



Certified Public Accountants
& Business Advisors

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Large Enough To Know, Small Enough To Care*

Increased Penalties for Failure to Timely File Certain Information Returns

In addition to the accelerated filing deadlines for 2016 Forms W-2, Forms W-3, and Forms 1099-MISC, higher penalties apply for (1) the failure to file correct Forms W-2 by the due date; (2) the intentional disregard of filing requirements; (3) the failure to furnish Forms W-2; and (4) the intentional disregard of payee statement requirements. In addition to applying to Forms W-2, W-3, and 1099-MISC, other common forms subject to these increased penalties include: Schedules K-1 for Forms 1041, 1065, and 1120S.

Penalties for the late filing of these information returns have also increased. For each information return or payee statement with respect to which a failure occurs, the penalty has been increased from \$100 to \$250, and the maximum penalty that may be imposed has been increased from \$1,500,000 to \$3,000,000. The per-failure penalty for intentionally disregard the filing requirements also has been increased, from \$250 to \$500.