LAND GRANT UNIVERSITY TAX EDUCATION FOUNDATION

2022 National Income Tax Workbook
Learning Objectives

• Explain when a taxpayer needs an employer identification number
• Understand when a taxpayer needs a new employer identification number
• Know how to obtain IRS transcripts
• Know how to set up and use a Tax Pro Account
• Understand when a taxpayer may be entitled to injured spouse relief
• Discuss IRS liens and levies
• Know how to help a taxpayer respond to an IRS lien or levy
• Recognize current cybersecurity threats for taxpayers and tax practitioners
• Understand some sources of income for an influencer or a streamer
• Explain the tax obligations for a gig worker
• Explain the reporting obligations for a business that makes payments to a gig worker
Issue 1: Employer Identification Numbers
Important Information Before You Begin
Use this assistant to apply for and obtain an Employer Identification Number (EIN).
Do I need an EIN?
Do I need a new EIN?

About the EIN Assistant

- You must complete this application in one session, as you will not be able to save and return at a later time.
- For security purposes, your session will expire after 15 minutes of inactivity, and you will need to start over.
- You will receive your EIN immediately upon verification. When will I be able to use my EIN?
- If you wish to receive your confirmation letter online, we strongly recommended that you install Adobe Reader before beginning the application if it is not already installed.
**Application for Employer Identification Number**

<table>
<thead>
<tr>
<th>Form</th>
<th>Application for Employer Identification Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>SS-4</td>
<td>(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)</td>
</tr>
<tr>
<td></td>
<td>Go to <a href="http://www.irs.gov/FormSS4">www.irs.gov/FormSS4</a> for instructions and the latest information.</td>
</tr>
<tr>
<td></td>
<td>See separate instructions for each line.</td>
</tr>
<tr>
<td></td>
<td>Keep a copy for your records.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Legal name of entity (or individual) for whom the EIN is being requested</td>
</tr>
<tr>
<td>2</td>
<td>Trade name of business (if different from name on line 1)</td>
</tr>
<tr>
<td>3</td>
<td>Executor, administrator, trustee, “care of” name</td>
</tr>
<tr>
<td>4a</td>
<td>Mailing address (room, apt., suite no. and street, or P.O. box)</td>
</tr>
<tr>
<td>5a</td>
<td>Street address (if different) (Don’t enter a P.O. box.)</td>
</tr>
<tr>
<td>4b</td>
<td>City, state, and ZIP code (if foreign, see instructions)</td>
</tr>
<tr>
<td>5b</td>
<td>City, state, and ZIP code (if foreign, see instructions)</td>
</tr>
<tr>
<td>6</td>
<td>County and state where principal business is located</td>
</tr>
<tr>
<td>7a</td>
<td>Name of responsible party</td>
</tr>
<tr>
<td>7b</td>
<td>SSN, ITIN, or EIN</td>
</tr>
</tbody>
</table>

EIN Application
A **sole proprietorship** will need a new EIN if any of the following are true:

- You file bankruptcy under Chapter 7 (liquidation) or Chapter 11 (reorganization) of the Bankruptcy Code
- You incorporate
- You are a sole proprietor and take in partners and operate as a partnership
- You are establishing a pension, profit sharing, or retirement plan
A corporation will need a new EIN if any of the following are true:

• You are a subsidiary of a corporation and currently use the parent’s corporate EIN

• You become a subsidiary of a corporation

• The corporation becomes a partnership or a sole proprietorship

• You create a new corporation after a statutory merger

• You receive a new corporate charter
A partnership will need a new EIN if any of the following are true:

• You incorporate

• One partner takes over and operates as a sole proprietorship

• The partnership is terminated (no part of any business, financial operation, or venture of the partnership continues to be carried on by any of its partners in a partnership) and a new partnership is begun
Lost or Misplaced Your EIN?

