



Tax Form Requirements for 4-H Auction Participants (W-9 and 1099-MISC Information)

What do you need to know?

Beginning with the 2026 fair season, MSU Extension must follow Federal Internal Revenue Service (IRS) regulations requiring livestock and still exhibit auctions to issue a 1099-MISC to any youth who receives \$2,000 or more in total payments from the sale of animals, still exhibits, or related activities within a calendar year. This handout explains what families need to know and how to prepare.

Why is this happening?

We recently identified a gap in our reporting process and are taking steps to address it moving forward. To avoid placing an unnecessary burden on youth who participate in 4-H auctions, we will not apply the requirement retroactively.

Under federal tax regulations, auctions are required to issue a 1099-MISC form to any youth who receives \$2,000 or more in payments during the calendar year from livestock sales or related activities. To comply, we must collect a W-9 form from youth who meet or may meet this threshold. **This is a federal reporting requirement, not a new MSU policy.**

What counts toward the \$2,000 threshold?

The IRS requires us to include all payments made directly to the youth when calculating this amount. This includes animal auction proceeds, add-ons, and still-exhibit auction proceeds. If the total payments made to a youth reach \$2,000 or more within a calendar year, a 1099-MISC form will be issued by the MSU Controller's Office (more information below).

Does my child need to complete a W-9?

Counties conducting 4-H Auctions will require all 4-H youth to submit a W-9 before they are eligible to market their animals or still exhibits, ensuring timely processing. Requirements for completing W-9 forms and issuing 1099-MISC documents for auctions run by fairs or other organizations will be determined by those entities.

How will W-9s be collected?

W-9 forms will be collected prior to the youth livestock auction through a secure system. The platform ensures that each submitted Social Security Number is digitally encrypted and accessible to an authorized state-level administrator for processing a 1099-MISC.

Who sends the 1099-MISC?

The MSU Controller's Office will mail 1099-MISC forms directly to families by February 1, 2027, for income earned in 2026. Requirements for completing W-9 forms and issuing 1099-MISC documents for auctions run by fairs or other organizations will be determined by those entities.

To contact an expert in your area, visit extension.msu.edu/experts or call 888-MSUE4MI (888-678-3464)

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For additional information, visit extension.msu.edu

Will my child need to file taxes?

Tax filing requirements vary. **MSU and MSU Extension cannot provide tax advice, but families may consult a tax professional or IRS resources. Receiving a 1099-MISC does not automatically mean your child owes taxes.**

What should families do now?

Be aware of the new reporting requirements for 2026, plan to complete a W-9 if your child participates in 4-H auctions, and ask questions early.

Questions?

Please contact your local MSU Extension 4-H staff.