

# How does Keap Payments affect my taxes?🔗

Using Keap Payments does not necessarily affect your taxes. Keap Payments helps you organize your payments and under certain circumstances will issue you Form 1099-K, a requirement from the IRS. This is sent from our payments partner WePay.

## What is Form 1099-K and what does it contain?

Form 1099-K is the IRS's information return for reporting the movement of funds. It reflects the gross dollar amount that you collected in the previous calendar year. In addition, the IRS 1099-K form should reflect your legal name and Taxpayer Identification Number (TIN). It is up to you (and your tax professional) to determine whether these amounts represent taxable income.

## When will Keap Payments send me the form?

If you collect at least \$20,000 and have at least 200 transactions in the calendar year, Keap Payments will send you the 1099-K form by January 31 of the following year. All payment processors are required to issue the 1099-K form by law. Keap Payments is also required to file a corresponding tax form with the IRS, which participates in a combined filing program with many state tax agencies.

## We are a business or non-profit. Do these thresholds apply to us as well?

Yes, these thresholds apply to all US-based businesses including non-profits and other tax-exempt entities. However, the 1099-K form will be sent with the name and Taxpayer Identification Number (TIN) of your business or non-profit, rather than the Keap Payments account's administrator's legal name and social security number.

In other words, if you are an administrator of an Keap Payments account for a business or non-profit, you will not take on any tax liability on behalf of the business or non-profit under your own social security number.

## Are refunds and fees included in the \$20,000?

The \$20,000 threshold does not account for refunds or fees. Gross payment volume is determined by the amount of money your customers originally paid.

## How should I use the information from the 1099-K form?

It is up to you (and a tax professional) to determine whether your proceeds represent taxable income. Keap Payments will not report the funds that you collected as earned income. The 1099-K form is simply intended to track the movement of funds.

## I am not a US citizen or a permanent resident. Will I get the 1099-K form from Keap Payments?

Yes, if you meet the requirements of at least \$20,000 collected and at least 200 transactions in a calendar year you will receive the 1099-K form.

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