



Accounts Payable/Disbursements Preparing for Year-End and 2012 Webinar

Segment 3: Legislation, Regulatory Actions, Agency Guidance and Court Decisions

Legislative review

- Patient Protection and Affordable Care Act
 - Repeal of Corporate 1099-MISC reporting expansion
 - Repeal of information reporting of rental property expenses
- Small Business Jobs Act
 - Increased information return penalties
 - Information reporting of rental property expenses
- Pending legislation
 - 2012 budget proposals
 - Payroll Fraud Prevention Act

Regulatory actions

- Final regulations on new reporting requirements for payment card transactions
- IRS eliminates paper tax deposits, mandates EFTPS

Agency guidance

- IRS discusses backup withholding and Form W-9 retention issues
- IRS delays withholding, information reporting on certain payments by government entities

Court decisions

- No §530 relief for employer that filed Forms 1099 after tax assessment
- Cable splicer was an independent contractor
- Most FedEx drivers in multistate class action are independent contractors
- Spa's massage therapists and cosmetologists were independent contractors
- Handyman was employee, not independent contractor
- Companies could not sue contractors for improper worker classification
- Misclassified workers could not sue to recover FICA and FUTA taxes they paid

Agency Initiatives

- Prohibited Payees – the Office of Foreign Assets Control
- International ACH Transactions and Accounts Payable
- IRS National Taxpayer Advocate's Accounts Payable concerns
- IRS guidance on reclassified workers following a worker status determination
- Staggered 'B' Notice mailings cause problems for 1099 filers
- Allowing general consent for electronic payee statements
- Extension of TIN masking – no expansion
- DOL plans enforcement, regulatory focus on employee misclassification

Where to get information?

- IRS phone sites and FIRE system
- Websites