Independent Contractor Reporting

Businesses and government entities (defined as a "service-recipient") are required to report specified information to the Employment Development Department (EDD) on independent contractors (defined as a "service-provider").
https://edd.ca.gov/en/payroll_taxes/independent_contractor_reporting/

You are required to report independent contractor information if you hire an independent contractor and the following statements all apply:

- You are required to file a Form 1099-MISC for the services performed by the independent contractor.
- You pay the independent contractor $600 or more **or** enter into a contract for $600 or more.
- The independent contractor is an individual or sole proprietorship.

The information you provide to the EDD will increase child support collection by helping to locate parents who are delinquent in their child support obligations.

Reporting Requirements

You must report independent contractor information to the EDD within 20 days of **either** making payments totaling $600 or more **or** entering into a contract for $600 or more or entering with an independent contractor in any calendar year, whichever is earlier. Businesses that transmit electronically must submit 2 monthly reports that are not less than 12 days and not more than 16 days apart. Submit reports only for new independent contractors.

You are required to provide the following information:

Service-recipient (business or government entity):

- Federal Employer Identification Number (FEIN)
- California employer payroll tax account number (if applicable)
- Social Security number (SSN)
- Service-recipient name/business name, address, and phone number

Service-provider (independent contractor):

- First name, middle initial, and last name
- Social Security number
- Address
- Start date of contract (if no contract, date payments equal $600 or more)
- Amount of contract, including cents (if applicable)
- Contract expiration date (if applicable)
- Ongoing contract (check box if applicable)

- ## Independent Contractor Report

We recommend that this report be run twice a month to ensure that you report the contractor within the 20 days allowed by the State. For example, you can chose to report on the 1st and the 15th of every month.

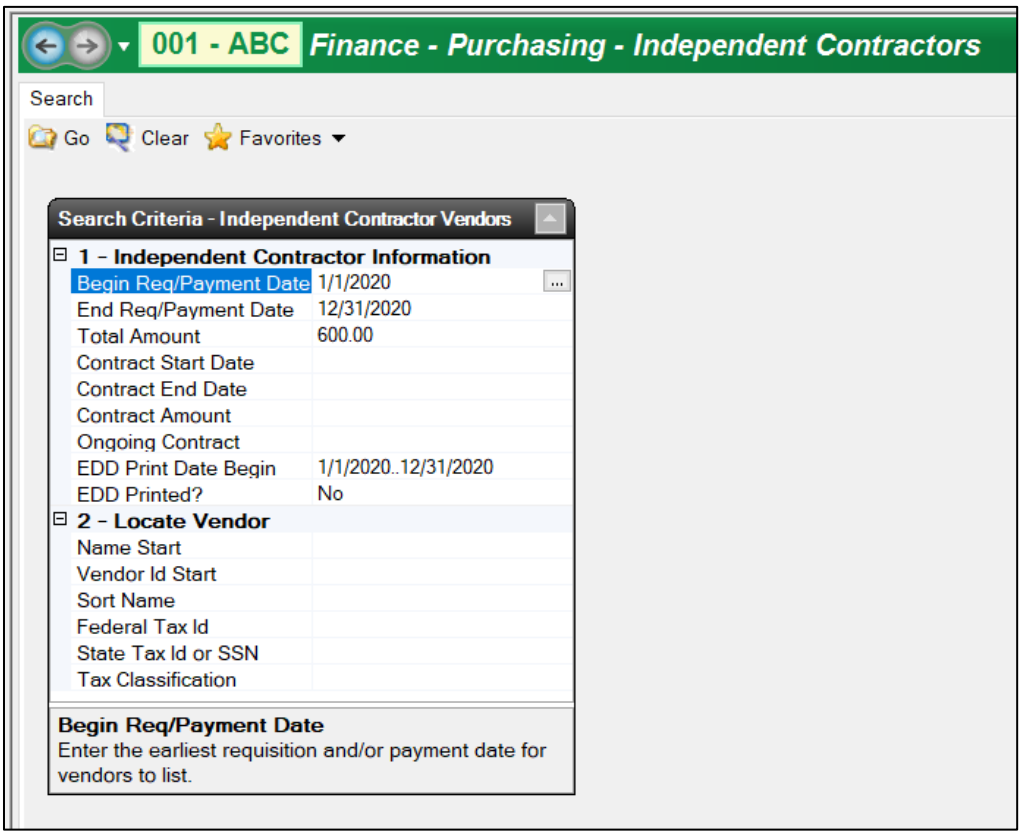
This activity ONLY lists vendors that pass the search criteria AND have the Independent Contractor flag turned on in the Vendor record.

The Independent Contractor activity is used to filter the Independent Contractor's list to find vendors that fit ALL of the following criteria:

