

**QSS/OASIS  
1099 Processing  
Training Notes  
  
Tax Year 2013**

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# Chapter 1: Overview of 1099 Software and Process

## *Chapter Overview*

This chapter covers the following main topics:

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## Yearly Changes in Software and Documentation

The software and documentation for producing 1099 forms is updated yearly. Therefore, make sure you are dealing with the software and documentation for the current year. The software for the current year is designated as TX13.

*The 1099 UDCs (user-defined commands) and programs shipped on the TX13 Release are to be used only for tax year 2013. For tax year 2014, a different set of programs will be sent.* UDCs are installed automatically during the installation of the TX13 release.

---

**NOTE: The IRS encourages you to file electronically even if you are filing fewer than 250 returns.** However, if your site produces less than 250 1099-MISCs, you can report by paper rather than electronically. Electronic transmittals are made via the Filing Information Returns Electronically (FIRE) system.

For more detailed information, point your Web browser to <http://www.irs.gov>, then search for 1220 in the Search box on the upper right corner of the page.

---

## Overview of 1099 Processing

Form 1099-MISC is used to report miscellaneous income payments made to individuals. These payments are for services, not for goods. In the QSS/OASIS Accounts Payable system, vendors can be flagged to receive 1099-MISCs. The AP payment screens allow individual payments to be marked as to whether they should be included during the 1099-MISC reporting.

The production process begins with the extraction of 1099-MISC data from accounts payable transactions for the calendar year. The additional data file (of transactions that were not recorded in the system) is merged with the extract file to produce a consolidated file. This consolidated file is then used to produce reports, the 1099-MISC forms, and the electronic transmittal files. The processing files are ultimately saved in the HISTORY group.

# *Overview of Programs Included in TX13 Release*

## *Yearly Changes in Software and Documentation*

The software and documentation for producing 1099 forms is updated yearly. Therefore, ***make sure you are dealing with the software and documentation for the current year.*** The software for the current year is designated as TX13.

***The 1099 UDCs (user-defined commands) and programs shipped on the TX13 Release are to be used only for tax year 2013. For tax year 2014, a different set of programs will be sent.*** UDCs are installed automatically during the installation of the TX13 release.

## 1099 Task List

Note that an **AP** following the task number indicates that the task is usually done by accounts payable staff; a **T** following the task number indicates that the task is usually done by technical staff.

### 1099 Task List

TASK	WHAT	WHEN	HOW
1-T	Install current year's 1099 programs; add to user menus	Dec.	
2-T	Create data file (KSAM file) for Additional Data program	Dec.	Y13TEN99PREP UDC
3-T	Create or copy control files	Dec.	
4-AP	Print prelist based on vendor TINs; check for accuracy	Jan.	TNSB13 menu program
5-AP	<i>OPTIONAL</i> —Edit flags as needed	Jan.	AAUPDT menu program
6-AP	<i>OPTIONAL</i> —Edit vendor information as needed	Jan.	VEUPDT menu program
7-AP	<i>OPTIONAL</i> —Add/Edit additional data as needed	Jan.	TNFD13 menu program
AP	<i>Repeat from Task 4-AP until accurate</i>	Jan.	
8-T	Extract AP payment records from GLDSYS database	Jan.	Y13TEN99EXT UDC
9-T	Merge AP and Additional Data records for extract file	Jan.	Y13TEN99MRG UDC
10-T	Filter amount cutoffs by TIN	Jan.	Y13TEN99FILTER UDC
11-T	Print final prelist	Jan.	Y13TEN99RPT UDC
AP	<i>Check prelist; repeat from Task 4-AP until accurate</i>	Jan.	
12-T	Print and distribute 1099 forms	By 1/31	Y13TEN99PRT UDC
T	<i>OPTIONAL</i> —Print and distribute 1099 laser forms	By 1/31	Y13TEN99LASER UDC
	<i>Allow interval before creating transmittal file</i>		
13-T	Create electronic transmittal file	By 3/31	Y13TEN99FILE UDC
14-T	Transfer transmittal file from HP e3000 to PC	By 3/31	
15-T	Save history file		Y13TEN99SAVE UDC

## 1099 Task Flowchart

For another way of looking at the process, the same tasks are presented in the following flowchart.

- ◆ Tasks to be done by technical staff are in light gray.
- ◆ Tasks to be done by accounts payable staff are in darker gray.
- ◆ The same task numbering system is followed in both the task list and the flowchart.

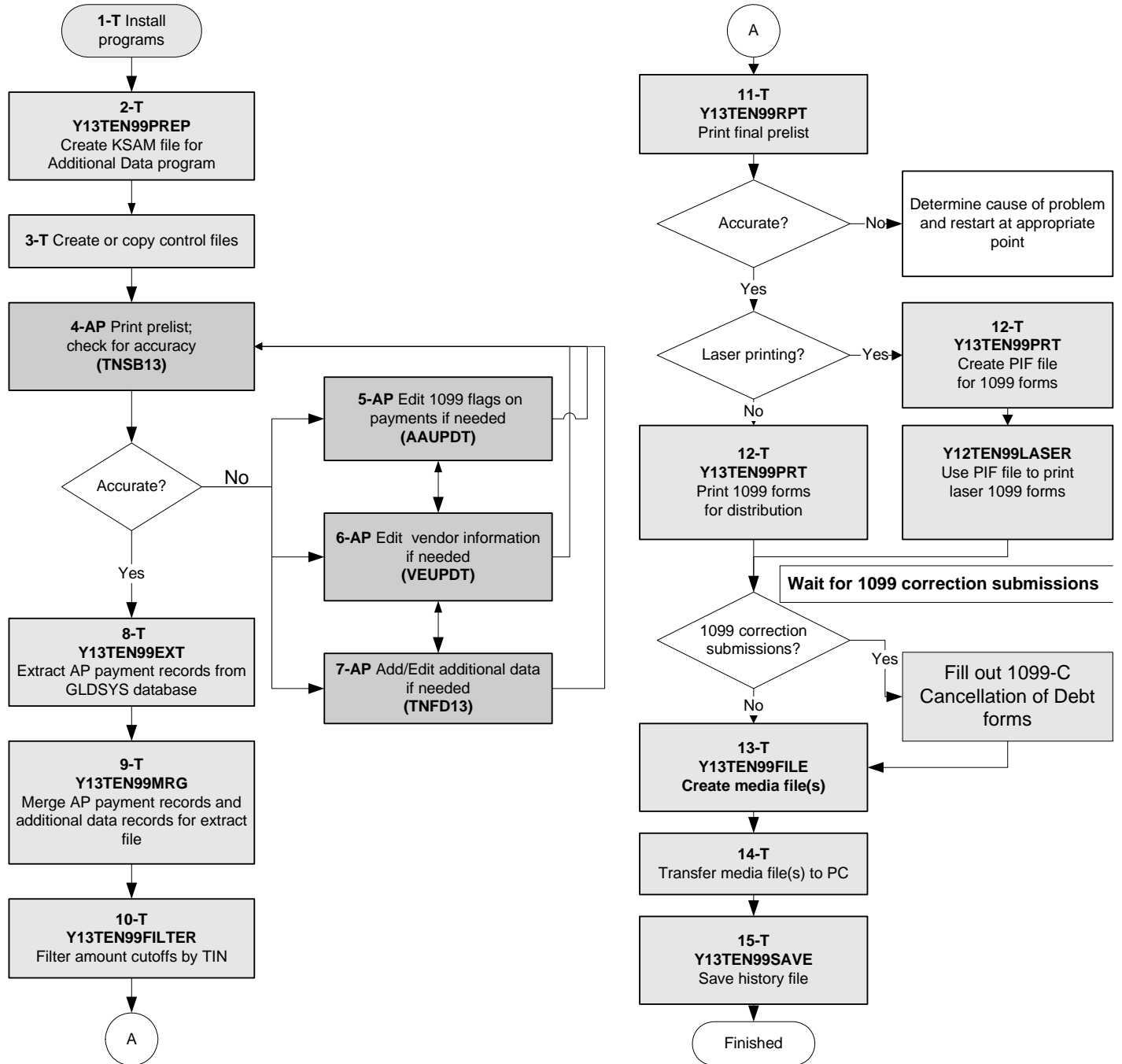


Figure 1-1: Flowchart of Tasks for 1099-MISC Processing

## *Definition of a Vendor and 1099 Transactions*

In the QSS/OASIS system, the term "vendor" has a broad definition, and not all payments to vendors are subject to 1099-MISC reporting. A vendor can be either an external agent that sells goods or services, or a vendor can be an employee who receives reimbursements.

***Generally, only payments to outside individuals for services are subject to 1099-MISC reporting.*** For example, goods purchased from Johnson Office Supplies are not subject to 1099s; however, if the same firm also hires out consultants, the consultant fees for these services are subject to 1099 reporting. Other examples of vendor payments to be reported on 1099s are fees paid for the services of financial planners, lawyers, or accountants, which exceed the reportable amount. Exceptions to this rule include corporations, which do not receive 1099s. At present, 1099-MISC forms are not issued for services obtained from corporations.

