GUIDE

Form W-9, explained for business owners

Form W-9 is how a business collects a contractor's or vendor's legal name, tax classification and taxpayer ID. You ask for it before you pay them, keep it on file and use it to prepare their 1099-NEC. You never send a W-9 to the IRS. Without a valid one, you may have to withhold 24%.

QUICK FACTS

- **Who fills it in.** Contractors, vendors and landlords you pay
- **Sent to IRS?** You keep it on file
- **No W-9?** Backup withholding at 24% may apply

What is Form W-9 used for?

Form W-9, Request for Taxpayer Identification Number and Certification, gives you what you need to file information returns: the payee's name, business name, tax classification, address and Social Security number or EIN. The payee also certifies that the number is correct and whether they're subject to backup withholding.

When should I ask for a W-9?

Before the first payment to any contractor, freelancer, attorney or landlord you'll pay for services or rent in the course of your business. It's far easier to get it before you pay than in January. Payment platforms may report card and app payments on a 1099-K instead, but asking for a W-9 is still good practice.

How do I fill out a W-9?

1. **Line 1:** the name on the tax return. For a single-member LLC, the owner's name
2. **Line 2:** business name or DBA, if different
3. **Line 3a:** tax classification: individual or sole proprietor, C-Corp, S-Corp, partnership, trust or LLC (with its tax classification)
4. **Line 3b:** foreign partners or owners, if it applies
5. **Lines 5 and 6:** address
6. **Part I:** Social Security number or EIN

General information, not tax advice for your situation.

7. **Part II:** sign and date

What happens if a contractor won't give me one?

If you don't get a correct taxpayer ID, you're generally required to withhold 24% backup withholding from payments and send it to the IRS. You'll also get IRS notices if the name and number on the 1099 don't match. Collect W-9s from everyone you pay, and see our 1099 rules guide for who gets a 1099 and the new $2,000 threshold.

Common questions

Does a W-9 go to the IRS?
No. You keep it in your records. The information goes to the IRS later on the 1099 you file.

Do I need a W-9 from a corporation?
It's still smart to collect one. It shows their tax classification, which tells you whether a 1099 is needed.

Is a W-9 the same as a W-4?
No. A W-4 is for employees and sets paycheck withholding. A W-9 is for contractors and vendors.

How often should I update W-9s?
When a payee's name, entity type or tax ID changes, and every few years as a check.

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