• Find the computer-generated notice that was issued by the IRS when you applied for your EIN. This notice is issued as a confirmation of your application for, and receipt of an EIN

• Ask the IRS to search for your EIN by calling the Business & Specialty Tax Line at 800-829-4933. The hours of operation are 7:00 a.m. - 7:00 p.m. local time, Monday through Friday
Issue 2: Tax Transcripts
• Last four digits of any SSN: XXX-XX-1234
• Last four digits of any EIN: XX-XXX4321
• Last four digits of any account or telephone number
• First four characters of the first and last name for any individual (first three characters if the name has only four letters)
• First four characters of any name on the business name line (first three characters if the name has only four letters)
• First six characters of the street address, including spaces
• All money amounts, including wage and income, balance due, interest and penalties
Transcript Types:

• Tax Return Transcript

• Tax Account Transcript

• Record of Account Transcript

• Wage and Income Transcript
• Shows most line items including adjusted gross income (AGI) from original tax return (Form 1040 series) as filed, along with any forms and schedules
• Doesn’t show changes made after original return was filed
• Available for the current tax year and returns processed during the prior three years
• Usually meets the needs of lending institutions offering mortgages and student loans
• Applies to Individual taxpayers and Business Entity taxpayers
• BMF transcripts are limited to Forms 1065, 1120, 1120-H, 1120-L and 1120-S
• Shows basic data such as return type, marital status, adjusted gross income, taxable income and all payment types
• Shows changes made after original return was filed
• Available for the current tax year and up to 10 prior years
• Applies to Individual taxpayers and Business Entity taxpayers
• Shows data from information returns received such as Forms W-2, 1099, 1098 and Form 5498, IRA Contribution Information
• Complete income information may not display on the transcript until all earnings are reported
• This transcript is available for up to 10 prior years
• Applies to Individual taxpayers only
Issue 3: Tax Pro Account
Tax Pro Account – Tax Professionals Page

- Enrolled Agents
- Annual Filing Season Program Participants
- Enrolled Retirement Plan Agents
- Certified Professional Employer Organization (CPEO)
- Enrolled Actuaries
- E-File Providers
- Modernized e-File

E-Services
- Online tools for tax professionals

PTIN System
- Status: Online
- Renew or register for 2021

Request Power of Attorney or Tax Information Authorization
- Review options to submit power of attorney (POA) or tax information authorization (TIA). Choose from Tax Pro Account, Submit Forms 2848 and 8821 Online, or forms by tax or mail.

Serve Your Clients
- E-Services, Tax Pro Account, CINs, filing, forms, third party authorizations, procedures and tax guidance

Stay Compliant
- Circular 230, PTIN requirements, due diligence, preparer compliance

Get Continuing Education
- Webinars, Nationwide Tax Forums online, accreditation
Registering to use the Tax Pro Account

To use Tax Pro Account, individuals must create an account and verify their identity.

- Individuals already registered for Secure Access (e.g., Get Transcript, e-Services) can use the Tax Pro Account to initiate POAs and TIAs
- New users will need to create an account with ID.me
- To verify your identity with ID.me, you will need a photo ID and a device with a camera
- Frequently asked questions with help links are available right on the sign-in page for Tax Pro Account & Online Account in case you or your clients have any questions
Tax Pro Account Benefits:

• Provides all-digital process to initiate and sign authorization requests

• Records most authorizations immediately to CAF; some may take 48 hours

• Eliminates manual reviews, allowing faster service for taxpayers
Online Accounts

Access Online Account
Taxpayers can access their online account from the IRS.gov home page

Helping people understand and meet their tax responsibilities

How can we help you?

- Get Your Refund Status
- Sign in to Your Account
- Find Your Child Tax Credit Payment Information
- File Your Taxes for Free
- Get Your Tax Record
- Make a Payment
- Get Answers to Your Tax Questions
- Apply for an Employer ID Number (EIN)
- Get Economic Impact Payment Information
Instructions for Tax Pro Account and Online Account

IRS Webinars:
Search “webinars” at IRS.gov

Search “Digital Day” at www.irsvideos.gov
Online Account landing page describes the features and takes you to sign in.
Welcome BILLY BAKER

Important Message from the IRS
The IRS is taking steps to help taxpayers affected by COVID-19. See our Coronavirus Tax Relief page for more information.

Account Status
Total Amount Owed as of March 29, 2022:
$0.00
View Balance Details

Payments
MAKE A PAYMENT
View Payment Options
View Payment Activity

Notifications
There are no notifications at this time.

Records
View Tax Records for:
- Key information from your most recent tax return
- Advance Child Tax Credit filing information
- Economic Impact Payment filing information
- Downloadable tax records
View Notices and Letters for correspondence from the IRS
View Authorizations for online requests from tax professionals
Digital Authorization Process

Welcome JOHN DOE

Important Message from the IRS

Tax Professional Account is now ready for you to use to initiate a Power of Attorney or Tax Information Authorization for the taxpayer. Please read the “Before You Start” information to make this process as easy as possible.

