

CRONADO
EAGLE & JOURNAL *Homes & Business*

Changes Coming For Rental Property Owners In 2011

Beginning January 1, 2011, a provision in the recently enacted Small Business Jobs Act will require rental property owners to issue 1099's. Under this new act, rental property owners receiving rental income will be required to issue Forms 1099 to service providers for payments of \$600 or more during the year.

This new law makes recipients of rental income from real estate subject to the same information reporting requirements as taxpayers engaged in a trade or business. Thus, rental income recipients making payments of \$600 or more to a service provider are now required to provide an information return (Form 1099-MISC) to both the IRS and the service provider. This applies to payments made after Dec. 31, 2010, made to gardeners, plumbers, painters, accountants, property managers, etc.

Rental property owners should take note now and begin keeping adequate records of payments starting January 1, 2011 even though they will not be required to issue 1099's until January

2012. It is suggested that these property owners request each service provider to complete Form W-9 at the first time that services are provided. It is not uncommon at a later date to be unable to find the service provider and obtain the necessary information to issue a W-9. If you presently have continuing service providers, get the W-9 completed by them. Service providers should provide their social security number unless they are incorporated, or have employees and have been issued a federal employer identification number.

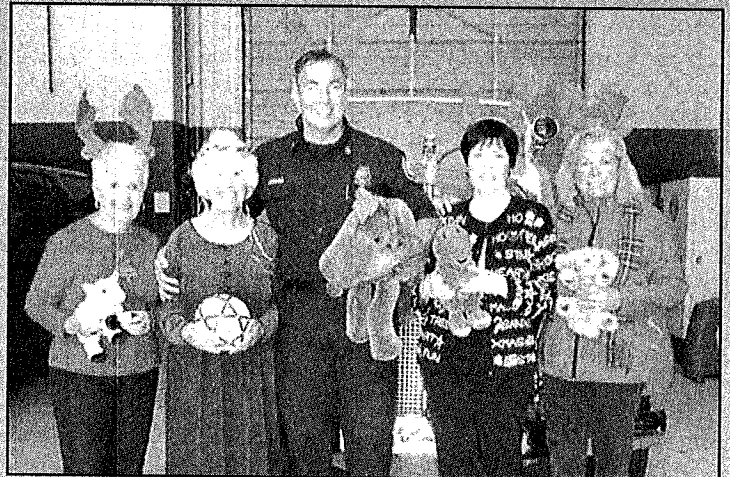
Exceptions

The law provides exceptions for individuals who can show that the requirement will create a hardship. The IRS is directed to issue regulations but has not done so yet. There is currently no guidance on what constitutes sufficient hardship to qualify for the exception or how a taxpayer would demonstrate that hardship.

The law also contains an exception for individuals who receive rental income of "not more

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Children's Home Society Toy Drive 2010



The 12th annual Christmas toy drop box will once again be located in the Coronado Fire Department front office. This program is a joint effort of the Coronado Chapter of Children's Home Society (CHS) and the Coronado Rotary Club. Donations of new, unwrapped gifts, games and toys, may be dropped off at the fire station from December 13 - 24. These gifts will be made available to the families that CHS works with so that parents may make gift selections for their children. Pictured from left: CHS members Barbara Sturgeon, Bonnie Carpenter, Division Chief Ed Hadfield, Jeanne Giacobine and CHS President Rennie Darnell.

Submitted photo

Hotel Del Hosts Book Signing With Suzanne Saxe-Roux December 12

The Hotel del Coronado will host a special book signing of "Courage & Croissants" by Suzanne Saxe-Roux on Sunday, December 12. The book chronicles a family's search for balance and clarity in a hectic modern world. They left the housecleaner and gardener behind, along with the SUVs, moving instead to a small village in the South of France. They would take time to live simply, reassess, learn and grow as a family. Be invigorated for the next phase of

your life and learn from the French what Joie de Vivre really looks like. Saxe-Roux will be in Babcock & Story Bar from 10 a.m. ? 2 p.m.

About The Author

Suzanne Saxe-Roux Ed.D and husband, Jean Roux MFT, Ph.D., are successful entrepreneurs who have spent the past 25 years educating and developing corporate America. Their life work focuses on helping people to develop personally and professionally.

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