | Tax-exempt interest, when the payer reports it.              |

## 1099-DIV — dividends and distributions

| Box           | Plain-English meaning                                                                              |
|---------------|----------------------------------------------------------------------------------------------------|
| <b>Box 1a</b> | Total ordinary dividends reported by the payer.                                                    |
| <b>Box 1b</b> | The part of Box 1a labeled qualified dividends. It is a subset, not an extra amount to add on top. |
| <b>Box 2a</b> | Total capital-gain distributions.                                                                  |
| <b>Box 4</b>  | Federal income tax withheld, if any.                                                               |

Banks and brokers often use a small reporting threshold — commonly \$10 for many interest and dividend reports — but combined brokerage statements can be long and may include corrections later. The payer’s label “final,” “corrected,” or “amended” matters; keep the newest version and do not mix pages from different versions.

## Two Look-Alikes: SSA-1099 and 1099-R

Not every January form with “1099” in its name is the same kind of form. These two have their own jobs.

### SSA-1099 — Social Security Benefit Statement

The Social Security Administration sends the SSA-1099 to report benefits paid during the year. Box 3 reports benefits paid; Box 5 is often the key figure people notice because it shows **net benefits** after items such as repayments and certain deductions shown on the statement. It is not a payer’s report of wages or freelance income.

### 1099-R — Retirement and Similar Distributions

A 1099-R reports money distributed from pensions, retirement plans, IRAs, annuities, and similar arrangements. Box 1 is the **gross distribution**. Box 2a may show a taxable amount, or it may be blank or marked in a way that means the payer did not determine it. Box 7 uses distribution codes — short letters or numbers that describe the kind of distribution the payer reported.

#### **DO NOT FORCE A LOOK-ALIKE INTO THE WRONG STORY**

A retirement distribution is not freelance pay merely because both papers contain “1099.” A Social Security statement is not a marketplace report. Keep each form with records from the institution that sent it.

### What “corrected” means

A corrected form replaces information on an earlier form. If a payer sends one, keep both, note which arrived last, and use the corrected version as the payer’s current report. If you already shared the older form with a tax professional, tell that person a correction arrived.

# Anatomy of a 1099 — The Top Half

Layouts vary, and some forms arrive as part of a combined statement. The labels are more important than the exact position. Here is the language nearly every form shares.

| Words on the form      | What they mean                                                                                   |
|------------------------|--------------------------------------------------------------------------------------------------|
| <b>PAYER</b>           | The business, institution, or person reporting the payment.                                      |
| <b>PAYER'S TIN</b>     | The payer's taxpayer identification number.                                                      |
| <b>RECIPIENT</b>       | The person or business the payer says received the payment.                                      |
| <b>RECIPIENT'S TIN</b> | The recipient's taxpayer identification number.                                                  |
| <b>Account number</b>  | An optional payer reference that helps match the form to an account or relationship.             |
| <b>Copy B</b>          | The copy meant for the recipient. Other copies may be for the IRS, a state, the payer, or files. |

## TIN, in plain words

**TIN** means **taxpayer identification number**. For an individual, it is often a Social Security number. A business may use an employer identification number (EIN). Other kinds of TINs exist.

Protect the full number. A form may print it in full or partly masked. When checking a form, compare the digits you can see with your own secure records — never send a photo of it to MeekDuke or post it in a public message.

### MADE-UP FORM EXAMPLE

Payer: **Bluebird Corner Market LLC** (invented). Recipient: **Maya Rowan** (invented). The example TIN is shown only as **\*\*\*-\*\*-1234**, which is fictional. Maya checks that the market is the payer she expected and that the account label matches her records.

# Anatomy of a 1099 — The Numbered Boxes

A numbered box is a category. The same dollar figure can carry a very different meaning depending on the form and box that hold it.

## Five questions that decode almost any box

- **Who paid?** Find the payer's legal or business name.
- **Who received?** Check the recipient name and TIN.
- **What kind of payment?** Read the form name first, then the box label.
- **Gross or net?** Look for words such as gross, total, withheld, penalty, or net.
- **Is part of another box?** A labeled subset — such as qualified dividends inside total ordinary dividends — is not automatically an extra pile of money.

## Words that change the meaning

| Word                | Plain English                                                                               |
|---------------------|---------------------------------------------------------------------------------------------|
| <b>Gross</b>        | Before deductions, fees, refunds, or other reductions.                                      |
| <b>Withheld</b>     | Money the payer reports it already sent toward taxes. It is not a fee charged by the payer. |
| <b>Compensation</b> | Pay for work or services.                                                                   |
| <b>Proceeds</b>     | Money produced by a transaction or payment, before figuring related costs.                  |
| <b>Distribution</b> | Money paid out from an account or plan.                                                     |
| <b>Corrected</b>    | This version replaces an earlier report.                                                    |
| <b>Void</b>         | This copy is marked so it is not the active report; the payer may issue a replacement.      |

Do not move a number to a different box because it “feels” more correct there. If the payer’s category seems wrong, the correction has to start with the payer — see page 12.

## When It Lands — The First Week

Most 1099s arrive in **late January or February**, by mail, secure online account, email notice, or a combination. Brokerage and corrected forms can arrive later. A payer's online copy may appear before the paper copy.

