



The Faircloth Group, P.C. is pleased to provide you with the service described below. This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the service we will provide. We will not provide any additional services except those identified without your authorization to do so.

PREPARATION OF 2021 FORM 1096 & FORM(S) 1099

What does it include?

- ❖ Preparation and Electronic Filing of Federal Form 1096 & Form(s) 1099 (Copy A)
- ❖ Preparation and Electronic Filing of State Form 1096 & Form(s) 1099 (Copy 1)
- ❖ Preparation of Recipient Form(s) 1099 (Copy B)
- ❖ Preparation of Payer Copy Form(s) 1099 (Copy C)

How does it work?

- ❖ We provide you with a concise organizer to properly gather the recipients' information required to prepare the Form 1096 & Form(s) 1099*
**Not sure who will need a 1099 Form? We can help! We can review your accounting file to identify potential vendors requiring Form 1099. Standard business consultation options will apply.*
- ❖ You return the completed organizer back to our office using your secure [ShareFile](#) account
- ❖ We will prepare and e-file federal and state (if applicable) Form 1096 & Form(s) 1099
- ❖ We provide you with the prepared Form(s) 1099 for your review
- ❖ You deliver prepared Form(s) 1099 to the recipients

When is it due?

- ❖ Submit your completed customer packet to our office before January 14 to take advantage of Early Bird pricing (*See pricing below for details*)
- ❖ You must provide Form(s) 1099 to your recipient(s) no later than January 31
- ❖ IRS filing deadline for Form 1096 & Form(s) 1099 is January 31
(If the dates above fall on a weekend, the due date will be the following business day)

What is your investment?

See examples below. Final price will be determined based on date of submission, total number of forms, delivery method and shipping.

| Preparation of Form 1096 & Form(s) 1099* | |
|--|---------------------------------------|
| Early Bird Special (<i>received by January 14</i>) | \$79 processing + \$12 per Form 1099 |
| Standard Rate (<i>received by January 21</i>) | \$89 processing + \$15 per Form 1099 |
| Expedited Rate (<i>received after January 21</i>) | \$109 processing + \$18 per Form 1099 |
| Late Filing Rate (<i>file after January 31</i>) | \$119 processing + \$18 per Form 1099 |

*ALL INFORMATION required to complete the project must be received by the dates above to receive the rate listed. Providing incorrect/incomplete information will result in a reprocessing fee.

* Last year (2020), the IRS changed guidelines for reporting non-employee compensation on Form 1099. The government brought back Form 1099-NEC to report non-employee compensation. Be aware, this may cause an additional Form 1096 filing requirement as well as additional filing fees compared to previous years.

Delivery Method:

- ❖ The default delivery method is our FREE electronic option via [ShareFile](#) where you will be able to download the recipient copy. You can email OR print and mail these copies to your recipients. *Note: In order to send a 1099 form to a recipient electronically, the IRS requires you to get the recipient’s permission.*

Optional PAPER Delivery: If you would prefer paper recipient copies, check the box below.

| | | |
|--------------------------|---|--|
| <input type="checkbox"/> | Paper Copy Processing & Handling** | \$10 (up to 5 forms), \$2 per additional Form 1099 |
|--------------------------|---|--|

** Forms 1099 will be shipped directly to you. Shipping rates will apply in addition to the paper copy processing & handling. Priority shipping rates will apply to any project mailed 5 business days before the IRS filing deadline.

To get started:

- ❖ Sign service agreement (below)
- ❖ Complete Form 1099 organizer containing the accurate information for all recipients
- ❖ [Upload](#) your completed service agreement and organizer using your secure [ShareFile](#) account

Payment Terms:

- ❖ Payment is due upon receipt of invoice
- ❖ Forms will be e-filed and delivered upon payment
- ❖ If our invoice(s) become delinquent, at our election, we will stop all work until your account is brought current, or we will withdraw from the agreement.

You are responsible for maintaining adequate documentation to substantiate the accuracy and completeness of your tax returns. You should retain all documents that provide evidence and support for reported income, credits, and deductions on your returns, as required under applicable tax laws and regulations. You are responsible for the adequacy of all information provided in such documents. You represent that you have such documentation and can produce it if necessary, to respond to any audit or inquiry by tax authorities. You agree to hold our firm harmless from any liability including but not limited to, additional tax, penalties, interest and professional fees resulting from the disallowance of tax deductions due to inadequate documentation. You agree that your management and employees are ultimately responsible for the proper recording of transactions in the records, the safekeeping of assets, and the accuracy of your trial balance and financial statements. Your management and employees also are responsible for custody and safekeeping of check stock, blank checks, signatory stamps and all other items needed for production or approval of checks. You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney’s fees, resulting from management’s knowing misrepresentations to us.

We appreciate the opportunity to be of service to you. Please date and execute this service agreement and return it to us to acknowledge your acceptance. We will not initiate services until we receive the executed agreement.

| | |
|-----------------------|----------------|
| _____ Signature | _____ Print |
| _____ Company Name | _____ Date |

Please remit payment by check, payable to The Faircloth Group, P.C., P.O. Box 949, Robertsdale, AL 36567. Payments may also be made online at www.thefairclothgroup.com (click “Pay Deposit/Invoice” in the top right corner). Offer valid for 90 days from receipt.

| | |
|-----------------------|--|
| PAYER NAME | |
| PAYER MAILING ADDRESS | |

RECIPIENT NAME: _____
 MAILING ADDRESS: _____

 STATE: _____
 EIN (if business entity): _____
 SSN (if sole proprietor): _____

Nonemployee Compensation (NEC): \$ _____
 Interest Paid (INT): \$ _____
 Rent/Other Paid (MISC): \$ _____

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Please review your information carefully and upload your completed Form 1099 Organizer to [ShareFile](#).

Total Nonemployee Amount _____ Total Interest Amount _____ Total Rent/Other Amount _____

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