Request Authorization for an Individual Taxpayer

Submit a request online for power of attorney (POA) or tax information authorization (TIA) for an individual taxpayer. The taxpayer can log in to their IRS account to review and electronically sign the authorization request at www.irs.gov/account.

REQUEST POA  REQUEST TIA

Forms 2848 and 8821

You can also submit authorizations with forms:

- Form 2848, Power of Attorney and Declaration of Representative
- Form 8821, Tax Information Authorization
You Have a New Notification in Your Online Account

Dear Taxpayer,

Sign in to your account to view your notification.

You’re receiving this email because you have an IRS online account. We won’t initiate email contact with you without your consent.

Update your email notification preferences online at IRS.gov/account.

If you have questions about this email, please contact us.

Don’t reply to this email. We don’t monitor replies.

IRS Privacy Policy
From Email address: Internal Revenue Service <DoNotReply@taxproaccount.irs.gov>

You Have a New Notification in Your Tax Pro Account

Dear Tax Professional,

Sign in to your account to view your notification.

You’re receiving this email because you have an IRS Tax Pro Account. We won’t initiate email contact with you without your consent.

Update your email notification preferences online at IRS.gov/taxproaccount.

If you have questions about this email, please contact us.

Don’t reply to this email. We don’t monitor replies.
Issue 4: Injured Spouse Relief
• Injured spouse
• Innocent spouse
  - Files MFJ
  - Seeks relief from liability
• Bureau of the Fiscal Service (BFS) administers the Treasury Offset Program

• Tax Refund or overpayment may be reduced by BFS to pay:
  - Past due child support
  - Delinquent student loans
  - State income tax obligations
  - Unemployment compensation debt
To qualify as an injured spouse, a taxpayer must meet the following requirements:

- Taxpayer filed a joint tax return
- Taxpayer is not liable for his or her spouse’s past-due debt to which the overpayment is applied
- Taxpayer made and reported tax payments or claimed refundable credits on the joint return

Injured Spouse files Form 8379
Non-obligated spouse must File Form 8379, Injured Spouse Allocation to request his/her share of refund

• Before offset occurs: Attach F8379 to paper return and write “Injured Spouse” on top left corner

• After offset occurs: File stand alone Form 8379 including both spouse’s SSN in the same order as they appear on the tax return

• The Injured Spouse is required to sign the stand alone form for processing.
Form 8379 Allocations

**Part II: Allocation Between Spouses of Items on the Joint Return**

**Allocated Items**

<table>
<thead>
<tr>
<th>Column (a)</th>
<th>Column (b)</th>
<th>Column (c)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocated on joint return</td>
<td>Allocated to injured spouse</td>
<td>Allocated to other spouse</td>
</tr>
</tbody>
</table>

**Part IV: Signature**

Complete this part only if you are filling Form 8379 by itself and not with your tax return.

Under penalties of perjury, I declare that I have examined this form and any accompanying schedules or statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

For Paperwork Reduction Act Notice, see separate instructions.
Issue 5: Liens and Levies
FEDERAL TAX LIENS

• Statutory Lien
• Notice of Federal Tax Lien (NFTL)
• NFTL filing
• Lien priority
• NFTL Duration (Collection Statute – CSED)
• Lien release
• NFTL refile
• Appeal Rights
• Collection Due Process (CDP)
• Collection Appeal Program (CAP)
Complex Lien Issues

• Discharge (Publication 783)

• Subordination (Publication 784)

• Withdrawal
Federal Tax Levy

• All property and rights to property
• Requirements
• Property Subject to Levy
• Property Exempt from Levy
Federal Tax Levy, continued

- Avoid Levy
- Release Levy
- Appeal a levy
- Recover Seized Property
Issue 6: Cybersecurity
Common Scams

- Economic Impact Payment (EIP) (“stimulus”) phishing
- Economic Impact Payment (EIP) (“stimulus”) smishing
- Spear-phishing Campaign – Account on Hold
- Scams targeting non-English speakers
- Business email Compromise (BEC) or Spoofing
WASHINGTON — The Internal Revenue Service received a record number of reports about Economic Impact Payment scams in June and July 2021.