Occasionally, payments to employees for services are reported on 1099s. However, note that ***any services reported on 1099s must be a completely different type of work than any work they do for you as employees.***

For example, a vendor may be a bus driver for the county who also operates a bona fide computer consulting business. Occasionally, the bus driver performs contract services as a computer consultant for additional compensation. In a situation such as this, the person would probably have a TIN tied to the name of his computer consulting business. This vendor record would have the 1099 flag set to Y. If he were reimbursed expenditures incurred as an employee, there would be a second vendor master record tied to his name (an employee vendor). This second master file would have the 1099 flag in the Vendor Master File program (VEUPDT) set to N.

---

**CAUTION:** Any work done by an employee as a contractor that is similar to work done as an employee should be reported on a W2 rather than a 1099. If you issue both a 1099 and a W2 to the same employee, you are inviting an audit by the IRS.

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## *Combined Federal and State Electronic File Reporting on 1099s*

In some states, the federal government is instituting combined federal and state electronic file reporting. The list of approved states changes from year to year. While few if any sites would be doing combined reporting this year, it may be something to consider for next year. The requirements are:

1. Your site must be in a participating state.
2. Your site must have sent to the government a request to participate, along with a test file as proof of its feasibility in your case.
3. Your site must have subsequently been authorized to participate by the government.

For more information, see IRS Publication 1220.

Note that if your site produces less than 250 1099-MISCs, you can report by paper rather than electronically.

## *Source of Vendor Addresses*

The mailing addresses printed on the 1099-MISC form come from the Vendor Master File. Every vendor must have an address to which purchase orders are mailed; some vendors also have a separate remittance address. The 1099-MISC process is by default set to use the regular vendor address. However, this is configurable and it is possible to use the remittance address instead. (See "Changing Which Vendor Address to Print on Form 1099-MISC" on page 2-19 to learn how to establish a program option setting that controls which vendor address will be used during 1099-MISC production.)

# Determining Which Vendors Receive a 1099

In order for a vendor to be included in the 1099-MISC processing, the **1099** field on the Change Vendor Master File screen should be set to Y, indicating that this vendor would receive a 1099-MISC. On this same screen, you must enter the Taxpayer ID Number (TIN) for the vendor and the name associated with that TIN if that name is different from the vendor name.

The screenshot shows the 'Vendor Maintenance' window for '07 - QSS DEMONSTRATION DISTRICT'. The '1099' field is circled in red and set to 'N - No'. Other fields include Name: SAMPLE VENDOR, Address: 100 MAIN STREET, City: YOUR CITY, State: CA, Zip: 12345. The 'Remit Name' is 'SAMPLE VENDOR REMIT' and the 'Remit Address' is '100 MAIN STREET' and 'ACCOUNTS RECEIVABLE'. The 'Use Tax Preset' is 'N - No'. The status bar at the bottom shows 'VEUPDT: WWW WWW00EE \$USER DEAMARC N Yr:2013 Dist:07 Site:1 GS: W 11/8/2013 22:39'.

Figure 1-2: QCC version of Vendor Maintenance

District: 15		Change Vendor Master File		QSS/OASIS	
Vendor: 040001		Name: JOHN CONTRACTOR			
Address: 100 MAIN STREET		SUITE 1001			
City, St	Zip:	SAN FRANCISCO, CA 94101			
Remit name: GOLDEN GATE CONTRACTORS		Remit address: 100 MAIN STREET			
Remit address: SUITE 1001		City, St Zip: SAN FRANCISCO, CA 94101			
Contact:	PAPA JOHN	Phone:	(415) 123-4567	Fax:	(415) 123-4568
1099?	<input checked="" type="checkbox"/>	Preset:	<input checked="" type="checkbox"/>	Tax ID:	000000000
UT?		SSN(opt.):		Msg flg:	
Comment:		Rating:		Terms:	0.00%
Category:		Shipping Pct:			%
Type:	RC Ob:	Use tax 1:	.000% 9508		
Acct#:		Use tax 2:	.000% 9508		
Last edit: 11/01/2005 by SYS . Last paid: 00/00/0000.					
Start Over	Addl Address	Vendor Commodity	Comments Screen	eCommerc Screen	Optional Info
				Update Data	Return To Menu

Figure 1-3: Traditional version of Change Vendor Master File Screen (VEUPDT)

## How QSS/OASIS Selects 1099 Transactions

In addition to the vendor record being set, there must be one or more payments to the vendor that have been flagged for 1099-MISC reporting. The 1099 flag is set on individual payment lines as the payments are entered. If a payment line was not correctly marked for 1099-MISC reporting, it is possible to change the setting after the fact by using the 1099-MISC Inspection/Maintenance program (AAUPDT).



# Chapter 2: Processing Instructions for Technical Staff

## *Chapter Overview*

This chapter covers the following main topics:

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**CAUTION:** The software and documentation for producing 1099 forms is updated yearly. Therefore, ***make sure you are dealing with the software and documentation for the current year.*** The software for the current year is designated as TX13.

---

## Logging On

For 1099-MISC processing, log on as follows, so that the processing files are kept in the W2109913 group:

```
:HELLO OPR.QSSUSER,W2109913
```

## Posting Attorney's Fees and Gross Proceeds to the Correct 1099 Box

These instructions discuss how to make the following payments report correctly on the 1099-MISC form:

- ◆ Attorney's fees in Box 7
- ◆ Gross proceeds paid to an attorney in Box 14

Amounts paid to a vendor need to appear in the correct box on the 1099 forms. The box to which these amounts are posted is determined by the code entered in the **Pres**et field on the Vendor Maintenance (VEUPDT) screen.

### Attorney's Fees in Box 7

A Y or 7 in the **Pres**et field will post all 1099-eligible payments for the vendor to Box 7 (non-employee compensation), which includes fees paid to an attorney, on the 1099-MISC form. If this field is left blank, the amounts will also be posted to Box 7 by default.

### Gross Proceeds Paid to an Attorney in Box 14

Since the **Pres**et field on VEUPDT accepts only a single number or character, in order to post amounts to Box 14 (gross proceeds paid to an attorney) on the 1099 form, you must type the letter E in the **Pres**et field. (A is box 10, B is box 11, C is box 12, and so on.)

The Pay Voucher Payments (PVPYMT) and Purchase Order Payments (POPYMT) programs support the use of the code E in the **1099** field. However, the Payables/Current Liabilities (PCLxxx) programs and the Vendor Maintenance (VEUPDT) screen do not allow entry of the code E. For these two programs to support the code E, you must do the two-step procedure which follows. There are separate instructions for the traditional and QCC software.

## Instructions for QCC Software

These instructions focus on the following areas:

- ◆ Overview of Procedure
- ◆ Setting Up the 1099 Program Option

◆ Setting the Default 1099 Flag for a Vendor

*Overview of Procedure*

1. Log on to QCC.
2. From the *QSS ControlCenter* window, open a *Finance Maintenance* window and set up the 1099 program option. For details, see "*Setting Up the 1099 Program Option*" on page 2-3.
3. From the *QSS ControlCenter* window, open a *Vendor Maintenance* window and set the default flag 1099 flag for a vendor to E. For details, see "Setting the Default 1099 Flag for a Vendor" on page 2-5.


*Setting Up the 1099 Program Option*

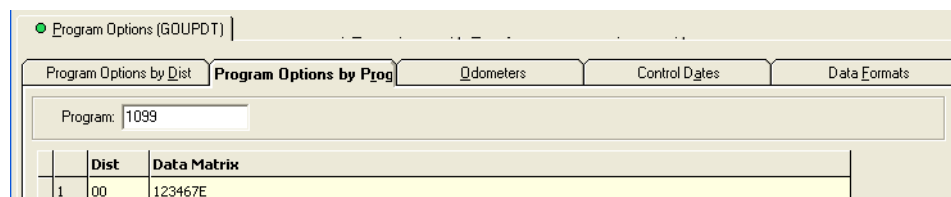
The first step in flagging a vendor for 1099 reporting in box 14 is making 1099 code E a valid code with the 1099 program option. Set up this program option for district 00 (the global district) only. Do not set up any district-specific records.

*To set up the 1099 program option:*


1. From the *QSS ControlCenter* window, open a *Finance Maintenance Window*.


From the tree view, click the **Finance** branch, **Settings / Master Files**, and **Options, Odometers, Control Dates, SACS Tables, Fund xRef**.

2. In the *Finance Maintenance* window, click the Program Options (GOUPDT) tab.
3. Click the Program Options by Prog subtab.
4. In the **Program** box, click the  (Inspect [Ctrl+F5]) icon, then type **1099** and press F2.






**Figure 2-1: Program Options by Prog subtab with 1099 program option defined**

5. If the grid does not list the 1099 program option, add it.
  - > Click the  (Inspect [Ctrl+F5]) icon.
  - > In the **Program** box, type **1099**.

- > Click the  (Add [Ctrl+F6]) icon to open a *Finance Maintenance - Program Option by Dist* dialog box.
- > In the **Dist** box, type 00 for the global district.
- > In the **Edit Data** box, type up to 14 valid 1099 codes. For example, type **123467E** to make the valid 1099 flags, 1, 2, 3, 4, 6, 7, and 14. For numbers greater than 9, use letters: A for 10, B for 11, C for 12, and so on.

