



**U.S. Citizen, Permanent Resident or Resident Alien  
Royalties**

Defining Activity for Payments	Key Rules, Impacts and Forms	Year-End Tax Statement Sent	Tax Filing References
<p><b>Royalties</b></p> <p>Non service payment. The portion of payments to individuals for negotiated agreements for Industrial Equipment, Industrial Know-How, Film &amp; TV, Copyright or Patent royalties.</p>	<p><b>Request for basic Information</b></p> <p>Staff will request that the payment recipient provide an official name, address, tax classification and U.S. TIN on <a href="#">IRS Form W-9</a>, or a similar form. It is very important to provide this information to us to ensure we have the accurate information in our payment and reporting system.</p> <p><b>Income Tax Withholding:</b></p> <p>The RF is not required to withhold taxes at time of payment but the recipient most likely will have tax liabilities at year end when they file their individual income tax return.</p> <p>Recipients may want to review the specific impacts to their tax liability and estimated tax payments. IRS <a href="#">1040-ES</a> and <a href="#">NYS</a> Estimated Tax for Individuals.</p> <p>Social Security and Medicare taxation is not applicable with non service payments.</p>	<p><b>1099-MISC</b> Box 2 – “Royalties”</p> <p><b>(IRS Deadline- Postmarked or available by January 31)</b></p> <p>Reporting threshold - \$ 10 or more</p> <p>If the amount is less than \$10, the RF is not required to issue a 1099-MISC but this does not relieve the payment recipient from individual filing responsibilities.</p>	<p><a href="#">IRS Form 1040 Instructions</a></p> <p>Search on “1099-MISC” Box 2</p> <p><a href="#">NYS Taxation and Finance</a></p> <p><a href="#">IRS Publication 17 – Your Federal Income Tax</a></p> <p>Search on “1099-MISC” Box 2 and in relationship to “royalty” income</p> <p><a href="#">IRS and Social Media</a></p> <p><a href="#">IRS You Tube Video Channel</a></p> <p><b>Need a copy of your 1099-MISC form?</b></p> <p>Visit the campus RF office your payments originated from to assist in your inquiry and acquire a “Request for Copy of Tax Statement” form</p> <p><b>Have a question about your payments?</b></p> <p>Contact the campus office that handled your RF activity. If you leave a voice message, ensure you clearly spell you last name and leave contact information.</p>