### A calm first-week routine

- **Open and name it.** Write the tax year, form type, and payer on your envelope or folder label.
- **Check the identity details.** Compare the recipient name, TIN digits shown, address, and payer name with your records.
- **Check the headline amount.** Compare it with invoices, platform reports, bank records, royalty statements, or account statements.
- **Look for “corrected.”** If two versions arrive, mark the newest and keep the earlier one behind it.
- **Gather its partners.** Put related receipts, fee reports, refund reports, and year-end statements in the same folder.
- **Keep the whole form.** Do not keep only the page with the biggest number; the payer details and smaller boxes matter too.

#### NO FORM? START WITH THE PAYER

Check the payer's official portal and the mailing address it has for you. If a form you expected is missing, contact the payer. Missing paper does not erase the underlying records or the money.

If you use a tax professional or tax software, bring the complete, newest version of each form — not a cropped photo of one box.

## If a Number Looks Wrong

Mistakes happen: a duplicate account, a payment assigned to the wrong person, a refund handled in a different period, or a typo in a name or TIN. A wrong-looking form deserves attention because the IRS received its own copy.

### Start with the payer

- **Write down the exact concern.** Name the form, year, box, amount shown, and amount your records show.
- **Contact the payer first.** Use the phone number, help center, or tax-form contact on the payer's official site or statement.
- **Ask whether it will issue a corrected 1099.** A corrected form is the payer changing its report; you cannot correct the payer's form by crossing out a number.
- **Keep a paper trail.** Save the date, the contact method, the name or reference number you were given, and what you were told.
- **Keep waiting forms together.** Put a note on the folder: "Correction requested," with the date. Keep the original and any corrected version.

### If the payer will not fix it

Do not just ignore the form and hope the mismatch disappears. Ask a qualified tax professional what documentation to keep and how people generally handle an unresolved payer error. You can also consult IRS guidance or an IRS taxpayer assistance resource. This pamphlet cannot choose that path for your situation.

#### IDENTITY FIRST

If the name or TIN is wrong — or the form describes work you do not recognize at all — treat it as urgent organization, not clutter. Contact the payer and protect your personal information. Never send the document to MeekDuke.

# Your 1099 Checklist

Use one line for each form. Photocopy this page if you need more room, or copy the headings into a notebook.

- ☐ **Form and year** — Example: 1099-K — 2026

---
- ☐ **Payer** — Who sent or issued it?

---
- ☐ **Name and TIN checked** — Do the visible details match your records?

---
- ☐ **Main amount checked** — Which box holds it? What records did you compare?

---
- ☐ **Partners gathered** — Invoices, statements, fees, refunds, or account reports

---
- ☐ **Corrected copy?** — No / Yes — date the newest version arrived

---
- ☐ **Question for payer or tax pro** — Write the question while it is fresh

---

## Before you call it done

- Every expected payer is accounted for, or the missing one is noted.
- Each duplicate has been identified as a duplicate — not silently discarded.
- Originals and corrected copies are in date order, newest on top.
- Questions are written down for the payer or a tax professional.
- Full TINs and tax papers are stored somewhere private.

*This checklist is an organizing tool. It does not say whether a return is complete or correct — only a review of your whole situation can do that.*

# Small Glossary

| Term                       | Plain English                                                                                                     |
|----------------------------|-------------------------------------------------------------------------------------------------------------------|
| <b>1099</b>                | A family of information forms used to report many kinds of payments.                                              |
| <b>Corrected form</b>      | A replacement report from the payer that fixes an earlier one.                                                    |
| <b>Distribution</b>        | Money paid out from an account, plan, or fund.                                                                    |
| <b>Gross amount</b>        | A total before fees, refunds, or other reductions.                                                                |
| <b>IRS</b>                 | Internal Revenue Service, the United States federal tax agency.                                                   |
| <b>Payer</b>               | The person or organization reporting that it made a payment.                                                      |
| <b>Recipient</b>           | The person or organization the payer says received a payment.                                                     |
| <b>Reporting threshold</b> | An amount or transaction level that triggers a payer reporting rule; rules vary by form and year.                 |
| <b>TIN</b>                 | Taxpayer identification number. An individual's TIN is often a Social Security number; a business may use an EIN. |
| <b>Withholding</b>         | Money a payer reports it held back and sent toward taxes.                                                         |

## Need the author version?

If you write and publish books, our **Indie Author Tax Guide** goes deeper into the records, royalties, forms, and tax-season organization that authors meet. It is a companion for authors — this free pamphlet is for everyone facing a 1099.

### FREE FROM THE MEEKDUKE FREE PANTRY

Take what helps. Share the pamphlet with someone staring at a form that looks like it was written in code.

MeekDuke Books · [meekdukebooks.com](http://meekdukebooks.com)

*Remember: this pamphlet translates. For decisions about your own taxes, a qualified tax professional is the right guide.*

## New here? Your first book's on us.

This book is free forever — keep it, share it, read it a hundred times.

More free books live in the Free Pantry at [meekdukebooks.com](https://meekdukebooks.com) — the whole shelf is free, always.

### Small ways to keep the shelf full:

- Buy a Kid a Book — \$1:

<https://buy.stripe.com/cNi8wRftf4Ac8yMaMOasg18> — every dollar puts a book in a young reader's hands.

- Christmas Magnetic Bookmarks — \$9.99 at [meekdukebooks.com](https://meekdukebooks.com) (the Manor Shop).

- Stacked-Book Christmas Ornament, 3-pack — \$11.99 at [meekdukebooks.com](https://meekdukebooks.com) (the Manor Shop).

Missouri families with a child under 5: join the Treehouse Pack — a free book every month: [meekdukebooks.com](https://meekdukebooks.com)

Watch the books read aloud every Saturday — ECHO'S STORYTIME on YouTube @meekdukebooks.

