

## Frequently Asked Questions (FAQ) and Information Sheet

This document provides important information regarding 1099 forms, D-U-N-S numbers, payment terms, supplier types, SWaM certification, and contact details for various departments. Please review the sections below to determine if your company qualifies for 1099-N, 1099-MISC, or both, and to find answers to common questions.

### 1099 Forms: Qualifications and Uses

A **1099 form** is used to report various types of income other than wages, salaries, and tips. It is typically required when payments are made to individuals or entities who are not employees, and these payments exceed specific thresholds set by the IRS.

Here's an overview of the forms and when they are used:

#### 1099-MISC:

- **Rent:** Payments to landlords for office space.
- **Royalties:** Payments to authors, musicians, or other creators for the use of their work.
- **Medical and Healthcare Payments:** Payments to healthcare providers for services not covered by 1099-NEC (e.g., payments to clinics or individual physicians for medical services).
- **Legal Settlements:** Payments for legal settlements or other miscellaneous legal fees.

#### 1099-NEC:

- **Freelance Services:** Payments to freelancers (e.g., graphic designers, writers) for their services.
- **Consulting Fees:** Payments to independent consultants for advisory services.
- **Contract Work:** Payments to contractors for construction or repairs.
- **Legal Fees:** Payments to independent lawyers (not incorporated) for legal services.

#### Which Companies Typically Need to Receive a 1099:

- Businesses paid for services such as legal, medical, or rental services.
- Independent contractors, freelancers, or consultants.
- Entities receiving royalties or certain legal settlements.

#### Which Companies Typically Do Not Need to Receive a 1099:

- **Incorporated Entities** (e.g., corporations or sub-chapter S corporations) typically do not need to receive 1099 forms.
- **Retailers** or companies receiving payments for goods or inventory.
- **Government Entities** and **Nonprofits** typically do not require 1099 forms, although exceptions may apply.

### Summary:

- **1099-MISC** is used for various miscellaneous payments, such as medical and legal expenses.
  - **1099-NEC** is used for non-employee compensation.
  - If payments fall into both categories (non-employee compensation and other miscellaneous payments), both forms may be issued.
  - Corporations, entities receiving payments for goods or inventory, and government or nonprofit organizations generally do not require 1099 forms.
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### D-U-N-S Number: What You Need to Know

A **D-U-N-S Number** is a unique nine-digit identifier assigned to businesses by Dun & Bradstreet (D&B). It is used to track key business information, such as financial stability and creditworthiness, and is commonly requested by partners, lenders, and large organizations to evaluate a company's reliability.

#### What is a D-U-N-S Number?

- **Purpose:** To identify a business and provide a profile of its financial health.
- **Usage:** Often requested by global companies and financial institutions to assess business credibility.

#### D-U-N-S vs. EIN:

- **EIN:** Issued by the IRS for tax-related purposes. It is a legal requirement for most businesses.
- **D-U-N-S Number:** Issued by D&B for evaluating business creditworthiness. It is not a legal requirement but may be requested by business partners.

If you're unsure whether your company has a D-U-N-S number, you can check or request one directly at the **Dun & Bradstreet website**.

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### Payment Terms

Our **standard payment terms** are **Net 30**, unless otherwise specified in a contract. This means payment will be made within 30 days of receiving an invoice. If your company requires different payment terms, these must be justified and approved by our Accounts Payable department.

For ACH payments or if you need to discuss payment terms, please contact our **Accounts Payable** team at **RHEALTHAP@uvahealth.org**.

If your company has established different payment terms with Accounts Payable in the past, those terms will remain unchanged unless otherwise agreed upon.

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## Supplier Types

A **Supplier Type** classifies a business or individual based on how they provide goods or services, which determines tax reporting requirements and the forms issued. Common supplier types include:

- **Individual:** A single person acting as a sole proprietor or independent business.
  - **Sole Proprietor:** A business owned and operated by an individual, where the owner is personally liable for all business obligations.
  - **Partnership:** A business structure where two or more individuals share ownership and management responsibilities.
  - **Sub-Chapter S Corporation:** A corporation that allows income to pass through to shareholders, avoiding double taxation, while still providing liability protections.
  - **Corporation:** A legal entity distinct from its owners, providing limited liability protection. Corporations can issue stock and raise capital.
  - **LLC (Limited Liability Company):** A hybrid business structure that combines aspects of a corporation and a partnership, offering liability protection and pass-through taxation.
  - **Corporation Providing Professional Services:** A corporation providing services such as medical, legal, or other professional services.
  - **Government Entities:** Federal, state, or local government organizations, which generally do not require 1099 forms.
  - **Non-Profit Organizations:** Organizations that are exempt from taxes and typically do not require 1099 forms.
  - **Foreign Company:** A business entity incorporated in one jurisdiction but operating in another. For example, a company registered outside the U.S. but doing business within the U.S. would be considered a foreign company.
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## SWaM Certification

**SWaM** stands for **Small, Women-owned, and Minority-owned** businesses. This certification is used by government agencies to promote diversity and support underrepresented enterprises, particularly for government contracts and procurement opportunities.

- **Small Business:** A business that meets specific size standards based on revenue or employee count.
- **Women-Owned Business:** A business where at least 51% of ownership and control is held by women.
- **Minority-Owned Business:** A business where at least 51% of ownership and control is held by individuals from recognized minority groups.

**Note:** SWaM certification is not mandatory for all companies. To determine if your company is SWaM certified, please refer to your official certification documents or contact the certifying agency.

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## Contact Information

For any questions or assistance, please use the following contact points:

- **For vendor registration setup, assistance, or additional questions regarding the form or registration process:**  
**RUVAMCVR@uvahealth.org**
- **For banking or payment changes:**  
**RHEALTHAP@uvahealth.org**
- **For purchasing inquiries or to contact a buyer:**  
**AskProcurementOPS@uvahealth.org**

For future updates related to your company's name, address, tax information, mergers, or acquisitions, please contact **RUVAMCVR@uvahealth.org**.