

SUBCONTRACTOR TAX COMPLIANCE AND 1099 REPORTING AGREEMENT

Independent Contractor Tax Acknowledgment and Certification

This Agreement is entered into this _____ day of _____, 20____, by and between:

Contractor: _____

Address: _____

and

Subcontractor: _____

Address: _____

1. INDEPENDENT CONTRACTOR STATUS

The Subcontractor acknowledges and agrees that their relationship with the Contractor is that of an independent contractor and not an employee. Nothing in this Agreement shall be construed to create a partnership, joint venture, agency, or employer-employee relationship between the parties.

2. FORM W-9 REQUIREMENT

The Subcontractor agrees to provide the Contractor with a completed and signed Internal Revenue Service (IRS) Form W-9 (Request for Taxpayer Identification Number and Certification) prior to the commencement of any work or receipt of any payment. No payments will be processed or released to the Subcontractor until a valid Form W-9 is received by the Contractor.

3. FORM 1099 REPORTING

The Subcontractor acknowledges that the Contractor is required by federal law to report all payments made to the Subcontractor on IRS Form 1099-NEC (or Form 1099-MISC, as applicable) if such payments equal or exceed \$600 in any calendar year. The Subcontractor consents to the electronic or paper delivery of such 1099 forms to the address or email address provided on their Form W-9.

4. TAX RESPONSIBILITIES & INDEMNIFICATION

1. The Subcontractor assumes sole responsibility for filing and paying all applicable federal, state, and local taxes, including but not limited to self-employment taxes (FICA, Medicare), income taxes, social security, and unemployment taxes related to any payments received from the Contractor.
2. The Contractor will not withhold any taxes (federal, state, local, or FICA) from payments made to the Subcontractor, except in cases where backup withholding is legally mandated by the IRS.
3. The Subcontractor agrees to indemnify, defend, and hold harmless the Contractor, its officers, directors, and employees, from and against any and all liabilities, taxes, assessments, penalties, interest, costs, or attorney's fees resulting from the Subcontractor's failure to report or pay income or self-employment taxes, or any recharacterization of the Subcontractor's status by a regulatory body.

5. BACKUP WITHHOLDING

In the event that the IRS notifies the Contractor that the taxpayer identification number provided by the Subcontractor is incorrect, or that the Subcontractor is subject to backup withholding, the Contractor shall immediately withhold the legally mandated percentage from all subsequent payments until the matter is resolved to the satisfaction of the IRS.

6. GOVERNING LAW

This Agreement shall be construed, interpreted, and governed by the laws of the State of _____, without

regard to its conflict of law principles.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

CONTRACTOR:

SUBCONTRACTOR:

By (Signature):

By (Signature):

Name:

Name:

Title:

Title:

Date:

Date: