What should you do if a contractor will not provide a W-9?

Ask again in writing, explain why the form is needed, and pause further payment until the contractor tax information is complete. A Form W-9 is not a request for unnecessary paperwork. It is the standard way a business collects a contractor's legal name, business entity, and taxpayer identification number so payments can be reported correctly.

When a contractor refuses, the issue is usually one of three things: they do not understand the form, they are worried about sharing identification details, or they are not comfortable with how their information will be handled. The right response is calm, clear, and documented.

Why the Form W-9 matters

Form W-9 gives the party making a payment the information needed to file the correct tax form at year end. For many independent contractors, that means a 1099 form. Without a valid taxpayer identification number, the payer may be unable to file accurately and may have to consider backup withholding.

The form also helps confirm that the name on the payment record matches the name associated with the tax identification details. That matters for sole proprietors, partnerships, corporations, and other business structures. A trade name alone is often not enough. A contractor may do business under a brand name, but the tax information needs to match the entity that will receive payment.

For the contractor, providing the form is usually straightforward. For the business paying them, missing details can create avoidable tax reporting problems later. That is why a refusal should be treated as an administrative issue first, not as a personal dispute.

Start with a clear written request

The first useful step is to send a short written request that says exactly what is needed and why. Keep the tone practical. Avoid implying that the contractor is doing something wrong unless there is a clear reason to do so.

A good message can say that Form W-9 is required before payment can be processed or before the vendor record can be completed. It can state that the details will be used for tax reporting and kept with the business records for that purpose. If there is an online vendor onboarding process, point the contractor to the specific place where the form belongs.

Include the exact items that must be supplied: legal name, business entity, taxpayer identification number, address, and any required certification. If there is an EIN for a business entity, that may be appropriate. If the contractor is an individual, a Social Security number may be the identifier they provide. The form itself guides them through this.

Do not ask for the details in an unsecured email thread as the default route. A request can be sent by email, but the completed form should be returned through a method that limits unnecessary exposure. This is where secure collection of W-9 details becomes part of good vendor onboarding rather than a technical afterthought.

Answer common objections without arguing

Some contractors hesitate because they have received confusing requests before. Others worry that a completed form gives the payer access to a bank account or permission to take payments. Form W-9 does not do that. It is a tax information form, not a payment authorization.

Another common concern is privacy. A reasonable response is to explain who will see the information, why it is being collected, and how it will be stored. If the business uses a controlled collection method, say so in plain language. If the contractor still has questions, give them a chance to ask before escalating the matter.

Some contractors say they will send the form later. That may be fine if the payment schedule allows it. If there is an invoice ready to pay, the business needs to decide whether to hold payment, make an exception, or request a firm date. The answer depends on the contract, the reporting obligation, and the level of risk involved.

There is also a category of contractor that genuinely does not need to complete the same form in the same way. Certain entities may use a different version or may not be reportable in the same manner. If there is doubt, check the instructions for Form W-9 or ask a tax professional before accepting a vague substitute.

Use a controlled way to collect and verify details

Once the contractor agrees, the collection method matters. Paper forms can be lost, scanned copies can sit in inboxes, and details can be copied into the wrong record. A controlled process reduces confusion and makes it easier to confirm that the form is complete.

Contractor tax information should be checked for obvious mismatches before it is stored. Look for a name that matches the payee, a taxpayer identification number in the correct format, and a business entity that fits the details on the form. If the form appears incomplete, ask for a corrected version rather than trying to fill in gaps by guesswork.

TIN verification can also help catch errors before filing season. A name and number may look valid but still fail to match IRS records. Catching that mismatch early gives the contractor time to correct the issue. Waiting until a tax form is rejected creates more work for everyone.

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Secure collection of W-9 details also supports cleaner record keeping. The payer knows where the form is stored, the contractor knows what was submitted, and the payment team has a reliable source to check before releasing funds.

When payment should be paused

Holding payment is a serious step, so it helps to have a clear internal rule. If company policy says no payment is released without a completed Form W-9, the contractor should be told that before work begins. A consistent rule avoids the appearance that one vendor is being treated differently from another.

If the contractor refuses after a clear request, a second message can restate the position. Keep it brief. Mention the missing form, the reporting need, and the date by which it must arrive. If payment is already overdue, say which part of the payment is on hold and what will release it.

For a small one-off payment, a business may decide the administrative burden is greater than the benefit. That is a judgment call, but it should still follow the reporting rules. Backup withholding may apply when the required taxpayer identification number is not provided, and the payer may need to handle that correctly.

For ongoing work, the safer approach is to resolve the problem before adding more invoices. Repeated payments to a vendor with incomplete records tend to create a larger clean-up job later.

Escalating without burning the relationship

If the contractor remains firm, move the conversation to a specific person who handles accounts payable, vendor onboarding, or tax reporting. A general request from a project contact may not reach the person who can resolve it. A short escalation note with the invoice details and the missing form request is usually enough.

It can help to offer two acceptable ways to provide the form, such as a secure upload or a mailed copy. Keep the options limited and clear. Too many choices can lead to more delay. If a third party prepares the contractor's taxes, the contractor may be able to ask that person to complete the form.

Throughout the exchange, keep records of what was requested and when. This is not about building a case against the contractor. It is about showing that the business made a reasonable effort and that any payment hold followed a stated process.

What not to accept as a substitute

A verbal assurance is not enough. A business card, invoice, logo, or website name does not supply the taxpayer identification details needed for reporting. A completed W-9 is different from a generic vendor application, even if the application asks for contact details.

Be careful with a form that has been altered, is missing a signature where required, or lists a name that does not match the payee. If the contractor changed their legal name or business entity, ask for a current form rather than relying on an old one.

There are cases where a contractor claims exemption from reporting or says no tax form is needed. That should not be dismissed, but it should be documented properly. The relevant instructions usually explain which form or certification applies. If the claim affects how payments must be reported, a tax professional can confirm the treatment.

A practical way forward

The direct path is to request the form clearly, explain the tax reporting reason, offer a secure way to submit it, and hold payment if policy requires it. Most refusal situations settle once the contractor understands that Form W-9 is routine and limited to tax information.

If the refusal continues, protect the business records and follow the reporting rules that apply. A calm process, consistent policy, and verified details are more useful than pressure or guesswork. The goal is simple: pay the right party, keep accurate records, and file the correct tax forms without last-minute corrections.