

### **What information will be provided to the IRS in the Form 1099-K?**

The IRS will receive the same information that is provided to you on Form 1099-K. This will include your gross sales for 2011 which will be reported by month.

Transactions processed from January 1, 2011 through December 31, 2011 will be reported on the Form 1099-K .

### **Will the Form 1099-K include gross sales amounts or net sales amounts?**

Merchant gross sales amounts will be shown on your Form 1099-K. You likely have occasions when you were required to issue a credit on a card for returned goods or services. In some cases you may even experience a chargeback. This will result in the gross amount reported to you on the 1099-K to be different than your merchant statement. For example, if you processed \$40,000 in sales and issued \$1,000 in credits, your Form 1099-K will list \$40,000 in gross sales.

### **Will the Form 1099-K match the monthly statement received?**

No, the IRS reporting period is based on a calendar month. The merchant statement cut off cycle varies from month to month and is not a true calendar month. The reportable amount will not be adjusted for any credits (returns), fees or chargebacks.

### **What if I have multiple merchant accounts?**

The 1099-K is reported by Taxpayer Identification Number not by individual merchant ID's. Each payment settlement entity will send a 1099-K. For example, if you accept American Express, you will receive a separate 1099-K form for those transactions.

### **When will all Form 1099-K's be filed?**

TransFirst will file all Form 1099-K's electronically by March 31, 2012 with the IRS.

### **Can I request a revised or changed Form 1099-K?**

Contact your merchant services provider if you need to make any corrections/changes.

### **What if I didn't receive a 1099-K?**

Contact your merchant services provider for a copy and to update your information.