#### 1099 codes for the Edit Data box

CODE	EXPLANATION
<b>1</b>	Rent
<b>2</b>	Royalties
<b>3</b>	Other Income
<b>4</b>	Federal Income Tax Withheld
<b>6</b>	Medical and Health Care Payments
<b>Y or 7</b>	Nonemployee Compensation
<b>D</b>	Excess Golden Parachute Payments (corresponding to Box 13 on the 1099-MISC form)
<b>E</b>	Gross Proceeds Paid to an Attorney (corresponding to Box 14 on 1099-MISC form)
<b>G</b>	State Tax Withheld (corresponding to Box 16 on 1099-MISC form)
<b>H</b>	State Income (corresponding to Box 18 on 1099-MISC form)

- > Click the  (Save and Close Window[F2]) icon to add the program option record.
6. If the program option record is already on file, you can change the list of valid codes.
- > Click the  (Change [Ctrl+F9]) icon.
  - > Double-click the row in the grid for the program option record.
  - > In the *Finance Maintenance - Program Option by Prog* dialog box, type up to 14 valid 1099 flags in the **Edit Data** cell.
  - > Click the  (Save and Close Window[F2]) icon to add the program option record.





7. Press F12 to close the *Finance Maintenance* dialog box.

For additional instructions on using the *Finance Maintenance* window, see Chapter 7 of the *QCC Core Financial Manual*.



### *Setting the Default 1099 Flag for a Vendor*

Once you have set up E as a valid 1099 flag, you can make it the default flag for a vendor.

#### *To set the default 1099 flag for a vendor:*

1. From the *QSS ControlCenter* window, open a *Vendor Maintenance* window in either of the following ways:
  - > Click the **Go** menu, point to **Finance**, and click **Vendor Maintenance**.
  - > From the tree view, click the **Finance** branch, click **AP / Purchasing**, then click **Vendor Maintenance**.
2. In the *Vendor Maintenance* window, bring up a vendor record in either of the following ways:
  - > In the **Number** box, type the vendor number and press the  (Process [F2]) icon.
  - > Click the  (Search for Vendors [F3]) icon to search for vendors.

**Figure 2-2: Vendor Maintenance window**

3. Click the  (Change [Ctrl+F9]) icon to put the window in Change mode.
4. In the **Preset** box, select the default 1099 flag for the vendor from the list. The 1099 program option defines the items from which you can select.
5. Click the  (Save [F9]) icon to save the changes.
6. Do either of the following:
  - > Return to Step 2 to change the 1099 flag for additional vendors.
  - > Press F12 to close the *Vendor Maintenance* window.

## *Instructions for Traditional Software*

*To designate amounts paid to an attorney:*

1. Set up the 1099 program option record with the Utility Maintenance

(GOUPDT) program.

**NOTE:** In order to carry out these instructions, the Menu Options for GOUPDT must be setup to allow for *Multi-District Access* and *Control Program Options* (i.e. 0010). Ask your system manager to set up these options correctly. The *QSS/OASIS Core Financial Manual* describes Utility Maintenance (GOUPDT) in detail.

Since you are setting up a global record that applies to all Districts, enter 00 for **District** as shown below (Figure 2-3).

District: 07	Utility Maintenance	QSS/OASIS								
Year: Y1	District: <u>00</u>									
<table border="1"> <tr> <td>Start Over</td> <td></td> <td></td> <td></td> <td>Start Over</td> <td></td> <td></td> <td>Return To Menu</td> </tr> </table>			Start Over				Start Over			Return To Menu
Start Over				Start Over			Return To Menu			

Figure 2-3: Select Global District 00

Enter P for **Program Option** and 1099 for **Program Name** as shown below (Figure 2-4).

District: 07	Utility Maintenance	QSS/OASIS								
Year: Y1	Districts: 00									
<table border="1"> <tr> <td>Maintenance type: <u>P</u></td> <td>'P'rogram Option</td> </tr> <tr> <td></td> <td>'O'dometer</td> </tr> <tr> <td></td> <td>'C'ontrol Date</td> </tr> <tr> <td>Program Name: <u>1099</u></td> <td></td> </tr> </table>			Maintenance type: <u>P</u>	'P'rogram Option		'O'dometer		'C'ontrol Date	Program Name: <u>1099</u>	
Maintenance type: <u>P</u>	'P'rogram Option									
	'O'dometer									
	'C'ontrol Date									
Program Name: <u>1099</u>										
<table border="1"> <tr> <td>Start Over</td> <td></td> <td></td> <td></td> <td>Back Up</td> <td></td> <td></td> <td>Return To Menu</td> </tr> </table>			Start Over				Back Up			Return To Menu
Start Over				Back Up			Return To Menu			

Figure 2-4: Program Option 1099

Enter the list of valid Preset Codes as shown below (Figure 2-5).

```

District: 07              Utility Maintenance              QSS/OASIS
  Year: Y1                Program Option

Program: 1099
Districts: 00

          1           2           3           4           5
12345678901234567890123456789012345678901234567890
123467E
    
```

Start Over					Back Up	Update	Return To Menu
------------	--	--	--	--	---------	--------	----------------

Figure 2-5: Valid Preset Options

2. After you complete the GOUPDT option record, you can enter E on the Change Vendor Master File screen, as shown in Figure 2-6.

```

District: 15              Change Vendor Master File              QSS/OASIS

Vendor: 040001
Name: JOHN CONTRACTOR
Address: 100 MAIN STREET
        SUITE 1001
City, St Zip: SAN FRANCISCO, CA 94101

Remit name: GOLDEN GATE CONTRACTORS
Remit address: 100 MAIN STREET
               SUITE 1001
City, St Zip: SAN FRANCISCO, CA 94101

Contact: PAPA JOHN      Phone: (415) 123-4567      Fax: (415) 123-4568

1099? Y  Preset: E  Tax ID: 000000000  Name:
UT?      SSN(opt.):  -  -  Msg flg:
Comment:
Category:
Type: RC Ob: Use tax 1: .000% 9508  Terms: 0.00%
Acct#: Use tax 2: .000% 9508  Shipping Pct: %
Last edit: 11/01/2005 by SYS . Last paid: 00/00/0000.
    
```

Start Over	Add'l Address	Vendor Commodity	Comments Screen	eCommerc Screen	Optional Info	Update Data	Return To Menu
------------	---------------	------------------	-----------------	-----------------	---------------	-------------	----------------

Figure 2-6: Preset 'E' Directing Amounts to Box 14 on 1099 Form

## Task 1-T: Installation of 2013 W2/1099 Release (TX13)

The TX13 Release contains the installation instructions.

## Task 2-T: Creating the 1099-MISC Additional Data File (KSAM File)

This step creates the work area that holds 1099-MISC adjustment records. Users will not be able to enter additional data amounts through program TNFD13 until this file has been created.

To create the 1099-MISC Additional Data file:

- ◇ Type Y13TEN99PREP at the command prompt.

If the file already exists at the time you run this step, you'll see a warning display showing when the file was created, last updated, and how many records it contains. You will then be given the option of erasing its current contents.

---

**WARNING!** If you recreate the additional data file, you will lose the existing records!

---

```

+-----+
| WARNING:  The Foreign data file has  ←| A warning that the file
|           already been created.      | already exists is
|                                     | displayed.
|                                     |
| File TFTNFD13.W2109913.QSSUSER     | ←| The number of existing
| Contains 101 records                | records is displayed.
| Created: THU, NOV 13, 2013 by OPR  |
| Updated: THU, NOV 13, 2013 at 7:50 AM|
+-----+
|
| Erase the foreign data file? (Y/N)
|
+-----+

```

Figure 2-7: Additional Data File Warning Message

*Usually you would not recreate the additional data file.* You might consider erasing the current file only if very few records exist, or if a majority of the existing records are wrong, and it would be easier to start over than to fix the existing records.

## Task 3-T: Setting Up Control Files

The following control files are relevant to 1099 processing.

Control File	Purpose	Page
CTW2TP13	Contains federal TINs for each district; controls which districts are extracted for 1099 processing	2-10
CT1099PH	Contains contact phone number for each district	2-12
CT1099TI	Defines Transmitter Information for the 1099 transmittal file	2-13

### Creating the Federal EIN Control File

#### Purpose of CTW2TP13.W2109913 Control File

You will likely find it advantageous to create a control file, CTW2TP13, of federal employer identification numbers (EINs) for each district. This file is used for both W2 and 1099 processing.

- ◆ Using this file, you can extract data for all districts at once.
- ◆ Each district must be listed separately in the CTW2TP13 control file.

#### Copying the CTW2TP13.W2109913 Control File

Normally this file can be copied from one tax year to the next, by executing the command:

```
COPY CTW2TP12.W2109912, CTW2TP13.W2109913
```

#### Creating the CTW2TP13.W2109913 Control File

Use an editor program to set up a file containing a 2-digit district number and 9-digit federal EIN for each district.

Each line in the editor file identifies one EIN. Each line must be in the following format:

```
ddnnnnnnnnnabc
```

- ◆ The first two placeholders, dd, are the 2-digit district number, with leading zero, if needed to fill out the two digits. (For example, District 1 is 01.)
- ◆ The next nine placeholders, nnnnnnnnn, are the 9-digit EIN, with leading zeros if necessary to fill out the nine digits. (EIN 12345 is typed as 000012345.)
- ◆ The a column is blank because it is not used.

- ◆ The **b** column is a flag for extracting a district for 1099s.

The system honors this flag only if you type the command to extract 1099s like this:

```
:Y13TEN99EXT SELDIST=1
```

In this case, the only districts for which 1099s are extracted are those with a **Y** flag in the **b** column. Any other value in that flag causes the district to be skipped.

- ◆ The **c** column is a flag for extracting a district for W2s.

