

This training resource is designed to help conservation district directors and employees stay informed of key points discussed in recent web-based training. The document should be listed on the district's meeting agenda for discussion and review.

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### End of Year Tax Filing for 2024

- All districts are required to file tax forms based upon payments made during the calendar year. These forms include:
  - W-2/W-3 forms to report employee wages
  - 1099-NEC forms to report **Non-Employee Compensation** for services provided by an individual or entity who is not an employee of the district
  - 1099-MISC forms to report rents, prizes, awards, and other income payments; most commonly, 1099-MISC forms will be issued to program participants who received payments during the calendar year.

### W-2 & W-3 Forms

- W-2 & W-3 forms must be filed electronically; no paper forms are accepted by the IRS/Social Security Administration (SSA) or the Oklahoma Tax Commission (OTC).
- Business Services Online (BSO) must be used to file the forms with the IRS/SSA.
- OKTap must be used to file the forms with the OTC.
- There is no payment threshold for W-2s; if wages of any amount were paid to an employee, a W-2 must be issued.
- The W-3 form is the summary form for all W-2 forms being filed; the BSO system will automatically generate this form.
- **January 31, 2025**, is the due date for providing copies of the W-2s to the employees and for filing the forms, including the W-3, with both the IRS/SSA and OTC.
  - The BSO system will provide a PDF file of the forms for easy printing for delivery/mailing to employees and for the district's records.

### Importance of W-9 Forms

- The district should obtain a completed, legible W-9 form from anyone who is being paid for a service or program. The W-9 should be obtained **PRIOR** to making the payment.
- The W-9 form is the easiest way to determine if a payee needs to receive a 1099 and provides documentation for the district if there is a question regarding why a 1099 was not issued.
  - Corporations and LLCs taxed as corporations do not receive 1099s.
- The district should also be prepared to provide a W-9 if requested from a payer who is paying the district for some purpose. If a W-9 is requested from the district:
  - "Other – Local unit of government/Non-501(C)" should be listed as the structure
  - Enter the district's Employer Identification Number (EIN) as the Taxpayer Identification Number (TIN)

### 1099-NEC Forms

- 1099-NEC forms must be filed electronically; no paper forms are accepted by the IRS or the OTC.
- The Information Returns Intake System (IRIS) must be used to file the forms with the IRS.
- OKTap must be used to file the forms with the OTC.

- 1099-NECs must be issued to non-employees who provided a service and were paid \$600 or more during the calendar year.
  - This includes district directors if they have received \$600 or more during the calendar year for meeting attendance or reimbursements above established standard rates or actual expenses incurred.
- **January 31, 2025**, is the due date for providing copies of the 1099-NECs to the recipients and for filing the forms with both the IRS and OTC.
  - The IRIS system will provide a PDF file of the forms for easy printing for delivery/mailing to recipients and for the district's records.

### 1099-MISC Forms

- 1099-MISC forms must be filed electronically; no paper forms are accepted by the IRS or the OTC.
- The IRIS must be used to file the forms with the IRS.
- The Combined Federal/State Filing (CF/SF) option in IRIS should be selected and used to automatically have the 1099-MISC forms forwarded to the OTC upon IRS filing.
  - If the CF/SF option is not used, OKTap must be used to file the forms with the OTC.
- 1099-MISCs must be issued to payees who received \$600 or more in program payments, rents, prizes, awards, etc. during the calendar year if they are NOT taxed as a corporation. This includes, but is not limited to, participants in the following programs:
  - Cost-share (both regular cost share and emergency drought)
  - SHIP (Soil Health Implementation Program)
  - Prescribed Burn
  - Terry Peach
- **January 31, 2025**, is the due date for providing copies of the 1099-MISCs to the recipients.
  - The IRIS system will provide a PDF file of the forms for easy printing for delivery/mailing to recipients and for the district's records.
- **March 31, 2025**, is the deadline for filing 1099-MISC forms with the IRS and OTC.

### Additional Resources

- OCC District Services Division, including your Area District Coordinator
- Tax filing instructions for both 1099 and W2 filing that were provided via email on January 3, 2025
- Training Resources section of the OCC website
- District Employees Team on Teams