



Massachusetts Department of Revenue
Form M-1099-K
Third Party Network Transactions

1. Name of filer	2. FID number of filer	Telephone number		
6. Street address	7. City/Town	8. State	9. Zip	10. Country
3. Name of payee	5. Payee's taxpayer identification number			
6. Street address	7. City/Town	8. State	9. Zip	10. Country
Name of PSE	Telephone number	Account number		
1. Gross amount of third party network transactions	2. Number of payment transactions	3. Federal income tax withheld		
Enter in the appropriate line below the gross amount of the total reportable transactions for each month of the calendar year.				
4a. January	4b. February	4c. March		
4d. April	4e. May	4f. June		
4g. July	4h. August	4i. September		
4j. October	4k. November	4l. December		
5. State	6. State identification number	7. State income tax withheld		

General Information

This form may be filed by a Third Party Settlement Organization (TPSO) with a Massachusetts reporting obligation in the circumstances described below. A TPSO is a central organization that has the contractual obligation to make payment to a payee of a third party network transaction. Internal Revenue Code (IRC) § 6050W(b)(3). A third party network transaction is defined as any transaction settled through a third party payment network, which is defined as any agreement or arrangement that (i) involves the establishment of accounts with a central organization by a substantial number of providers of goods or services who are unrelated to the central organization and who have agreed to settle transactions for the provision of the goods and services to purchasers according to the terms of the agreement or arrangement; (ii) provides standards and mechanisms for settling transactions; and (iii) guarantees payment to the persons providing goods or services in settlement of transactions with purchasers pursuant to the agreement or arrangement. IRC §§ 6050W(c)(3), (d)(3); Treas. Reg. § 1.6050W-1(c)(3).

A TPSO is required to report the gross amount paid in settlement to a payee with a Massachusetts address when the gross amount paid in settlement is \$600 or greater and is subject to taxation under G.L. c. 62, irrespective of the number of transactions between the TPSO and the payee, and even if the TPSO does not have a federal reporting obligation. The "gross amount" for this purpose is the total dollar amount of all third party network transactions paid in settlement to a payee during the calendar year, with no adjustments for credits, cash equivalents, discount amounts, fees, refunded amounts, or any other amounts. Treas. Reg. § 1.6050W-1(a)(6). Where a TPSO has a Massachusetts reporting obligation but is not required to file Form 1099-K with the IRS, the TPSO may file with the Department of Revenue (DOR) using this form or U.S. Form 1099-K, and must furnish a copy to the payee. For more information, see TIR 17-11.

Due Dates

This form or U.S. Form 1099-K must be provided to the payee on or before January 31 following the close of the taxable year. A TPSO must also file this form or U.S. Form 1099-K with the DOR by February 28, or March 31, if filing electronically, following the close of the taxable year.

How and Where to File

A TPSO filing 50 or more Forms M-1099-K annually must file such forms electronically with the DOR. See TIR 16-9. Forms M-1099-K may be submitted online using MassTaxConnect at mass.gov/masstaxconnect.