

## **Electronic Form 1099 - Online via Owner Portal Website**

Marchant Property Management, LLC is required by the Internal Revenue Service (IRS) to furnish all owners Form 1099 for each calendar year to be used in completing the owner's annual tax return. The Form 1099 details the owner's gross rents received and tax withholding amounts for the calendar year and must be furnished (properly addressed and postmarked) by January 31 of the following calendar year. In the past, owners have received paper copies of the Form 1099.

Beginning with the 2019 1099 forms, owners will be given the option to stop receiving the paper copies of the 1099 statement in the mail, and instead may consent to receive their 1099 statement electronically via the Owner Portal.

Information returns may be provided to individuals in paper copy or electronically. The guidelines for electronic distribution are outlined below.

To provide an information return electronically, we **must**:

- Get the recipient's consent
- Provide specific notices to the recipient
- Keep electronic forms available for a minimum timeframe
- Notify recipients of changes to your distribution method

### **Consent Requirements**

We may provide an information return electronically instead of on paper if the recipient:

- Provides written consent
- Has not withdrawn consent before they receive the statement
- Consents electronically in a way that shows they can access the statement in the same format you provide it in

### **Notices**

We must display the following information to the recipient before we obtain consent:

- Our commitment to provide a paper copy if you do not consent
- The scope and duration of consent – All future 1099's along with corrections will be sent electronically
- How to withdraw consent – Simply email your request to [accounting@marchantpm.com](mailto:accounting@marchantpm.com)
- How to get a paper copy after they've given consent – Simply email your request to [accounting@marchantpm.com](mailto:accounting@marchantpm.com)
- The conditions under which you will no longer provide an electronic statement – Notice will be provided if format changes
- How you can update your information – Simply email your request to [accounting@marchantpm.com](mailto:accounting@marchantpm.com)
- A list of the hardware and software required to access, print and save their statement - The hardware and software requirements needed to access the 1099 statement electronically include an internet connection, web browser, and Adobe Acrobat reader or similar PDF readersoftware.
- The date their statement will no longer be available – All 1099's will be available for 3 years

### **Timeframe for Electronic Distribution**

All information returns, whether distributed electronically or on paper, will be available to each recipient by January 31 of the year following the year in which the government made the payment.

If the electronic statement is posted on a website, we will notify the recipient – either in person, electronically or by mail – when your electronic statement is posted.

Electronic statements posted on a website will be available on the website until October 15 of the year following the year in which the payment was made (or the first business day after October 15 if that date falls on a Saturday or Sunday).

## Technical Changes to Distribution Method

If we plan changes to the hardware or software, we use to distribute information returns and if there is any risk that the recipients won't be able to access their statements, we will notify you.

Before you make the technical platform changes, we must tell recipients that:

- We will be changing the hardware or software through which your forms are distributed
- You will need to once again consent to receive information returns in the new electronic format

After you update the technical platform, we must then get the recipient's new written consent to receive the form electronically.

## Detailed Requirements

The requirements for furnishing information returns are set forth in [Publication 1179, General Rules and Specifications for Substitute Forms 1096, 1098, 1099, 5498, and Certain Other Information Returns](#), specifically in section 4.6, "Electronic Delivery of Recipient Statements."

### Benefits of receiving an electronic 1099 statement:

- **Earlier access (it will be available earlier than the paper mailed version).**
- **Once received electronically, significantly less possibility that the 1099 statement may be lost, stolen, damaged, or misplaced by the U.S. mail service or by the Owner, once received.**
- **Access is available at the same easy-to-use, secure Owner Portal at which Owner can access monthly**
- **Access can be attained even if the Owner is not present at his/her residence.**
- **Cost savings for Marchant Property Management, LLC**

Please read this entire disclosure notice and follow the instructions to provide consent to receive all future 1099 statements in electronic format only. Providing consent also indicates consent to receive any (corrected) statements electronically rather than a paper copy. Questions regarding this notice or your 1099 statement should be directed to Marchant Property Management, LLC through email at: [accounting@marchantpm.com](mailto:accounting@marchantpm.com).

### To provide consent electronically, Owner should check the appropriate box below:

We agree to save time, paper, and have better security by having our 1099s sent electronically.

We DO NOT agree to save time, paper, and have better security by having our 1099s sent electronically.

Owner \_\_\_\_\_ Date \_\_\_\_\_

Owner \_\_\_\_\_ Date \_\_\_\_\_