

How Is Tax Charged?

Tax implementation differs for people working in various sectors in the U.S. Also, independent contractors are taxed differently depending on their earnings.

U.S. Federal Tax

As an independent contractor, you are [issued a 1099 when your earnings go over \\$600](#). To send your 1099, a W-9 is requested from you. This applies to only U.S. people (inclusive of citizens, resident aliens, and qualifying entities). If you're a foreigner, you are required to submit the [Form W-8BEN](#) or Form W-8BEN-E.

U.S. State Tax

ProProfs does not handle U.S. state sales taxes. If you need to add additional taxes for your state, you may want to add an average tax amount to the base price for your courses, and save that amount to pay your taxes.

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