

1. As a title agent am I responsible for filing the 1099-S for the Transferor Also Known As, The Seller?

Yes, you are responsible as the title agent to be sure the 1099-S gets filed. Form 1099-S provides the IRS with information regarding the sale transaction, gross proceeds and the amount of any real estate tax credits received by the seller.

2. Who prepares the 1099-S?

Some agents prefer the 1099-S to be prepared and mailed out by their software companies (contact your software company for more information). However, you as a title agent are still responsible for confirming the 1099-S was properly submitted. Or, if you choose to prepare your own statement, you will need to have your company name, address, telephone and tax ID number shown on the 1099-S form.

3. What does the title agent do with each copy of the 1099-S?

Blank Copies of copy A can only be obtained by ordering through the IRS website, www.irs.gov if filing on your own. Copies B and C should be a part of your software system so you can electronically remit (most common way to remit), www.irs.gov/FIRE or your software company can prepare and remit them for you. (contact your software company for more information).

If you as an agent close 250 or more transactions per year, all 1099-S forms must (by law) be remitted electronically. Anything under 250 can be remitted manually, but **EXTREMELY** time consuming. Keep in mind this is federal law and must be done if applicable to your transaction.

4. What if the seller is exempt?

Each seller must complete and sign their own individual 1099-S Certification of Exemption form in which you as the agent are required to maintain a copy of the signed form in your file for a minimum of 4 years. See IRS.gov/Form1099S.

5. If a married couple is filing jointly on a homestead property, whose name should go on the 1099-S form?

Only one name and Social Security number of the married couple will go on form 1099-S unless there are separate allocations, then you will need to put both names and Social Security numbers on the form or file one for each seller.

6. Whose identification number goes on the 1099-S when filing for a Land trust?

The beneficiaries Social Security number will go on form 1099-S when filing, not the trustee as it is still considered the beneficiaries personal property.

7. Whose identification number goes on the 1099-S form for a property in a revocable living trust?

The Social Security number of the trustee of the trust will need to be on the form 1099-S. A revocable living trust does not normally need its own separate TIN if the owner of the trust is still living. When the grantor dies, the living trust becomes irrevocable and the successor trustee will then get a TIN from the IRS to pay the trust's taxes.

8. What names do I put on the 1099-S for an LLC?

The name of the LLC and EIN would go on form 1099-S unless the owner of the LLC is a single member owner and chose to file taxes with their personal taxes. If this is the case, the individual owners name and Social Security number will need to be shown on the Form 1099-S.

9. Does a corporation have to file a 1099-S?

No, you as the agent do not need to file a 1099-S for a corporation. In the case of a builder, a copy of the builders Declaration of Exemption should be obtained.

10. What if the seller averages 25 or more sales per year?

The seller would need to provide you with a copy of the Penalties of Perjury Certificate, and you would not have to file.