The system honors this flag only if you set up the W2EX13 option record properly. To do so, answer the question "12. Extract only districts defined in CTW2TP13 control file?" with an **X**. The system extracts W2s only for districts with a **Y** in the **c** column. Any other value in the **c** column causes the district to be skipped.

---

**NOTE:** The **a**, **b**, and **c** columns are optional. Leave them blank if you are not using the option of flagging individual districts for W2 and 1099 selection.

---

The contents of a federal EIN control file might look something like the following.

If only one EIN is used for all districts, repeat the EIN for each district in the file.

#### Scenario 1—Each District Has Individual EIN

Sample ID Number	Explanation
07123456789	District 07, EIN 123456789
44234567891	District 44, EIN 234567891
95345678912	District 95, EIN 345678912

#### Scenario 2—All Districts Share One EIN

Sample ID Number	Explanation
09111111111	District 09, EIN 111111111
45111111111	District 45, EIN 111111111
97111111111	District 97, EIN 111111111

Keep the federal EINs in an unnumbered file named CTW2TP13.W2109913.

## Creating the Contact Phone Number Control File

### *Purpose of CT1099PH.W2139913 Control File*

You are required to include the telephone number of a person to contact in the filer's name and address area on Form 1099-MISC. This phone number must provide direct access to an individual who can answer questions about the statement. If the contact information is still current, you can reuse this file from year to year. For more information refer to the IRS Instructions for Forms 1099, 1098, 5498 and W2 (Catalogue Number 11409F).

### *Copying the CT1099PH.W2109913 Control File*

If the information this file contains continues to be valid, the file can be copied from one year to the next with the command:

```
COPY CT1099PH.W2109912, CT1099PH.W2109913
```

### *Creating the CT1099PH.W2109913 Control File*

Use an editor program to set up a file containing a 2-digit district number and contact telephone number (up to 30 characters maximum) for each district. You can also set up a global contact phone number with 00 as the 2 digit district number preceding the contact telephone number.

Each line in the editor file identifies one contact phone number. Each line must be in the following format:

```
ddnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnn
```

The first two placeholders, `dd`, are the 2-digit district number, with leading 0, if needed to fill out the two digits. (District 1 is 01.)

The next 30 placeholders, `nnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnnn`, are for the contact phone number. Enter the phone number with spacing and punctuation.

Example of contact telephone number, including global contact phone number:

```
00 (650) 123-4567 ext 89      (global example)
02 (650) 005-2222          (district 02)
```

When a phone number is reported in the electronic transmittal file, the system strips out all characters that are not a digit from 0 - 9. For example, (650) 123-4567 ext 89 becomes 650123456789. The maximum length for the electronic file is 15 digits.

Keep the contact telephone numbers in an unnumbered file named CT1099PH.W2109913.



## *Creating the Transmitter Information Control File*

### *Purpose of CT1099TI.W2109913 Control File*

The optional control file CT1099TI.W2109913.QSSUSER allows you to define the ***transmitter information (TI)*** for the 1099 transmittal file.

If you do not define this control file, the 1099 file program prompts for all of the information in the TI record when you make the 1099-MISC transmittal file. To avoid filling in all these prompts, you can use the CT1099TI.W2109913 control file to define all or some of the fields in the TI record.

### *Sample CT1099TI.W2109913 Control File*

The CT1099TI.W2109913 control file is self-documenting. In the following listing, lines 1 through 33 provide a description of the fields. (Any line in the control file with a space or a semicolon in column 1 is a comment line.) Lines 30 through 33 allow you to set up the data that is used to put the transmitter information in the file.

```

/L CT1099TI.W2109911
1   ; This control file is used to define parameters required to be included
2   ; on the 1099-MISC media file. This file is self documenting and
3   ; should be edited to provide data values.
4   ;
5   :
6   : This file can be used to allow for input of field values without
7   ; having to answer questions when producing the 1099-MISC media file.
8   ;
9   ; Edit the field values below and replace the '*' values with the
10  ; correct value for your organization. If the field should be spaces
11  ; replace the '*' with spaces. Any field left as '*' will be prompted
12  ; for a value during the tape/diskette process.
13  ;
14  ;
15  ;Field      Size  Description
16  ;-----
17  ;NAMCTL     04   Payer Name Control (From the mailing label)
18  ;TCC        05   Transmitter Control Code (Assigned by IRS)
19  ;CONNAME    40   Contact Name
20  ;              Name of person to be contacted if IRS/MCC encounters
21  ;              problems with the file or transmission.
22  ;CONEMAIL   35   Contact Email Address
23  ;              Email address of the person to contact regarding
24  ;              electronic or magnetic files.
25  ;
26  ; The fields are positional and MUST be setup in the correct columns.
27  ;
28  ;Field      Value
29  ;-----
30  NAMCTL     ****
31  TCC        *****
32  CONNAME    *****
33  CONEMAIL   *****
34
35  ; end of ct1099ti
/

```

### *Editing the CT1099TI.W2109913 Control File*

These instructions tell how to edit lines 30 through 33 of the CT1099TI.W2109913 control file. There are two rules to keep in mind:

- ◆ If a line is all asterisks, the program prompts for the data in that field when you make the transmittal file.
- ◆ If you replace the asterisks with information, the program uses the information from the control file to fill in that field of the TI record.

If you define the control file, you do not need to fill in all of the fields. Some of the information for the TI record can come from the control file, and you can have the program prompt for some of the information.

You can use Qedit, HP's Editor, or your favorite text editor to modify the CT1099TI.W2109913 file. When editing a line, type the substitution data left justified. Replace all of the asterisks, even if the substitution data is shorter than the row of asterisks.

### *Specifying Data for a Field*

The following example illustrates how to edit line 32. This is the line before editing:

```
32  CONNAME *****
```

And this is the line after editing:

```
32  CONNAME  JOE SMITH
```

The name JOE SMITH is much shorter than the 57-character length field. All the trailing asterisks have been replaced with spaces.

### *Defining a Blank Field*

If you want a field in the TI record to be blank, replace all of the asterisks with blanks. For example, you may want the TCC field to be blank. Here is the record before editing:

```
31  TCC      *****
```

This is the record after editing:

```
31  TCC
```

If you leave line 31 as all asterisks, the program will prompt for the TCC field when you make the 1099 transmittal file.

---

**NOTE:** The Accounts Payable staff will be printing the Preliminary 1099 Prelist in the next step of this process. Before they begin, you have the option of changing the default settings for the 1099 Prelist launch screen with the TNSB security parameters. These allow you to control user access, and change the default settings for fields on the 1099 Prelist launch screen as described in the section titled "Security Parameters for 1099 Programs" in Chapter 3. ([See page 3-9.](#))

---

## *Tasks 4-7-AP: Printing Preliminary Prelist and Editing Information*

After you have completed Tasks 1-T through 3-T, notify the accounts payable staff that they can proceed with printing the prelist, checking it, and possibly editing its information, as discussed on pages [3-2](#) through [3-36](#).

When they have made the data as accurate as possible, you can then proceed with Task 8-T.

## *Task 7-AP: Adjusting or Adding Data Using the Additional Data Program*

Normally this task is accomplished by the end users accessing the Additional Data screen from their menus. However, it is possible to access the Additional Data screen from the Y13TEN99ADD UDC.

The Additional Data screen allows you to:

- ◆ Enter offsetting adjustment records.
- ◆ Enter 1099-MISC reportable payment amounts that were not made within the AP system.

Refer to "Task 7-AP: Adding and Adjusting Additional Data with TNFD13" on page 3-30 for details on using this program.

Type the command Y13TEN99ADD at the command prompt if you want to run the Additional Data maintenance program as a UDC rather than through the menu system. ***It is recommended that these changes be done by Accounts Payable via the menu.***

## Task 8-T: Creating 1099-MISC Extract File from AP Transactions

This step reads the accounts payable payments for the calendar year and creates an extract file to be used in the subsequent steps.

Payments that have been flagged for 1099-MISC reporting are included in the extract file even if the vendor has not been flagged to receive a 1099-MISC. Also, for any vendor that has been flagged to receive a 1099-MISC, ***all AP payments will be included in the extract file***, regardless of how the individual payment was flagged. This will allow the prelist to reveal possible coding errors. The steps for producing the forms and the transmittal files will allow you to exclude the non-reporting data.

*To create the 1099-MISC Extract file from AP transactions:*

- ◇ Type Y13TEN99EXT at the command prompt.

The extract creates a default work file sized at 100,000 payment records. The work file size can be set by entering the work file size as a parameter.

Example:

```
Y13TEN99EXT SIZE=150000
```

COMMAND?

To select districts, type one of the following commands at this prompt.

CODE	EXPLANATION
<b>A</b>	Select all districts.
<b>laa-bb</b>	Include districts in range aa-bb.  To include one district only, enter the district number in the first field of the range. For example, <u>l48</u> includes district 48.
<b>Xaa-bb</b>	Exclude districts in range aa-bb.  To exclude one district only, enter the district number in the first field of the range. For example, <u>x79</u> excludes district 79.
<b>R</b>	Restart selection process; delete districts already selected.
<b>S</b>	Select logon district only.
<b>Q</b>	Quit and abort extract.
<b>E</b>	Exit from selection process.

Type E to exit from the selection process. The process asks for a confirmation of districts selected.

