

No 1099-K line on 2012 business returns
February 15, 2012

The IRS has decided that businesses will not be required to reconcile their gross receipts with merchant card transactions reported on Form 1099-K on their 2012 or later returns.

Steven T. Miller, IRS deputy commissioner for services and enforcement, said in writing to the National Federation of Independent Business that no reconciliation will be required on 2012 or future business tax returns. Last October, the IRS had said that no return entry would be required for 2011 tax returns, although they left a line on the returns saying "For 2011, enter 0."

Tax professionals have advised their business clients to separately track cash receipts from merchant card payments beginning this year. Clients may now be advised that the requirement has been dropped.