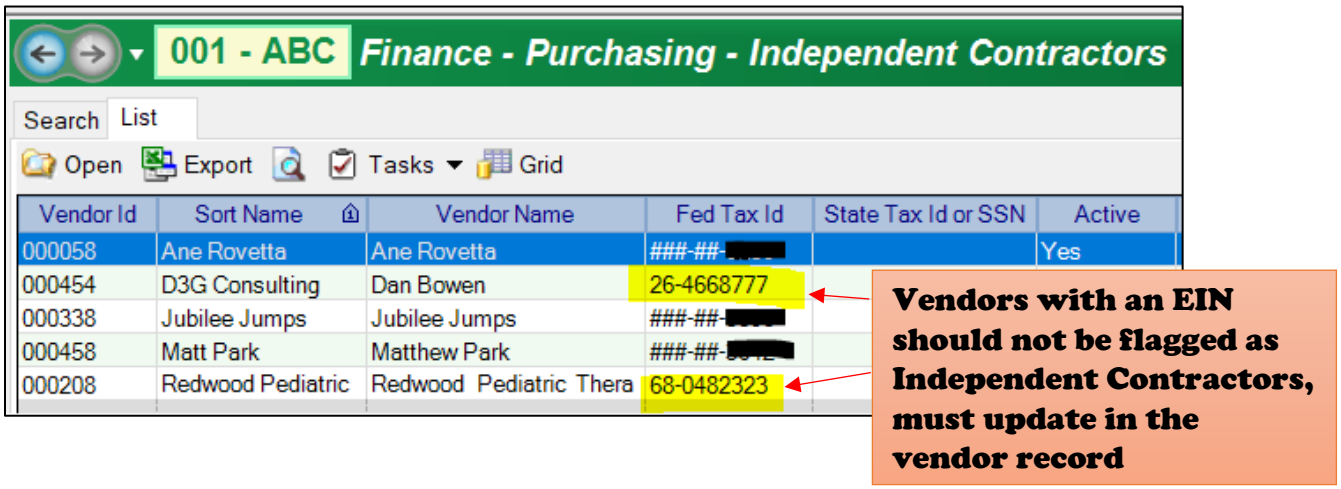
- Vendors marked as independent contractors
- Requisitions created and direct payments with a check print date within a date range (defaults to 01/01/xx to 12/31/xx)
- Requisitions and direct payments with an accumulated total over a certain amount (defaults to $600) or greater

Go to Finance – Purchasing – Independent Contractors

- Leave the default dates or change to current period
- Click Go to generate list
- Review list to verify only Independent Contractors are listed

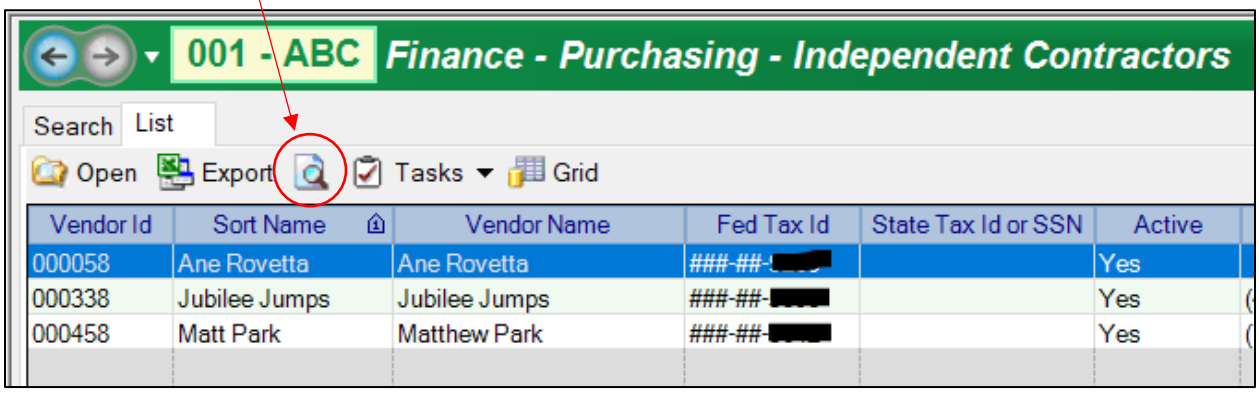


Example List: Review that only Independent Contractors with an SSN are listed. If there is an EIN (Employer Identification Number) listed then the vendor is flag incorrectly and must be updated in the vendor record as No for IC. If changes are made, then re-run the report to get an accurate list.

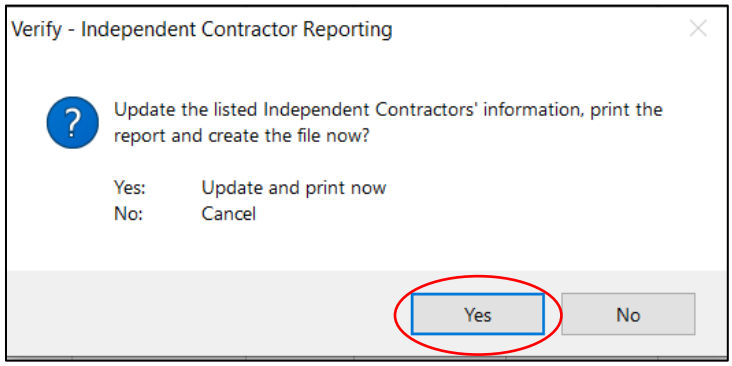


Example List: Updated with IC only

From the list, click on the Preview Button to generate the report.



- Click Yes to generate the report



Example Report to send to EDD:

ReqPay17a **Independent Contractor(s) Report**

EDD Reported 03/25/2020

Service Provider	Street	City	State	Zip	Zip Ext	Tax Id	Contract Amount	Contract Begin	Contract Expires	Contract Ongoing
Jane Doe	P O Box 155	Petaluma	CA	94953		555555555	945.00	02/14/2020		
Jack Smith	P.O. Box 1745	Windsor	CA	95492		444444444	1,080.34	01/17/2020		
John Smith	3825 Sedgemoore Drive	Santa Rosa	CA	95404		333333333	846.81	02/07/2020		

3 Service Providers reported

Service Recipient

Federal ID No. 452381410 CA Employer No. 82232000 Phone (707)433-1375

ABC
8511 HIGHWAY 128
HEALDSBURG, CA 95448

Selection Grouped by Org, EDD Reported Date, - Sorted by Vendor Name

ESCAPE ONLINE

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