THE FOLLOWING           nn nn nn  
DISTRICTS  
HAVE BEEN SELECTED

IS THIS CORRECT       Type Y for Yes or N for No.  
(Y/N)?

CODE	EXPLANATION
Y	The districts displayed are correct.
N	The districts displayed are not correct.
	The <code>COMMAND?</code> prompt is displayed again to allow you to select the appropriate districts.

# Changing Which Vendor Address to Print on Form 1099-MISC

These instructions focus on the following:

- ◆ Options for Printing Vendor Addresses
- ◆ Defining 1099OP

## Options for Printing Vendor Addresses

The 1099OP program option allows you to customize how vendor addresses are printed on 1099 forms. By default, the form print's the vendor's address as the recipient of the 1099 form. If you are content with this default behavior, you do not need to define this program option.

Each county has only one 1099OP program option for District 00 (the global district).

COLUMN	OPTION FOR 1099OP PROGRAM OPTION
01	<p>Printing the remit address on the 1099 forms.</p> <ul style="list-style-type: none"> <li>◆ Leave blank to print vendor's address as the recipient address on the form.</li> <li>◆ Type <u>R</u> to use the remit address from the Vendor Master File.</li> </ul>
02 - 03	<p>Printing an additional address on the 1099 form.</p> <p>On the <i>Vendor Maintenance</i> window, the Add'l Addresses tab allows you to create up to 99 additional addresses for each vendor.</p> <ul style="list-style-type: none"> <li>◆ Leave blank or type <u>00</u> for no processing of the additional address for printing 1099 forms.</li> <li>◆ Type a number from <u>01</u> to <u>99</u> to print that additional address to print on the 1099 form.</li> </ul> <p>If a vendor does not have the additional address specified, the 1099 form prints the default vendor name from the Contact Information tab of the <i>Vendor Maintenance</i> window..</p>
04	Continuation of vendor name.

- ◆ Leave blank or type 0 for no special processing of the continuation of the vendor name.
- ◆ Type 1 to use the first line of the address as a continuation of the vendor name from the additional address in columns 02 - 03.

05

Prelist sort order.

- ◆ Leave blank or type 0 to sort the prelist by the default vendor name (default).
- ◆ Type 1 to sort the prelist by the name reported on the 1099 forms.

06

Consolidation of 1099 forms.

- ◆ Leave blank or type 0 for no consolidation (default).
- ◆ Type 1 to print a single 1099 form that combines amounts from all districts on a single form. Use columns 07 - 08 to select the district for issuing the 1099 form. The form uses the EIN from this district.
- ◆ Type 2 to consolidate vendors that have the same tax ID on a single 1099 form within each district.

07 - 08

District for consolidated reporting.

If column 06 is 1, type the 2-digit district that is the source for the EIN on the consolidated 1099 form. If you leave these columns blank, the system uses the CSSF district.

## Defining 1099OP

These instructions tell how to use the Program Options (GOUPDT) to define the 1099OP program option. For additional details, see Chapter 7 of the *QCC Core Financial Manual*.

***Make these changes must before the Merge (Y13TEN99MRG) task*** in the production process. Rerun the merge step if you have changed this program option to update the addresses in the extract file.



To define the 1099OP program option:

1. From the tree view in the *QSS ControlCenter* window, point to **Go, Finance, Settings / Master Files, and Options, Odometers, Control Dates, SACS Tables, Fund Xref** to open the *Finance Maintenance* window.

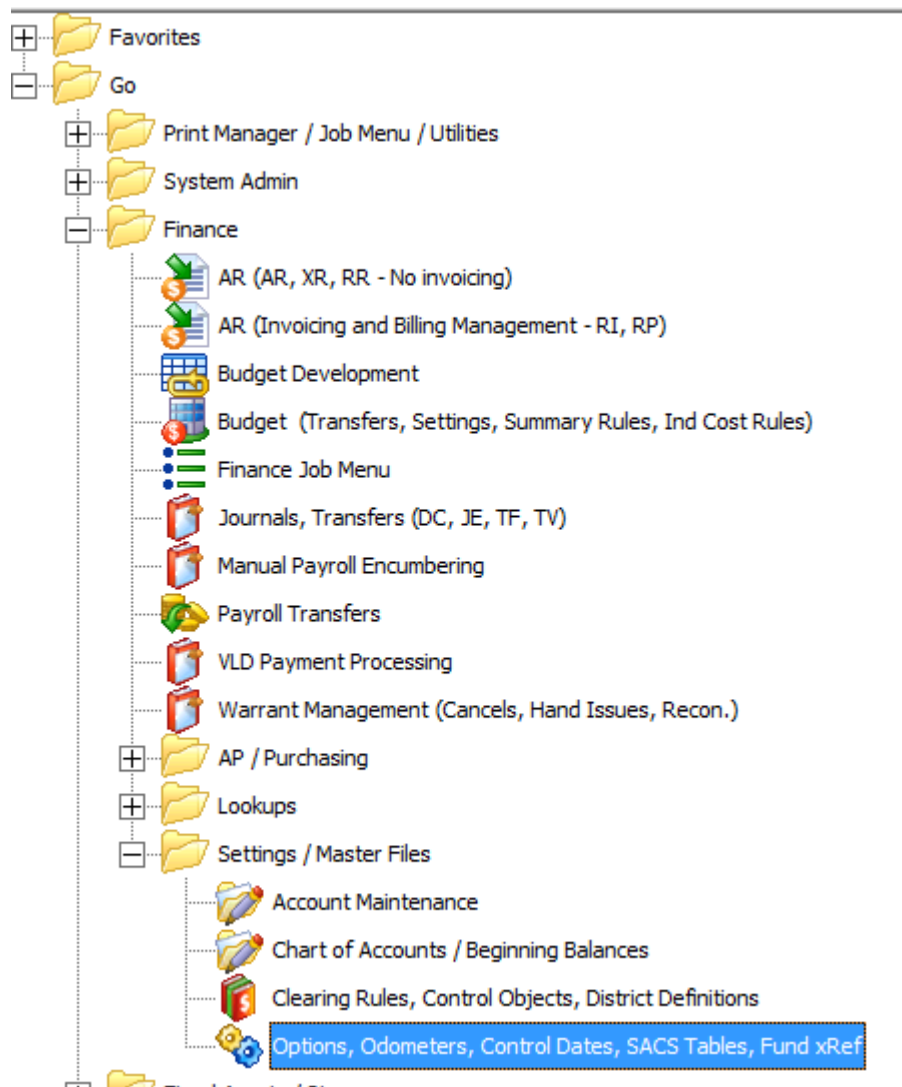


Figure 2-8: Selecting the *Finance Maintenance* window from the tree view in QCC

2. In *Finance Maintenance* window, click Program Options (GOUPDT) tab.
3. Click the Program Options by Prog subtab.

4. In the Program box, type 1099OP and press F2.

Program Options by Dist		Program Options by Program	Odometers	Control Dates
Program: 1099OP				
Dist	Data Matrix			
▶				

**Figure 2-9: Selecting the 1099OP program option**

- > If the program option does not exist for Dist 00, add it if you want to use any of the special processing options.
  - Click the [Add (Ctrl+F6)] icon to open a dialog box for adding the program option.
  - In the **Dist** box, type 00.
  - In an empty row on the grid, type the options that you want to define.
  - Click the [Save and Close Window (F2)] icon.
  
- > If the program option already exists for Dist 00, review and modify as needed.
  - Click the [Add (Ctrl+F6)] icon to open a dialog box for adding the program option.
  - In the **Dist** box, type 00.
  - In an empty row on the grid, type the options that you want to define.
  - Click the [Save and Close Window (F2)] icon.

## *Task 9-T: Merging Additional Data File with AP Extract File*

This step merges the 1099-MISC extract file with any data entered via the Additional Data screen (TNFD13) and creates a consolidated extract file. This file will be used in the subsequent steps for printing the 1099-MISC forms and creating the transmittal files.

This step also updates the consolidated extract file with the current settings of the vendor address, taxpayer ID number (TIN), and 1099-MISC reporting name control files.



You will receive messages on the screen if the program finds invalid taxpayer ID numbers. **If at this point you use the Vendor Maintenance program (VEUPDT) to change either a TIN or vendor address, you must re-run this step to update the TIN and address values in the consolidated extract file.**

*To merge the Additional Data File with the AP Extract file:*

- ◇ Type Y13TEN99MRG at the command prompt.

## Task 10-T: Applying Cutoff Amount by TIN with Filter

This step applies the cutoff amounts by TIN (instead of by the vendor number in the Vendor Master File) across all the extracted vendors for all the extracted districts.

The program sorts the extract file by TIN and applies the dollar cutoff amount against the total for each unique TIN. If a TIN is used by multiple vendors, this step will allow you to apply the dollar cutoff against the sum of all the payments to the unique TIN. Vendors whose payment totals do not exceed the dollar cutoff amount will be dropped from the consolidated extract file at this point.

For example, counties having multiple districts that use the same EIN may make payments to vendors which do not exceed the cutoff when considered district by district. But since they are all under the same EIN, all payments must be combined, and hence some vendors will get 1099s who would not have received them if the payments had been made by districts with separate EINs.

