

In the United States, independent contractors and the self-employed receive a Form 1099-MISC from each business client that pays at least \$600 during the tax year. All US Brand Affiliates who earn at least \$600 of non-employee compensation in a given tax year will be sent a 1099 by the end of the following January. Starting with tax year 2020, the IRS has implemented a new form, the 1099-NEC. US Brand Affiliates will now receive the 1099-NEC, 1099-MISC, or both of these forms. They will be mailed to the permanent address on file and uploaded to Volumes and Genealogy.

What counts as income on the 1099?

- **Commissions** - All commissions earned between January 1st and December 31st of the preceding tax year will show in Box 1 of the form 1099-NEC. If this amount totals \$600 dollars or more, the 1099 will be automatically generated and sent by the company. If commissions earned in the preceding year is less than \$600, you may contact Brand Affiliate Support about receiving a 1099.
- **Prizes and Awards** - All prizes and awards, including enJoy Rewards point redemptions, prizes, awards, and travel (Success Trips, Weekend Getaways, etc.) will show in Box 3 (Other Income) of the 1099-MISC. If Prizes and Awards total \$600 dollars or more, the 1099 will be automatically generated and sent by the company.
- **Back-Up Withholding (BTW)** in Box 4 of both forms and **Direct Sales of \$5,000 or more** in Box 7 of form 1099-MISC.

Any questions regarding the breakdown of any one of these boxes can be directed to Brand Affiliate Support.

***Note:** Nu Skin is not a tax services provider and as such does not offer tax advice. Any questions regarding filing taxes should be fielded by a registered tax professional.*
