

2025 1099 and W2 Instructions & Guidelines

Below are updates and instructions for filing 1099s and issuing W-2s for the 2025 tax year:

1. Filing 1099s with the IRS – 2024 Regulations

Recent IRS regulations have introduced the following changes:

- **E-Filing Threshold:** Any organization issuing **10 or more 1099 forms** must file them electronically. This is a reduction from prior thresholds, so please plan accordingly.
- **Deadline:**
 - Forms **1099-NEC** must be submitted to the IRS and provided to recipients by **January 31, 2026**.
 - Other 1099 forms (e.g., 1099-MISC) are due to the IRS by **February 28, 2026** (paper) or **March 31, 2026** (electronic filing).
- **TIN Matching:** Ensure all Taxpayer Identification Numbers (TINs) for vendors and contractors are accurate. Use the IRS TIN matching program to minimize errors.

Action Steps:

1. Identify all vendors and contractors paid **\$600 or more** in 2025 for services (not goods). A good way to double check is to run a check register report from 01/01/25-12/31/25 and review all vendors paid \$600 or more. This can be time consuming, but it ensures we identify all 1099 vendors and catch any that perhaps did not have the 1099 box checked.
 2. Collect or verify completed **Form W-9** for each vendor.
 3. Use **ParishSOFT** to fill in the information for 1099s. This software simplifies data entry and ensures accuracy. For help articles, please click the following link <https://support.parishsoft.com/hc/en-us/sections/14629967261595-Vendor-Tax-Forms-Electronic-Filing>
 4. For paper 1099s, forms can be purchased from Amazon or any local business supply store.
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2. Issuing W-2s – Paylocity Instructions

Paylocity will be handling the distribution of W-2s for your parish employees. Here's what you need to know:

- **Electronic W-2s:** Most employees will receive their W-2s electronically via Paylocity. Instructions for accessing W-2s online are attached. Please share these instructions with your staff and ensure they are aware of the process.

- **Paper W-2s:** Employees not enrolled in electronic delivery will receive paper copies. These will be mailed to the parish in **late January 2026**. Please coordinate distribution to these employees promptly.
- **Terminated Employees:** All terminated employees will receive **paper W-2s**, regardless of their previous delivery choice. These forms will be sent to the most recent address listed in their Paylocity profile.

Action Steps:

1. Confirm employee information (e.g., names, addresses, and Social Security Numbers) in Paylocity before **December 31, 2025**.
2. Inform employees about their W-2 delivery method (electronic or paper).
3. Monitor your Paylocity account for notifications regarding W-2 availability.

If you have any questions or need assistance with filing 1099s or managing W-2 distribution, please do not hesitate to reach out to me directly at **727-344-1611** or via email at wmilano@dosp.org.

Thank you for your attention to these important matters. May we continue to serve our parishes with diligence and care, upholding our mission of ***Courageously Living the Gospel***.