This step will also weed out transactions that were not flagged for 1099-MISC reporting, depending on how the Vendor flag and payment type questions were answered. If these transactions are removed from the consolidated extract file, you will not be able to see them on the Y13TENRPT prelist report, regardless of how that prelist is requested. Ideally, the accounts payable staff has run enough prelists already and has made all the desired 1099-MISC related adjustments. Thus the prelist produced during the production process isn't being used to reveal miscoded records, but rather as a final list of what will be printed on the forms. Therefore, the removal of the non-reporting items from the consolidated extract file at this point should be of no consequence.

*To apply the cutoff amounts by TIN:*

◇ Type Y13TEN99FILTER at the command prompt.

You will then need to respond to the following prompts.

Please enter the dollar amount to be used as a cutoff amount for boxes 1, 3, 6 and 7.

Cutoff amount in dollars? (Exam: 000600 = 600.00)  
Enter the 6 digit amount:

Type a 6-digit dollar cutoff for 1099-MISCs rounded to the nearest dollar. Fill in leading zeros. This applies to Boxes 1, 3, 6 and 7. The recommended value is 000600.

Please enter the dollar amount to be used as a cutoff amount for box 2.

Royalties Cutoff amount? (Exam: 000010 = 10.00)  
Enter the 6 digit amount:

Type a 6-digit dollar cutoff for royalty payments. This applies only to Box 2. The recommended value is 000010.

The amounts are displayed. You are asked to confirm that you've entered them correctly.

Cutoff amount is \$600.00

Royalties Cutoff amount is \$10.00  
Is this correct? (Y/N)

Type Y to confirm the cutoff amounts or N to re-enter the amounts.

Select vendors with 1099 flag settings of  
0 = Any value  
1 = Vendor 1099 flag value of 'Y'.  
2 = Vendor 1099 flag value of 'N' or ' '  
Enter vendor 1099 flag selection:  
(0 / 1 / 2)

The recommended response is 1. Only vendors flagged for 1099-MISC reporting will be included on the extract file.

Is this correct? Confirm that you've answered correctly.  
(Y/N)

Select payments with 1099 flag settings of  
A = Any value  
R = All payments flagged for 1099-MISC reporting  
Enter payment 1099 flag selection:

The recommended response is R. Only payments flagged for 1099-MISC reporting will remain in the file.

Your selection will be displayed.

All payments flagged for 1099 reporting will be included in the file.  
Is this correct? (Y/N)

Confirm that you've answered correctly.

If you are processing for a COE, this question applies to you. Single district users can simply respond 'Y'

Does each district being reported have a unique EIN? (Y/N)

For example, if Scenario 1 below applies to your COE, type Y. If Scenario 2 applies to your COE, type N.

**Scenario 1—Each District Has Individual EIN**

<b>Sample ID Number</b>	<b>Explanation</b>
07123456789	District 07, EIN 123456789
44234567891	District 44, EIN 234567891
95345678912	District 95, EIN 345678912

**Scenario 2—All Districts Share One EIN**

<b>Sample ID Number</b>	<b>Explanation</b>
09111111111	District 09, EIN 111111111
45111111111	District 45, EIN 111111111
97111111111	District 97, EIN 111111111

## Task 11-T: Printing Final 1099-MISC Prelist

This step prints a report using the consolidated extract file as the source of data.

*To print a 1099-MISC prelist report:*

◇ Type Y13TEN99RPT at the command prompt.

You will then need to respond to the following prompts.

Title?

Type the title you want to use here.

Did you run the FILTER process? (Y/N)

---

**NOTE:** If you answer Y to the question "Did you run the FILTER process?" the following questions about the cutoff amount will be skipped. Go to "Print Accounts or Descriptions?" shown on the next page.

---

Please enter the dollar amount to be used as a cutoff amount.

Cutoff amount in dollars? (Exam: 000600 = 600.00)  
Enter the 6 digit amount

Type a 6-digit dollar cutoff rounded to the nearest dollar. Fill in leading zeros. For example, type 000600 to specify \$600. This cutoff applies to combined total of payments for Boxes 1, 3, 6 and 7.

***Use a zero cutoff amount if you ran the Y13TEN99FILTER UDC.***

Please enter the dollar amount to be used as a cutoff amount for Royalties.

Cutoff amount in dollars? ( Exam: 000010 = 10.00)

This applies to Box 2.

***Use a zero cutoff amount if you ran the Y13TEN99FILTER UDC.***

The cutoff amount is \$600.00.

Royalties Cutoff amount is \$10.00

Is this correct? (Y/N)

Confirm that you entered the amounts correctly.

Ignore vendors who do not exceed the cutoff? (Y|N)

Type Y or N.

- ◆ Type Y to exclude vendors who do not have 1099 transactions that meet the cutoff amount.
- ◆ Type N to include vendors that do not meet the threshold for reporting.

Is this correct? (Y/N)

The screen repeats your choice. Type N to change your choice or Y to confirm it and continue creating the report.

Print Accounts or Descriptions (A/D)

Type A or D.

- ◆ Type A for the detail line for each transaction to print the account.
- ◆ Type D for the detail line for each transaction to print the description.

This is relevant only if you answer Y to the Do you want to include payment detail? prompt below. If you select N, the report prints neither accounts nor descriptions.

Select vendors with 1099 flag settings of:

0 = Any value

1 = Vendor 1099 flag value of 'Y'

2 = Vendor 1099 flag value or 'N' or ' '

Enter vendor 1099 flag selection: (0/1/2)

Type 0, 1, or 2 to select which vendors to report based on their default 1099 flag in the Vendor Master File.

- ◆ Type 0 to include vendors with any default 1099 flag. Most 1099 reporting is for box 7 of the 1099-MISC form. This choice makes the report include any of the 1099 flags from 1 through 16.
- ◆ Type 1 to limit the report to vendors with a default flag of Y (Box 7 of the 1099-MISC form).



- ◆ Type 2 to limit the report to vendors with a flag of N or blank (not flagged for 1099 reporting).

Is this correct? (Y/N)

The prompt repeats your choice. Type N to change it or Y to accept it and continue with launching the prelist.

Select payments with 1099 flag settings of:

A = Any value

R = All payments flagged for 1099 reporting

N = Payments flagged 'N' or ' '

Enter payment flag selection: (A/R/Y/1/2/3/4/6/7/D/E/G/H/N)

Type one of the choices to select which transactions to report.

- ◆ Type A to print all transactions. **QSS** suggests that you use this option the first time you run the prelist so that you can see all transactions, including those that should be flagged for 1099 reporting, but are not.
- ◆ Type R to include all transactions that have any 1099 flag.
- ◆ Type N to include only payments not flagged for 1099 reporting.
- ◆ Type any of the other codes to limit the report to a specific 1099 flag, such as 2 (royalties) or E (attorney fees).

Is this correct? (Y/N)

The prompt repeats your choice. Type N to change it or Y to accept it and continue with launching the prelist.

Do you want to include payment detail? (Y/N)

Y - include detail of payments for each vendor

N - print total amounts only for each vendor

Type Y or N.

- ◆ Type Y to print all detail lines for each vendor so you can look at individual transactions. The **Print Accounts or Descriptions?** prompt allows you to select which item to include in the report.

- ◆ Type N to print only the total amount for each vendor.

Include extracted data for which district(s)?

Hint: 'S' to select the logon district only  
'A' and then 'E' to select all districts  
'Ixx' to include district xx; and then 'E'  
'E' to get out of 'COMMAND?' mode

This determines which districts are included on the prelist report.  
(It does not change the data that has been extracted.)

Type S to include only the logon district.

Type A followed by E to include all extracted districts.

Type Ixx followed by E to select one district (where xx  
is the district number).

When you are finished, type E again to exit COMMAND mode.

## *Giving Prelist to AP Staff for Inspection*

At this point, you will want to let the accounts payable staff recheck the prelist, and you and they may need to cycle through some earlier steps again.

When the AP staff has finally okayed the final prelist, you can go on to printing the 1099 forms.

## Task 12-T: Printing 1099 Forms for Distribution

After the completeness and accuracy of the prelist have been confirmed, print the 1099 forms for distribution to vendors.

There are several methods, some more commonly used than others. Whichever method you use, the 1099 forms will print sorted first by district, then vendor name, and then (if there happen to be two vendors with identical names) by tax ID number.

They are:

Method	Page
Printing forms on a hot printer	2-38
Printing forms on a pin-feed (impact) printer	2-39
Printing forms on a laser-printing subsystem	2-39
Printing forms on a laser printer using a PIF output file	2-41

*The instructions vary somewhat, depending on whether you plan to print on a pin-feed printer or a laser printer.*

*If you are printing forms on a pin-feed (impact) printer:*

1. Follow the "Instructions for All Types of Printing" on page 2-32.
2. Follow the instructions in "Printing Forms on a Pin-Feed Printer" on page 2-39.
3. After printing and distributing your 1099s, wait until near the end of March to take the next step. Skip to the instructions for making an electronic transmittal file in the section "Task 13-T: Creating 1099-MISC Electronic Transmittal File(s)" on page 2-55.

*If you are printing forms on a laser printer:*

1. Read the requirements for laser printing in "Requirements for Successful Printing of Laser-Formatted 1099-MISC Forms" on page 2-40 to make sure your setup will allow laser printing.
2. Follow the "Instructions for All Types of Printing" on page 2-32.
3. Use the Y13TEN99PRT command to create the PIF file, as described in "Parameters to Use with the Y13TEN99PRT Command" on page 2-41.
4. Use the Y13TEN99LASER command to print the forms on your laser printer, as described in "Parameters to Use with the Y13TEN99LASER Command" on page 2-41.

