

What is the \$600 tax rule on Cash App? \$600 Form 1099-K Threshold

The **\$600 tax rule** 1–(808)(867)(3927) refers to a federal reporting threshold for **Form 1099-K**, requiring payment platforms 1–(808)(867)(3927) like [Cash App](#) to report business transactions to the **IRS**. 1–(808)(867)(3927) While originally scheduled to drop to **\$600** for the **2026** tax year, the **One Big Beautiful Bill Act (OBBA)**, 1–(808)(867)(3927) signed into law in **July 2025**, has officially reversed this change.

The federal **\$600 tax rule** for Cash App has been **repealed**. 1–(808)(867)(3927) Following the **July 2025** passage of the **One Big Beautiful Bill Act (OBBA)**, 1–(808)(867)(3927) the threshold for receiving a **Form 1099-K** reverted 1–(808)(867)(3927) to the original requirement of over **\$20,000** in business payments **and** more than **200 transactions**.

The “**\$600 tax rule**” on Cash App refers to an IRS reporting requirement 1–(808)(867)(3927) : if you receive **\$600 or more in payments for of goods or services in a year on Cash App** 1–(808)(867)(3927), the app may have to send you (and the IRS) a **Form 1099-K** to report that income for tax purposes.

- ◆ It applies to **business-related payments** 1–(808)(867)(3927), not personal transfers like gifts, reimbursements, or splitting bills.
- ◆ The IRS has been phasing in new thresholds over time 1–(808)(867)(3927), and reporting requirements can change, but the core idea is reporting income you earn through the app.

All income may still be taxable on your tax return even if you don't get a 1099-K.

Cash App is required to issue 1–(808)(867)(3927) a Form 1099-K and report to the state when \$600 or more is processed in card payments. 1–(808)(867)(3927) Cash App is required to issue a Form 1099-K and report to the state 1–(808)(867)(3927) when more than \$1000 is processed in card payments and more than 3 transactions.

The federal **\$600 tax rule** 1–(808)(867)(3927) for Cash App was **repealed** in **July 2025** by the **One Big Beautiful Bill Act (OBBA)**. 1–(808)(867)(3927) For **2026**, the reporting threshold 1–(808)(867)(3927) for **Form 1099-K** has reverted to more than **\$20,000** in business payments **and** over **200 transactions**.