

# 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 (OBBBA)**, 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The federal **\$600 tax rule** for Cash App has been **repealed**. 1–(808)(867)(3927) Following the **July 2025** passage of the **One Big Beautiful Bill Act (OBBBA)**, 1–(808)(867)(3927) the threshold for receiving a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 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The federal **\$600 tax rule** 1–(808)(867)(3927) for Cash App was **repealed** in **July 2025** by the **One Big Beautiful Bill Act (OBBBA)**. 1–(808)(867)(3927) For **2026**, the reporting threshold 1–(808)(867)(3927) for **Form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**.