



For more information visit **IRS.gov/1099K**



Are you making money selling things or providing a service?

If so, you could get a Form 1099-K issued for those electronic payments

It's important to know that if you're getting payments for doing a side hustle, running a small business, or selling things online, that money should be reported as income. And if you received over \$20,000 and had over 200 transactions in 2023 and previous years through payment apps and online marketplaces, you and the IRS could receive a Form 1099-K.

What's taxable?

It's the profit from these activities that's taxable income. The Form 1099-K has the gross, or total, amount of payments you got. You can use it and other records to figure out the actual taxes you owe on any profits.

Remember that all income, no matter the amount, is taxable unless the tax law says it isn't – even if you don't get a Form 1099-K.

What's not taxable?

You shouldn't receive a Form 1099-K for personal payments, including money received as a gift and for repayment of shared expenses. That money isn't taxable. To prevent getting an inaccurate Form 1099-K next filing season, note those payments as "personal," if you can.

Good recordkeeping is key

Be sure to keep good records because it helps you when it's time to file your tax return. Don't forget to keep track of expenses, what you've sold and what you've been paid for services throughout the year. And it's a good idea to keep business and personal transactions separate to make it easier to figure out what you may owe.

For details on what to do if you get a Form 1099-K in error or the information on your form is incorrect, visit irs.gov/1099K.

