

IRS Reporting Requirements for Payments to Attorneys (January 1, 2010)

The IRS requires that anyone engaged in a trade or business who pays an attorney or law firm for legal services in the course of that person's trade or business must file a Form 1099-MISC with the Internal Revenue Service and provide a copy to the attorney or law firm, even if the payment is made to a corporation. This rule applies whether or not the legal services are performed for the payor. It also applies even when the payment is a gross amount and the attorney fee portion of the payment is unknown. It is **not** necessary to file an information return if payments to an attorney or law firm total **less than \$600** for the year.

Attached is a completed W-9 with our taxpayer identification number so that you can file Form 1099-MISC if you made payments to Peacock Myers, P.C. during 2009 and **if** those payments total **more than \$600**. Should you have any further questions regarding this reporting requirement, please contact your tax professional or the Internal Revenue Service.

2010 Billing Rates

Our billing rates will be slightly increased over our 2008 rates. There was no increase in 2009. Please don't ever hesitate to contact us if you have concerns about payment or billing.

Happy New Year!