"Even though taxpayers have received multiple rounds of Economic Impact Payments, we saw phishing scams surge this summer," said Jim Lee, Chief of IRS Criminal Investigation. "The number of reported scam attempts reached levels we haven’t seen in more than a decade. More than ever, it is important for taxpayers to continue to protect their personal information and not fall victim to these scams."
From: IRSOffice <noreply.mailadmin@prwire360.com>
Date: November 23, 2021 at 6:29:11 AM CST
To:
Subject: Re: You are eligible to receive a tax status on Nov 23, 12:29:02 pm.

---

Third Round of Economic Impact Payments Status Available.

After the last annual calculations of your fiscal activity we have determined that you are eligible to receive a payment of $532.00.

We understand the challenges your business is facing due to the massive disruption caused by the Coronavirus (COVID-19) pandemic and want to provide you with funds to help you weather these difficult times.

Please click below to submit your application.

Get Started

Questions? We're here to help. Call us at 1-800-659-2955 | TTY/TDD: 1-800-877-8339 Office of Disaster Assistance U.S. Small Business Administration
THIS U.S. GOVERNMENT SYSTEM IS FOR AUTHORIZED USE ONLY!

Use of this system constitutes consent to monitoring, interception, recording, reading, copying or capturing by authorized personnel of all activities. There is no right to privacy in this system. Unauthorized use of this system is prohibited and subject to criminal and civil penalties, including all penalties applicable to willful unauthorized access (UNAX) or inspection of taxpayer records (under 18 U.S.C. 1030 and 26 U.S.C. 7213A and 26 U.S.C. 7431).
IRS reports significant increase in texting scams; warns taxpayers to remain vigilant

IR-2022-167, September 28, 2022

WASHINGTON — The Internal Revenue Service today warned taxpayers of a recent increase in IRS-themed texting scams aimed at stealing personal and financial information.

So far in 2022, the IRS has identified and reported thousands of fraudulent domains tied to multiple MMS/SMS/text scams (known as smishing) targeting taxpayers. In recent months, and especially in the last few weeks, IRS-themed smishing has increased exponentially.

Smishing campaigns target mobile phone users, and the scam messages often look like they’re coming from the IRS, offering lures like fake COVID relief, tax credits or help setting up an IRS online account. Recipients of these IRS-related scams can report them to phishing@irs.gov.
IRS.gov
You have received tax relief in disaster situations.
Status Amount of $303,40 is available to claim.

IR-2022-156, Saturday 17 September.
September is National Preparedness Month:
IRS urges everyone to update and secure their records to prepare now for natural disasters.

Submit Application & Complete Registration From here.

http://lubinaf.me/?irs-deducted-taxes-record=

Original SMS/text message

Phishing website
Latest spearphishing scams target tax professionals

IR-2022-36, February 16, 2022

WASHINGTON — With tax season in full swing, the Internal Revenue Service, state tax agencies and tax industry today warned tax professionals of new email scams that attempt to steal their tax software preparation credentials.

The Security Summit partners warned these scams serve as a reminder that tax professionals remain prime targets for thieves. These thieves try to steal client data and tax preparers’ identities in an attempt to file fraudulent tax returns for refunds.

The latest phishing email uses the IRS logo and a variety of subject lines such as “Action Required: Your account has now been put on hold.” The IRS has observed similar bogus emails that claim to be from a “tax preparation application provider.” One such variation offers an “unusual activity report” and a solution link for the recipient to restore their account.

“Scams continue to evolve, and this one is especially sinister since it threatens tax professional’s accounts,” said IRS
Subject: Action Required: Your account is on hold (TXP099497)
From: “IRS.gov” <notification_taxpro.irs.gov@spoe-essling.at>
Date: Thu, February 03, 2022 7:16 pm
To:

Your account has been put on hold

ALL tax preparers are required to apply a security feature to their Tax Pro account towards 2021 Tax Returns processing.

- You have not updated your account

  It is mandatory that you update your account immediately.

Please click https://www.irs.gov/pro-service/Update.asp to update your account now.

Important

Failure to update your account within the next 48 hours will lead to your account being terminated and be barred from filing tax returns claims for 2021 tax season. Your access will be restored once you have updated your details.

