

Information to assist Sellers in the completion of the 1099-S Certification and 1099-S Input Form

To comply with IRS regulations, requiring reporting of the sale or exchange of Real Property, follow the instructions below:

Step 1

Each Seller must complete a 1099-S Certification form (Husband and Wife must each complete a separate form).

Step 2

- A) If all questions are answered "True or Yes" on the 1099-S Certification, return the completed and signed form to your Escrow officer. DO NOT complete the 1099-S Input Form. No additional steps are required.
- B) If you answered "False or No" to any question on the 1099-S Certification, continue to Step 3.

Step 3

Each seller who does not answer "True/Yes" to all questions on the 1099-S Certification form, must complete and sign the attached 1099-S Input form. Return the completed 1099-S Input Form to your escrow officer.

Husband and wife filing joint returns need only complete one 1099 Input Form (and one percentage allocation of 100%).

TRUSTS: Trusts are not automatically exempt from receiving 1099s. If the Trust has not been issued it's own Tax I.D. number then each trustee must complete the form with the social security number to be used and the name, as it appears on tax return, with the percentage allocation for each trustee. If the Trust has it's own TIN then enter the Trust Tax I.D. number and the legal name as it appears on the tax return.

ESTATES: If using the decedent's social security to file tax return, then use the decedents name. If the Estate has been issued it's own TIN, then use Estate of John Smith and the TIN assigned to that Estate name.

CONSERVATORSHIPS: If a Minor, use the Name and social security number assigned to that minor. If an Elder, use the Elder's name and social security number that the tax return will be filed under.

PARTNERSHIPS/LLC (Limited Liability Company): Are not automatically exempt. The name and tax I.D. number for the partnership, one 1099 will be issued to one partner. (If volume transferor please provide documentation.)

Corporations, Non-profits, government entities, 1031 Exchanges, Refinance, Bankruptcy, Deed in Lieu of Foreclosure, Bulk Sales and Volume Transferors (more than 25 transactions per year) are automatically exempt.

The IRS wants the social security number that was assigned to the name (as it appears on IRS IRS records) that will be filing the tax return reporting the sale of this property in this escrow transaction.

(In some cases this may not be the same name as the Seller(s) on the Grant Deed. i.e. Decedents cannot convey property. Trusts cannot convey property.)

**ALL SELLERS - COMPLETE THE 1099-S CERTIFICATION
COMPLETE THE 1099-S INPUT FORM - ONLY IF APPLICABLE**

1099-S CERTIFICATION

FOR 1099-S REPORTING ON THE SALE OF A PRINCIPAL RESIDENCE

This form may be completed by each seller of a principal residence to determine if no Form 1099-S information reporting is required to be made to the Internal Revenue Service. In order to qualify for this exemption **each seller, including husband and wife sellers, must sign a separate form** answering "TRUE" to all the required questions. If all questions are not answered "TRUE" on this form, this form is not needed and the seller(s) must fill out a 1099-S Input Form.

ESCROW NO. _____

Date Escrow Closed _____

SELLER ASSURANCES:

Check "TRUE" or "FALSE" for each of the following assurances set forth below:

During the 5-year period ending on the closing date of this escrow, I owned and used this property as my principal residence for at least 2 years.

TRUE

FALSE

I have not sold or exchanged another principal residence during the 2 year period ending on the closing date of this escrow (not taking into account any sale or exchange prior to May, 7, 1997.)

TRUE

FALSE

No portion of the property has been used for business or rental purposes by me (or my spouse, if married) since May 6, 1997.

TRUE

FALSE

Does at least one of the following three statements apply?

1. The sale or exchange of the property includes the entire residence, and the sales price or valuation is \$250,000 or less.

OR

2. I am married and the sale or exchange of the property includes the entire residence, and the sales price or valuation is \$500,000 or less, and (A) I intend to file a separate tax return for the year of the sale or exchange, (B) The gain on the sale or exchange of the entire residence is \$250,000 or less.

OR

3. I am married and the sale or exchange of the property includes the entire residence, and the sales price or valuation is \$500,000 or less, and (A) I intend to file a joint return for the year of the sale or exchange, (B) my spouse also used the residence as his/her principal residence for at least 2 years during the 5 year period ending on the closing date of this escrow, and (C) my spouse also has not sold or exchanged another principal residence during the 2 year period ending on the closing date of this escrow (not taking into account any sale or exchange prior to May 7, 1997).

At least one of the above TRUE

All of the above FALSE

NOTE TO SELLER; IF YOU ANSWERED "TRUE" TO EACH OF THE ABOVE QUESTIONS YOU DO NOT HAVE TO COMPLETE THE 1099-S INPUT FORM.

Does this property involve a 1031 Tax Deferred Exchange:

YES

NO

If YES, please complete 1099-S Input Form.

"UNDER PENALTY OF PERJURY, I CERTIFY THAT ALL OF THE ABOVE INFORMATION IS TRUE AS OF THE END OF THE CLOSING DATE OF THE SALE OR EXCHANGE."

