



The Ledger

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1099 Reporting Changes and Human Subject Payment Updates

Beginning January 1, 2026, a change in federal tax law increased the payment threshold that requires organizations to issue a Form 1099-NEC (Non-Employee Compensation) or Form 1099-MISC (Miscellaneous Income).

Reporting is now required only when total payments to an individual equal or exceed \$2,000 within a calendar year. Prior to tax year 2026, the reporting threshold was \$600.

The Controller's Office has updated Procedure [23715c: Selecting and Paying Human Subject Participants](#) to align with this change. Under the revised procedure, completed IRS tax forms (W-9, W-8BEN, or Foreign National Data Form) are required when the value of a single human subject payment, including gift cards and/or physical items, equals or exceeds \$300, or when cumulative payments equal or exceed \$2,000.

For questions related to this topic, please contact Brad Foster at bcfoster@vt.edu.

Employee Fringe Benefit App

The new Fringe Benefit Application is now available on the Payroll website. You can find the link to the [Fringe Benefits Form](#) in the Payroll Forms section.

Please use this updated form for all new fringe benefit submissions. Questions about the application or process can be directed to payroll@vt.edu.