---

**NOTE:** If the forms misfeed or jam, the printing process can be restarted from the last good 1099 form. See "1099 Form Restarting Instructions" on page 2-44 for details.

---

## Instructions for All Types of Printing

Follow these instructions for all types of printing. Then branch to the specific instructions for the type of printing you have chosen.

To print 1099-MISC forms:

- ◇ Log on to the operator's console with the command HELLO OPR.QSSUSER,W2109913.
- ◇ Type Y13TEN99PRT at the command line prompt.

### Parameters to Use with the Y13TEN99PRT Command

The syntax of the Y13TEN99PRT command is:

Y13TEN99PRT [*parameter,parameter,...*]

The list of optional parameters follows. If you use the default value for a parameter, do not include the parameter. List any non-default parameters in the order in which they appear in the following list.

Parameter	Value to Input	Default Value	Explanation
SIZE=	Number of records for work files	100,000	See <a href="#">page 2-33</a> .
LDEV=	Printer device, either number or class	LP	See <a href="#">page 2-33</a> .
NOEJECT=	0/1	0	0=Advance page between districts when printing continuous forms. 1=No page advance.
EINFILE=	Name of EIN control file	CTW2TP13.W2109913	See <a href="#">page 2-10</a> .
PHFILE=	Name of phone number control file	CT1099PH.W2109913	See <a href="#">page 2-12</a> .
NOPRINT=	0/1	0	0=Create spoolfile; for impact printing. 1=No spoolfile; for laser printing.
PIFSIZE=	Number of records for PIF file	0	Each form needs 15 lines. Leave at 0 for impact printing.

**NOTE:** Unless the resulting file size is too large for your computer to handle, leave the SIZE parameter at the default value.

The definition of the Y13TEN99PRT command contains default values for each parameter as shown above. When entering the command, you should specify any parameter value you want different than the default as "parameter-name=parameter-value". When entering more than one parameter, you separate them with a comma "," or a space " ". Examples are listed below to help illustrate this point.

The default, or standard, work file (a temporary file used by the software) for printing 1099s holds 100,000 transactions. The vast majority of computer systems have no problem with this size, so ***leave it at the default to avoid making unnecessary calculations***. However, an occasional computer may have too little disk space for such a large work file.

- ◇ To specify a smaller number of records, type the command followed by the number of records, for example: Y13TEN99PRT 75000 (or Y13TEN99PRT SIZE=75000). Any number you specify here is the maximum number of records that will be printed, so make the number large enough that none get dropped.

If you find it necessary to reduce the number of print records below the default, the number should match the number of extract records previously produced. For example, if you typed Y13TEN99EXT 75000 to build the extract file as discussed in "Task 8-T: Creating 1099-MISC Extract File from AP Transactions" on page 2-17, type Y13TEN99PRT 75000 to print 1099s.

- ◆ A likely example of non-default parameters for ***impact printing*** might be:

Y13TEN99PRT LDEV=PR1

- > See "Printing Forms on a Pin-Feed Printer" on page 2-39 for more details.

- ◆ A likely example of non-default parameters for ***laser printing*** might be:

Y13TEN99PRT NOPRINT=1, PIFSIZE=100000

- > See "Parameters to Use with the Y13TEN99PRT Command" on page 2-41 for more details.

When using the command to produce a PIF, you should add any of the following parameters to your command line which take non-default values.

SIZE=100000

It is suggested that you leave the size of the temporary work file at the default of 100,000.

LDEV

This is the device number or name of the printer you will be using for printing the 1099-MISC forms. The default device is LP. If your printer has a different number/name, then you

must specify it on the command line in the format LDEV=x where x is your printer device number/name.

NOEJECT=0

The standard, or default, format is 0. This advances the page between districts when printing continuous forms.

If you specify NOEJECT=1, the printer suppresses the page advance that would normally occur in between districts.

EINFILE=CTW2TP13

The standard, or default, name is CTW2TP13.

PHFILE=CT1099PH

The standard, or default, name is CT1099PH.

NOPRINT=1

Specify this option to cause the Y13TEN99PRT command to *not* produce any output file to an impact printer.

NOPRINT=1 would be the standard option when printing on laser 1099-MISC forms, unless you have a spare supply of multi-part impact printer formatted 1099-MISC forms you want to use.

PIFSIZE=#

The # represents the number of records to reserve for the PIF. If you are using an impact printer, this can be left at the default value of zero. If you are using a laser printer, you should specify a large number such as PIFSIZE=100000.

In the unlikely event that your computer cannot handle large files and you need a much smaller file, you can use the following calculation:

Each 1099-MISC form will take exactly 15 lines in the PIF. Multiply the number of 1099-MISC forms you will be producing by 15, and that is the value you should use here.

For example, if you wanted to produce 200 1099-MISC forms on a laser printer, you could use this form of Y13TEN99PRT:

Y13TEN99PRT size=200, noprint=1, pif-size=3000

These parameters tell the program that you want 200 forms multiplied by 15 for a total of 3000 records. Noprint=1, or true, requests 'no printing' of any spoolfile.

---

**CAUTION:** You can make the PIF size larger than the multiple of 15, but do not make it smaller.

---

*If you do not include the PIFSIZE option, or if you set the number to 0, the command will not produce a PIF.* If no new PIF is produced, any PIF you produced from a previous Y13TEN99PRT command would remain in place, untouched.

However, when producing a new PIF, any previous PIF is deleted and replaced by the new PIF.

### *Prompts Resulting from Y13TEN99PRT Command*

After typing the Y13TEN99PRT command, you will then need to respond to the following prompts.

EIN file not found or file is inaccessible.  
Enter Federal identification # - 9 digits?

This question appears only if the EIN control file (CTW2TP13) does not exist or cannot be opened. Its creation is described in the section "Creating the Federal EIN Control File" on page 2-10.

Type in a 9-digit Federal Employer ID number.

Unable to open PHONE file - ERR: 0054  
Enter Contact Telephone number - 30 chars max  
Example: (650) 123-4567 x123

This question is displayed only if the phone number control file does not exist or cannot be opened. Type the contact telephone number (up to 30 characters in length), for example: (650) 123-4567 x123.

Did you run the FILTER process? (Y/N)

---

**NOTE:** If you answer y to the question "Did you run the FILTER process?" the following questions about the cutoff amount will be skipped.

---

Please enter the dollar amount to be used as a cutoff amount.

Cutoff amount in dollars? (Exam: 000600 = 600.00)  
Enter the 6 digit amount

Type a 6-digit dollar cutoff rounded to the nearest dollar. Fill in leading zeros. For example, type 000600 to specify \$600. This cutoff applies to Boxes 1, 3, 6 and 7.

***Use a zero cutoff amount if you ran the Y13TEN99FILTER UDC.***

Cutoff amount is \$xxx.xx  
Is this correct? (Y/N)

Confirm that you answered correctly.

Please enter the dollar amount to be used as a cutoff amount for Box 2 amounts (Royalties)

Cutoff amount in dollars? (Exam: 000010 = 10.00)

Type a 6-digit dollar cutoff rounded to the nearest dollar. Fill in leading zeros. For example, type 000010 to specify \$10. This cutoff applies to Box 2.

***Use a zero cutoff amount if you ran the Y13TEN99FILTER UDC.***

Royalty Cutoff amount is \$xxx.xx  
Is this correct? (Y/N)

Confirm that you answered correctly.

Are the vendors that should receive 1099s flagged correctly? (Y/N)

The recommended response is Y. Contact your **QSS** account manager if for some reason you feel compelled to answer N. (This was an option added for a site that had all their vendors flagged not to receive 1099-MISC's.)

Vendor 1099 flags are correctly set.  
Is this correct? (Y/N)

Confirm that you answered correctly.



Is this a restart?

Type Y for Yes or N for No.

CODE	EXPLANATION
<b>Y</b>	You have already printed some forms and are restarting the remainder of the print process.  See "1099 Form Restarting Instructions" on page 2-44.
<b>N</b>	Begin printing the forms, starting with the first form.

Print 3 sample 1099-MISC's for alignment (Y/N)?

You can request the program to print three alignment forms to check the alignment.

Is printer alignment OK (Y/N)?

Type Y for Yes or N for No.

CODE	EXPLANATION
<b>Y</b>	The printing on the forms is correctly aligned.
<b>N</b>	The printing on the forms is not correctly aligned.  After you answer <u>N</u> , the program prints 3 more alignment forms and repeats the question, "Is printer alignment OK?" To print more alignment forms, type <u>N</u> again. You can print as many alignment forms as you wish.

**NOTE:** Unless you are using a hot printer, you will not see the alignment forms until the spool file begins to be printed.

The forms should now print. When they have finished printing, unload the forms from the printer.

## *Printing Forms on a Hot Printer*

Because the volume of 1099-MISC forms is usually fairly small, many sites do not see any advantage of printing to a hot printer (a printer that is under the direct control of the program instead of being controlled by the spooler). Instead, these sites simply allow the print file to create a spoolfile in the HP spooler. However, if you want to print the 1099-MISC forms on a hot printer, enter the commands that match your site's procedure for removing the printer from control of the spooler. Usually the commands will be along the lines of:

```
STOPSPPOOL [devicenumber]
```

```
STARTSPOOL [classname]
```

These commands are typed on the operator's console.