Total Sales Price \$ _____

SELLER SIGNATURE: _____ PRINT NAME HERE: _____

PROPERTY ADDRESS: _____

1099-S CERTIFICATION

FOR 1099-S REPORTING ON THE SALE OF A PRINCIPAL RESIDENCE

This form may be completed by each seller of a principal residence to determine if no Form 1099-S information reporting is required to be made to the Internal Revenue Service. In order to qualify for this exemption **each seller, including husband and wife sellers, must sign a separate form** answering "TRUE" to all the required questions. If all questions are not answered "TRUE" on this form, this form is not needed and the seller(s) must fill out a 1099-S Input Form.

ESCROW NO. _____

Date Escrow Closed _____

SELLER ASSURANCES:

Check "TRUE" or "FALSE" for each of the following assurances set forth below:

During the 5-year period ending on the closing date of this escrow, I owned and used this property as my principal residence for at least 2 years.

TRUE

FALSE

I have not sold or exchanged another principal residence during the 2 year period ending on the closing date of this escrow (not taking into account any sale or exchange prior to May, 7, 1997.)

TRUE

FALSE

No portion of the property has been used for business or rental purposes by me (or my spouse, if married) since May 6, 1997.

TRUE

FALSE

Does at least one of the following three statements apply?

1. The sale or exchange of the property includes the entire residence, and the sales price or valuation is \$250,000 or less.

OR

2. I am married and the sale or exchange of the property includes the entire residence, and the sales price or valuation is \$500,000 or less, and (A) I intend to file a separate tax return for the year of the sale or exchange, (B) The gain on the sale or exchange of the entire residence is \$250,000 or less.

OR

3. I am married and the sale or exchange of the property includes the entire residence, and the sales price or valuation is \$500,000 or less, and (A) I intend to file a joint return for the year of the sale or exchange, (B) my spouse also used the residence as his/her principal residence for at least 2 years during the 5 year period ending on the closing date of this escrow, and (C) my spouse also has not sold or exchanged another principal residence during the 2 year period ending on the closing date of this escrow (not taking into account any sale or exchange prior to May 7, 1997).

At least one of the above TRUE

All of the above FALSE

NOTE TO SELLER; IF YOU ANSWERED "TRUE" TO EACH OF THE ABOVE QUESTIONS YOU DO NOT HAVE TO COMPLETE THE 1099-S INPUT FORM.

Does this property involve a 1031 Tax Deferred Exchange:
If YES, please complete 1099-S Input Form.

YES

NO

"UNDER PENALTY OF PERJURY, I CERTIFY THAT ALL OF THE ABOVE INFORMATION IS TRUE AS OF THE END OF THE CLOSING DATE OF THE SALE OR EXCHANGE."

Total Sales Price \$ _____

SELLER SIGNATURE: _____

PRINT NAME HERE: _____

PROPERTY ADDRESS: _____

Note to SELLER:

This form does NOT need to be completed if all questions on the 1099-S CERTIFICATION FORM are answered "True". If the property involves a 1031 Tax Deferred Exchange, PLEASE COMPLETE THIS FORM.

FOUR SEASONS ESCROW, INC.

1099-S INPUT FORM

Company Number	Office Number	Type <input type="checkbox"/> Add <input type="checkbox"/> Change <input type="checkbox"/> Delete	Escrow Number _____	Actual Closing Date
----------------	---------------	---	------------------------	---------------------

SUBJECT PROPERTY INFORMATION

STREET ADDRESS OR BRIEF FORM OF LEGAL DESCRIPTION (FOR VACANT LAND, USE APN, COUNTY AND STATE) _____		
CITY	STATE	ZIP CODE
_____	_____	_____

TRANSACTION DATA

CONTRACT SALES PRICE	No. OF 1099-S forms required for the sale of this property	2 OR MORE 1099 FORMS - S If 2 or more 1099-s forms are required for this transaction, record the dollar amount for the seller based on the seller's declaration	BUYERS PART OF REAL ESTATE TAX	CONTINGENT TRANSACTION	EXCHANGE
(Line 401 of HUD-1 form) Note: If this is an exchange, provide total dollar value of cash, notes and debt relief received by this exchanger. \$ _____		\$ _____	Show any real estate tax, on a residence, charged to the buyer at settlement. \$ _____	Is this a contingent transaction wherein gross proceeds cannot be determined with certainty at time of closing? <input type="checkbox"/> Yes	Was (or will there be) other property services received? <input type="checkbox"/> Yes

SELLER INFORMATION - PLEASE PRINT CLEARLY

SELLER'S LAST NAME FIRST NAME M.I. _____		
SELLER'S FORWARDING STREET ADDRESS _____		
CITY	STATE	ZIP CODE (or country if not USA)
_____	_____	_____

SELLER'S SOCIAL SECURITY NUMBER _____	OR	SELLER'S TAX IDENTIFICATION NUMBER _____
You are required by law to provide your closing agent with your correct Taxpayer Identification Number. If you do not provide your closing agent with your correct Taxpayer Identification Number; you may be subject to civil or criminal penalties imposed by law under the Tax Reform Act of 1986, under Internal Revenue Code Sections 6045(E), 6676, 6722, 6723 and 7203.		Under penalties of perjury, I certify that the number shown above is my correct Taxpayer Identification Number. Seller's Signature _____ Date Signed _____