

MEMO# 25116

April 18, 2011

Repeal of 1099 Expansion

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TO: TAX COMMITTEE No. 21-11 RE: REPEAL OF 1099 EXPANSION

On Thursday, April 14th, President Obama signed into law widely anticipated legislation [\[1\]](#) repealing the 1099 reporting provision enacted as part of last year's healthcare reform package. [\[2\]](#) The repealed provision would have expanded the Form 1099 reporting requirements imposed on businesses in two ways. First, the repealed provision would have over-written a general regulatory exception that applies to payments made to corporations. Second, the repealed provision would have expanded information reporting to include gross payments made for property.

Because the new information reporting provisions were set to become effective for payments beginning in 2012, the repeal effectively maintains the information reporting regime that is currently in place.

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endnotes

[\[1\]](#) Comprehensive 1099 Taxpayer Protection and Repayment of Exchange Subsidy Overpayments Act of 2011, Pub. L. No. 112-9 (2011).

[\[2\]](#) Patient Protection and Affordable Care Act, Pub. L. No. 111-148 (2010).

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