Sincerely,
IRS.gov eServices
• Business email compromise (BEC)

• Hijacking an email account or an email server to intercept business transactions and redirect payments

• Business email spoofing (BES)

• Sending spoofed email from an external account pretending to be a company executive authorizing an irregular payment transaction
• Phishing@irs.gov
  • Do not reply
  • Do not open attachments or links
  • Forward phishing email
• Businesses who are victims of SSN/W2 theft (e.g., BEC/BES W2 scams)
  • dataloss@irs.gov
• IRS.gov keyword search “Stakeholder Liaison”
Useful Tools for You and Your Clients

Pub 4524 Security Awareness

TAXES. SECURITY. TOGETHER.
The IRS, the states and the tax industry are committed to protecting you from identity theft. We've strengthened our partnership to fight the nation's common enemy – the criminals – and to devote ourselves to a common goal – saving you dollars, time and heartache. We're making progress. However, cybercriminals are constantly evolving, and so must we. The IRS is working hand-in-hand with your state revenue officials, your tax software provider and your tax professional. But, we need your help. We need you to join us. By taking a few simple steps to protect all of your digital devices, you can better protect your personal and financial data online and at home.

Please consider these steps to protect yourself from identity thieves:

Keep Your Computer and Mobile Phone Secure

- Use security software and make sure it's updated automatically, essential tools include:
  - Firewalls
  - Anti-malware protection
  - File encryption for sensitive data
- Treat your personal information like cash, don’t leave it lying around
- Use strong, unique passwords; consider a password manager
- Use 2-Factor Authentication
- Give personal information only over encrypted websites - look for "https" addresses
- Back up your files

Avoid Phishing Scams and Malware

Identity thieves use phishing emails to trick users into giving up passwords and other information. Don’t take the bait. Look for:

- Emails that pose as trusted sources, e.g. bank, tax provider
- Emails with urgent messages, i.e. update your account now, with instructions to open a link or attachment
- Never download software or apps from pop-up advertising
- Talk to family about online security, both with computers and mobile devices

Protect Personal Information

Don’t routinely carry your or any dependents’ Social Security card or documents with an SSN. Do not store personal information on social media. Information about past addresses, a new car, a new home and even your children help identity thieves piece you as a personal target. Keep old tax returns and tax records under lock and key or encrypt them with software. Shred tax documents before throwing them away.

Avoid IRS impostors. The IRS will not call you with threats of jail or bankruptcy. The IRS will not send you an unsolicited email suggesting you have a refund or that you need to update your account. The IRS will not request any sensitive information online.

There are always scammers, and they are persistent. Don’t fall for them. Forward IRS-related scam emails to phishing@irs.gov. Report IRS impersonation telephone calls at www.tips.irs.gov.

Additional steps:
- Check your credit report annually, check your bank and credit card statements often.
- Review your Social Security Administration records annually. Sign up for My Social Security at www.ssa.gov
- If you are an identity victim and your tax account is affected, review www.irs.gov/identity-theft for details.

Pub 5027 ID Theft Info for Taxpayers

Identity Theft Information for Taxpayers

What is tax-related identity theft?

Tax-related identity theft occurs when someone uses your stolen Social Security number (SSN) to file a tax return claiming a fraudulent refund. If you become a victim, we are committed to reaching your case as quickly as possible. You may be unaware that this has happened until you file your return and discover that a return already exists using your SSN. Or, the IRS may send you a letter saying it has identified a suspicious return using your SSN.

Know the warning signs

Be alert to possible tax-related identity theft if you are contacted by the IRS about:

- More than one tax return was filed for you.
- You owe additional tax, have a refund offset or have had collection actions taken against you for a year you did not file a tax return, or
- IRS records indicate you received wages or other income from an employer for whom you did not work.

Steps for victims of identity theft

If you are a victim of identity theft, the Federal Trade Commission recommends these steps:

- File a complaint with the FTC at identitytheft.gov
- Contact one of the three major credit bureaus to place a fraud alert on your credit report:
  - TransUnion: 1-800-680-4442
  - Experian: 1-888-397-3742
  - Equifax: 1-800-525-6285
- Close any financial or credit accounts opened by identity thieves

If your SSN is compromised and you know or suspect you are a victim of tax-related identity theft, the IRS recommends these additional steps:

- Respond immediately to any IRS notice or call the number provided.
- Complete IRS Form 11996, Identity Theft Affidavit. If you file the return yourself because of a duplicate filing using your SSN or you are instructed to do so, use a Reliable Form at IRS.gov, then attach it to your paper return and mail according to instructions.

- Continue to pay your taxes and file your return, even if you must pay by paper.
- If you've already contacted the IRS and did not have a resolution, contact us for a specialized assistance at 1-800-908-4490. We have teams available to assist.

