

**TO:** ALL COUNTY PERSONNEL  
**FROM:** VERDENIA C. BAKER  
COUNTY ADMINISTRATOR  
**PREPARED BY:** OFFICE OF FINANCIAL MANAGEMENT AND BUDGET  
(OFMB)  
**SUBJECT:** IRS REPORTING REQUIREMENTS FOR REAL ESTATE  
TRANSACTIONS  
**PPM #:** CW-F-073

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**ISSUE DATE**  
April 29, 2025

**EFFECTIVE DATE**  
April 29, 2025

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**PURPOSE:**

To ensure that the County properly files any required IRS 1099 forms related to real estate transactions.

**UPDATES:**

Future updates to this PPM are the responsibility of the Director of OFMB.

**AUTHORITY:**

- Real Estate Settlement Procedures Act of 1974, as may be amended
- Internal Revenue Code, as may be amended

**DEFINITIONS:**

Refer to **Attachment A** for a listing of definitions related to this PPM.

**POLICY:**

All County Departments will follow the County's established procedure for furnishing relevant information pertaining to the filing of 1099 Forms to the IRS for proceeds from real estate transactions, when required by applicable law.


**PROCEDURE:**

As required by the IRS, whenever a real estate transaction takes place and the County receives property from a transferor in fee simple title, as a perpetual easement or temporary construction easement, the County must forward a Form 1099 for each such acquisition to the property transferor(s) and to the IRS at the conclusion of each calendar year.

The County Department is responsible for ensuring that the property transferor(s) complete and sign the Real Estate Transaction Request for Taxpayer Identification Number Form (**Attachment B**) prior to closing the real estate transaction. Once this form is completed by the transferor(s), the bottom portion of the form is also to be completed by the County Department and included with the payment request when it is sent to the Clerk & Comptroller's Finance Department. Failure to provide the completed form may delay payment processing by Finance.

Certain real estate transactions are also subject to Form 1099-MISC IRS filing requirements. To facilitate proper coding of transactions for 1099 reporting, appropriate sub-object codes must be used on all payment requests for real estate transactions submitted to Finance. When requesting payments related to temporary easements, a rent sub-object code must be used. If there are payments for either fee simple title, perpetual easements and temporary easements being submitted in the same payment request, the amounts for each must be broken out in the payment request.

If a settlement/closing agent is being utilized for a transaction, the person(s) named as the settlement/closing agent is (are) responsible for closing the transaction and filing Form(s) 1099-S and 1099-MISC, where required. Settlement/closing agents must complete and provide Form W-9 Request for Taxpayer Identification Number and Certification (**Attachment C**) prior to closing, and the County Department must include this form with the payment request sent to Finance.

  
VERDENIA C. BAKER  
COUNTY ADMINISTRATOR

Supersession History:

1. PPM #CW-F-073, effective 05/01/2006
2. PPM #CW-F-073, effective 09/01/2011
3. PPM #CW-F-073, effective 08/17/2016

## ATTACHMENT A

### DEFINITIONS

The following definitions are to be used only in the context of the Internal Revenue Service (IRS) reporting requirements.

**Date of Closing:** means the date transfer of title is complete and a closing statement executed for a negotiated purchase or the date of entry of a final judgment by the court for eminent domain actions.

**De Minimis Acquisition:** means an acquisition for which the total consideration, including money and/or property to be paid is less than \$600 in value, exclusive of fees and costs. The \$600 limitation applies to the total consideration for the parcel acquired not separately to each grantor/property interest holder.

**Excluded Acquisitions:** excluded acquisitions include De Minimis Acquisitions and acquisitions from Exempt Transferors.

**Excluded Transferor (Grantor):** exempt transferors include corporations, federal, state or local governmental entities, foreign governments or political subdivisions thereof, international organizations as defined in section 7701(a)(18), Internal Revenue Code, and exempt volume transferors.

**Exempt Volume Transferor:** means a person or entity who has provided the applicable County Department a Certification of Exempt Status as required by Title 26, Code of Federal Regulations, Section 1.6045-4(d)(3).

