

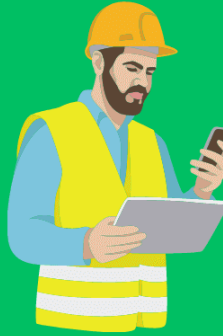


# WHEN IS A W9 REQUIRED?



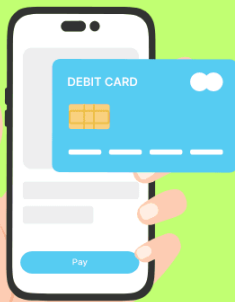
## WHAT IS A W9?

A W9 is used for collecting information from a payee that can later be used to be written off as a business expense during tax time.



## INDEPENDENT CONTRACTORS

Businesses hiring freelancers or vendors may request a W9 to obtain the TIN or SSN in order to report payments to the IRS using a 1099-NEC.



## BANKING

A W9 may be required by financial institutions in order to report income paid via capital gains, dividends, or interest. A 1099-DIV is normally submitted to the IRS.

## RENTAL INCOME

If you have a property management company for your rental, the company will request a W9 to record payments made, later reported on a 1099-MISC.



## REAL ESTATE TRANSACTIONS

In the sale of a property, a W9 for the buyer/seller may be requested to report transactions like the proceeds of a sale to the IRS via a 1099-S.



## LEGAL SETTLEMENTS

If you receive money for a legal settlement, the payor may need to request a W9 for tax reporting purposes, likely on a 1099-MISC.