More information is available at IRS.gov/identity-theft or PT[args].税务局.

About data breaches and your taxes

Not all data breaches or computer fails result in tax-related identity theft. It's important to know what type of personal information was stolen.

If you've been a victim of a data breach, keep in touch with the company to learn what it's doing to protect you and follow the "Steps for victims of identity theft." Data breaches victim should submit a Form 11996. Identity Theft Affidavit only if your Social Security number has been compromised and IRS has informed you that you may be a victim of tax-related identity theft or your file return was rejected as a duplicate.

How you can reduce your risk

Join efforts by the IRS, states and the tax industry to protect your data. Texas. Security. Together. We all have a role to play. Here’s how you can help:

- Always use security features with websites and anti-virus protection. Use strong passwords.
- Learn to recognize and avoid phishing emails, threatening calls and texts from thieves pretending to legitimate organizations such as your bank, credit card companies and over the IRS.
- Do not click on links or download attachments from unknown or suspicious emails.
- Protect your personal information, and that of any dependents. Do not carry Social Security cards, and make sure your tax records are secure.

See Publication 196, Security Awareness for Taxpayers to learn more

NOTE: The IRS does not initiate contact with taxpayers by email to request personal or financial information. This includes any type of electronic communication, such as text messages and social media channels.
Know the Signs of Tax-Related Identity Theft

- E-Filed return rejects due to duplicate Social Security Number.
- Letter from the IRS inquiring about a suspicious tax return that you did not file.
Know the Signs of Tax-Related Identity Theft (cont.)

- You get an IRS notice that you owe additional tax or refund offset, or that you have had collection actions taken against you for a year you did not file a tax return.

- You receive a Form W-2 or Form 1099 from an employer for whom you didn’t work or benefits from a government agency, or IRS records indicate you received wages or other income from an employer you didn’t work for.
Responding to a Data Breach

Report and Respond

Report Data Loss to IRS/States

Tax practitioners should report data losses or thefts immediately to the IRS so that appropriate precautions can be made to protect clients from fraudulent returns being filed in their names. Here's how to report data thefts to the IRS:

- Contact the IRS and law enforcement:
  - Internal Revenue Service, report client data theft to your local stakeholder liaison.
  - Federal Bureau of Investigation, your local office (if directed by IRS).
  - Local police – To file a police report on the data breach.

- Contact states in which you prepare state returns:
  - Email the Federation of Tax Administrators at StateAlert@taxadmin.org to get information on how to report victim information to the states.
  - State Attorneys General for each state in which you prepare returns. Most states require that the attorney general be notified of data breaches.
TIGTA investigates IRS impersonation Scams
  o phone number: 1-800-366-4484
  o web address: www.tigta.gov
Federal Trade Commission: www.FTC.gov
National Center for Disaster Fraud (NCDF)
  o phone number: 1-866-720-5721
  o web address: www.justice.gov/disaster-fraud
Department of Labor: www.DOL.gov/fraud
Issue 7: Gig Economy
Employee’s portion of Social Security, Medicare and Additional Medicare taxes

- Behavioral control
- Financial control
- Type of relationship
• Employee

• Independent contractor

• Form SS-8
Independent Contractor

• Business transactions

• Recordkeeping

• Information Returns
Self-employed/independent contractor

- Social Security
- Medicare taxes
- No employer matching
- Additional Medicare taxes
- Estimated taxes
• Form 1040-ES - Estimated Tax for Individuals
• Direct pay
• EFTPS (Electronic Federal Tax Payment System)
• Form W-4 - Employee's Withholding Allowance Certificate
• Tax liabilities

• Filing and paying business taxes
Gig Economy Tax Center

What is the Gig Economy?
The gig economy—also called sharing economy or access economy—is activity where people earn income providing on-demand work, services or goods. Often, it’s through a digital platform like an app or website.

Gig Economy Income is Taxable
You must report income earned from the gig economy on a tax return, even if the income is:
- From part-time, temporary or side work
- Not reported on an information return form—like a Form 1099-K, 1099-MISC, W-2 or other income statement
- Paid in any form, including cash, property, goods, or virtual currency

What to Do

Gig Workers
Find forms, keep records, deduct expenses, file and pay taxes for your gig work.

Manage Taxes for Your Gig Work

Digital Platforms and Businesses
Classify workers, report payments, pay and file taxes for a digital marketplace or business.

Manage Taxes for a Digital Platform