**Gross Proceeds:** means cash received by a fee owner/parcel interest holder for his/her ownership interest in land, improvements and real estate damages. In cases of multiple ownerships, the gross proceeds may be a proportionate part of the total consideration for the transaction.

**Ownership Interest:** means fee simple interests, life estates, reversions, easements and leaseholds. Leasehold interests or easements must have a remaining term of at least 30 years at the time of conveyance in order to be considered an ownership interest. In practical terms, the only ownership interests the County normally acquires are fee simple interests or perpetual easements, although the reporting requirement applies to all interest set forth herein.

# ATTACHMENT B

Palm Beach County, Florida

## Real Estate Transaction Request for Taxpayer Identification Number Form

Dear Property Owner,

Palm Beach County will be acquiring, or has acquired, ownership interest in Parcel Number\_\_\_\_\_. Federal Regulations require that we report this transaction to the Internal Revenue Service (IRS); therefore, we must obtain your correct taxpayer identification number (TIN). You are required by law to provide Palm Beach County with your correct taxpayer identification number. If you do not provide Palm Beach County with your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law. Please complete the following required information and certification.

Required Information	
<b>Name of Individual or Business:</b>	
<b>Current Mailing Address:</b>	
<b>City, State, and Zip Code:</b>	
<b>Allocation of Gross Proceeds:</b> ____%	
<b>Taxpayer Identification Number (SSN) for an Individual:</b> ____-____-____	
<b>Taxpayer Identification Number (EIN) for Business Entity:</b> ____-____-____	
<b>Property or Services Received:</b>	
<b>Buyer's Part of Real Estate Tax: \$</b>	
Certification	
<b>Under penalties of perjury, I certify that I am a U.S. person or U.S. resident alien and the number shown on this statement is my correct taxpayer identification number.</b>	
<b>Signature of U.S. person:</b>	<b>Date:</b>

### Instructions

**Name of Individual or Business** - Enter the name of the owner or "transferor" of the real property. If there are joint owners, this form must be completed for each person. If the owners are husband and wife only one form with the name and TIN of either person is required.

**Allocation of Gross Proceeds** - If you were a joint owner in above parcel, enter the percentage (%) of the proceeds from Palm Beach County that you have received or will be receiving. (This does not apply to joint owners who are married.) Gross Proceeds means any cash received or to be received for the real property by or on behalf of the transferor, including the stated principal amount of a note payable to or for the benefit of the transferor and including a note or mortgage paid off at settlement. If Palm Beach County assumes a liability of the transferor or takes the property subject to a liability, such liability is treated as cash and is includible as part of gross proceeds.

**Taxpayer Identification Number** – For individuals, enter your social security number (SSN). For other entities, enter your employer identification number (EIN).

**Property or Services Received** - Check this box if you have received or will receive services or property (other than cash or notes) from Palm Beach County for this real estate transaction.

**Buyer's Part of Real Estate Tax** – For a real estate transaction involving a residence, enter the real estate tax paid in advance by the owner that has been or will be charged to Palm Beach County in the settlement.

This section is for Department use only.		
PCN:	Date of Closing:	Gross Proceeds:

**Request for Taxpayer  
Identification Number and Certification**

Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

**Give form to the  
requester. Do not  
send to the IRS.**

**Before you begin.** For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See Specific Instructions on page 3.	<b>1</b> Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)	
	<b>2</b> Business name/disregarded entity name, if different from above.	
	<b>3a</b> Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only <b>one</b> of the following seven boxes.	
	<input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C corporation <input type="checkbox"/> S corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) _____ <b>Note:</b> Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions) _____	
	<b>3b</b> If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions _____ <input type="checkbox"/>	
	<b>5</b> Address (number, street, and apt. or suite no.). See instructions.	Requester's name and address (optional)
	<b>6</b> City, state, and ZIP code	
<b>7</b> List account number(s) here (optional)		

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

<b>Social security number</b>	
<b>or</b>	
<b>Employer identification number</b>	

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

<b>Sign Here</b>	Signature of U.S. person	Date
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**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

**What's New**

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

**Purpose of Form**

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they