

# Case Study

## The Situation:

### The New 1099-K Rule

The IRS wants to crack down on unreported income - specifically income from driving Uber, selling on Ebay/Amazon, and reselling tickets. A new law passed **requiring every payment service like PayPal, Venmo, Ticketmaster to report this activity** to them with a **1099-K** and to **lower the reporting threshold**. In confusion, clients are calling asking why Venmo and Ticketmaster are requesting their social security number. Over the next 3 years, the IRS changes the reporting threshold every year causing even more **confusion in your clients**. Some of your clients throw out the form while others mistakenly **double report their income** to you because they also receive other 1099s for the same business activity.

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## THE COMMUNICATION PROBLEM

### How do you

- Help keep this straight for your clients who are confused about the major reporting changes in a single area of the tax code?
- Say "1099-K reporting rule changes" without everyone going to sleep and instead find a way to talk to clients in a way that is interesting and understood?

## WHAT YOU NEED

You need content that gives your clients an **"Aha" value by asking yourself "What's in it for them?"**. When communicating with clients you want to grab their attention and makes the article relatable to their situations and approachable to consume.



## THE PRACTICE PANDA SOLUTION

Create content that has an "aha" value.



After reading or viewing your content, your client says to themselves, "I am glad I spent the time reading this."

### BENEFITS:

**The Weekly Tax Tip** takes topics that come up, like the 1099-K form, and creates content which quickly draws the reader in with a grabber headline followed by a few lines explaining the problem and **why it matters to them**.

Practice Panda **gives your client actionable steps** so they know what to do with the information. For example, with 1099-K reporting, the Weekly Tax Tip:

- Reminds your clients to properly code any digital payment activity to avoid tax reporting when it is not necessary.
- Helps them understand that simple reselling of tickets to a sporting event could cause a taxable event.
- Helps them understand why personal information is now being captured by payment processors.

The result is **grateful clients** that are appreciative of you telling them about a change in laws and giving them thoughtful ideas on what to do with the information.