You will be given the option of printing 3 alignment forms as a test. Sites using the hot printer method of printing will have an opportunity to verify that the alignment forms have been printed to the operator's liking before the actual data begins to be printed.

After the printing is finished, *and the 1099 forms have been unloaded from the printer*, return the printer to spooler control from the operator's console with the command-line command STARTSPOOL [*devicenumber*]. This restarts the spooler so that other users' reports that have been queuing up in the spooler can be printed.

## *Printing Forms on a Pin-Feed Printer*

*To print 1099 forms for distribution:*

1. Prepare the printer. Make sure it is set to print 6 lines per inch, then put the 1099 forms on the printer.
  2. Follow the "Instructions for All Types of Printing" on page 2-32.
    - > *Do not specify values for the NOPRINT and PIFSIZE parameters* with the Y13TEN99PRT command, but leave them at their default values. Omit them from the command line.
- ◆ Since the default NOPRINT setting is 0, by default Y13TEN99PRT produces a spoolfile for pin-feed (impact) printing. This is what you want.
  - ◆ Since the default PIFSIZE setting is 0, by default Y13TEN99PRT does not produce a PIF file for laser printing. This is what you want.

You will be given the option of printing 3 alignment forms as a test.

## *Exporting a Print File to a Non-QSS System*

This method has been largely superseded by using a PIF file to do laser printing. This export method uses a spoolfile or a print export file. The few sites who still use it port the spoolfile (or the unpublished export file) into a non-**QSS** printing system and use that system's software to align the data to the particular form that they've purchased. The print export file layout can be obtained by contacting your **QSS** Account Manager.

## Requirements for Successful Printing of Laser-Formatted 1099-MISC Forms

Successful printing of laser-formatted 1099-MISC forms requires the configuration of and correct interaction between the **QSS** software, the HP e3000, and the laser printer. The following requirements must be satisfied to get successful printing of laser-formatted 1099-MISC forms.

- ◆ You must have the *QSS/OASIS TX13 release installed*. This release contains all of the required **QSS** software for printing laser 1099-MISC forms.
- ◆ You must have *a printer that supports PCL* (HP Printer Command Language) and that has the line printer font as a standard font. If you are able to print **QSS** reports in landscape with all 132 characters of the report across the page, then you most likely have the line printer font. All HP laser printer products of recent vintage will work. If you have a non-HP laser printer, it must have support for PCL.
- ◆ Your *laser printer* must be connected to the HP e3000 as *a spooled device, over the network*. This means it must have a network card (either internal or external as in a JetDirect-EX).
  - > If you can use the **R** option in LSPOOL to route reports to the printer, then you have a spooled printer.
  - > If the printer is connected to your PC or directly to a server (like Windows NT) and the only way to print to it from **QSS** software is using the **P** option of LSPOOL, then you do *not* have a spooled printer.
- ◆ You must have your *HP e3000 configured* with some form of network printing to print to your spooled laser printer. This can be either the native MPE/iX network spooling or a third-party network printing solution like NP-92, RAC-Print-path/Espul, or NBSpool.
- ◆ You must use *pre-printed, dated 1099 laser forms* or *special blank forms from NELCO*. The **QSS** software will fill in the fields of the pre-printed form, and NELCO supplied PCL overlays will draw the 1099 forms on blank paper.

**QSS** tax form software is generic, with the output format controlled by a configuration file (called a *driver* file). This provides you with a mechanism to support a non-**QSS** form. However, you are responsible for adjusting the **QSS** standard driver file(s) to fit your custom form definition/layout.

## *Printing Forms on a Laser Printer*

**QSS** has developed support for printing 1099-MISC information on pre-printed laser formatted tax forms using laser printers that support PCL (HP Printer Command Language).

*To print laser-formatted 1099-MISC forms, follow these two steps:*

1. Follow the procedure in "Instructions for All Types of Printing" on page 2-32.

In this step, you use the command `Y13TEN99PRT` to produce a printer interface file, or *PIF*. The PIF is an image of each 1099-MISC, but it is not formatted for printing. In fact, it is formatted specifically for output to another command.

2. Use the command `Y13TEN99LASER` to print the laser-formatted 1099 forms.

This command takes the PIF from `Y13TEN99PRT` and feeds it to a special utility program that uses a configuration file to produce the desired 1099-MISC format on a laser printer.

### *Parameters to Use with the Y13TEN99PRT Command*

Two essential *parameters that you must use with the Y13TEN99PRT command* when laser printing are:

```
NOPRINT=1, PIFSIZE= [large number]
```

When you use these parameters for `Y13TEN99PRT`, the printing process will create a printer interface file (PIF). The PIF output file can be used to print the 1099-MISC forms on a laser printer by using the `Y13TEN99LASER` command. The laser printer must be a spooled device on the HP e3000 system.

The PIF output file has an entirely different format than the print export file used for exporting to a non-**QSS** printing system, as described on [page 2-39](#). It is not necessary to know the format of the PIF output file if you will be using the `Y13TEN99LASER` command in conjunction with a supported form. The release kit includes the necessary driver and environment files for printing 1099-MISC Forms 535 and LMx.

### *Parameters to Use with the Y13TEN99LASER Command*

The next step, after using `Y13TEN99PRT` to produce the PIF, is to print the 1099-MISC forms on your laser printer using the `Y13TEN99LASER` command.

The list of parameters follows. If you use the default value for a parameter, do not include the parameter. List any non-default parameters in the order in which they appear in the following list.

Parameter	Value to Input	Default Value	Explanation
LDEV=	Printer device, either number or class	LP	Laser printer identification.
FORM=	353/LMX		Specify one of the two <b>QSS</b> -supported forms for this year.
DRIVER=			PIF-formatting data
ENV=			Printer environment configurations: settings for font, form orientation, simplex/duplex printing, and page/paper size.
INFO=	[beginning form number, ending form number]	All	Range of form numbers to be printed.

**LDEV** This is the device number or name of the laser printer you will be using for printing the 1099-MISC laser forms. The default device number is LP. If your printer has a different number/name, then you must specify it on the command line in the format `LDEV=x` where `x` is your printer device number/name.

**FORM** This is the name of the **QSS**-supplied 1099-MISC laser form you are printing. To get a list of the form names, you can specify `HELP` as the form name. For example, `Y13TEN99LASER FORM="HELP"` would cause the command to give a listing of the valid form names. For tax year 2013, the **QSS**-supported form names are **353** and **LMx**.

**DRIVER** This is the name of the configuration file that contains the formatting commands that tell the **QSS** software how to format PIF data to fit your specified 1099-MISC laser form. When you specify a form from the list of supported forms, the **DRIVER** parameter is set automatically to the correct driver for the specified form. Specifying a driver name of `HELP` (`Y13TEN99LASER DRIVER="HELP"`) will cause the command to display a list of **QSS**-provided driver files.

If you specify one of the **QSS**-supported forms with the **FORM** parameter, you do not have to provide a value for the **DRIVER** parameter. The correct driver will be set up based on the form you select.

Conversely, the DRIVER parameter can be specified individually with or without specifying the FORM parameter. A manually entered DRIVER parameter will override the default value set up by the FORM. Thus, you can easily implement custom 1099 tax form printing solutions.

ENV

This is the name of the **QSS**-supplied HP e3000 printer environment file that should be used when printing the 1099-MISC laser forms. The environment file contains PCL commands that configure the laser printer settings for font, form orientation, simplex/duplex printing, and page/paper size required for the 1099-MISC laser form you are printing. When you specify a form from the list of supported forms, the ENV parameter is set automatically to the correct environment for the specified form. Specifying an ENV name of HELP (`Y13TEN99LASER ENV="HELP"`) will cause the command to display a list of **QSS**-provided environment files.



**If you specify one of the **QSS**-supported forms with the FORM parameter, you do not have to provide a value for the ENV parameter. The correct environment file will be set up based on the form you select.**

Conversely, the ENV parameter can be specified individually with or without specifying the FORM parameter. A manually entered ENV parameter will override the default value set up by the FORM. Thus, you can easily implement custom 1099 tax form printing solutions.

INFO

This is optional information to be passed to the 1099-MISC laser form print engine to control printing of a range of 1099-MISC forms within the PIF.

To include all forms in the printing, omit the parameter from the command line. In this way, you leave this parameter at the All default.

Each 1099-MISC image in the PIF is assigned a unique 5-digit document sequence number. The value you provide in the INFO parameter should be formatted like this: aaaaa , bbbbb where aaaaa is the zero filled value of the starting PIF document sequence number and bbbbb is the value of the ending PIF document sequence number. You must enclose this parameter value in quotation marks because it contains a comma (",") embedded within the

parameter value. For example, you would use INFO="00001,00003" to specify printing of the first three 1099-MISC forms contained within the PIF.

See "Printing a Specific 1099 Laser Form" on page 2-46 for instructions on finding the PIF document number of a specific form.

### *Examples of Laser Printing Command with Non-Default Parameters*

Following are two examples of how various districts could decide to set the parameters for the laser UDC.

Y13TEN99LASER LDEV=PR1, FORM=353

In the previous example, the printing is sent to a non-default printer called 'PR1.' The form to be used is the 353 form. The printer driver will automatically format the information correctly on this form, using the correct DRIVER and ENV values for the form.

Y13TEN99LASER FORM=LMX, INFO="00250,00287"

In the last example, the printing is sent to the default printer, LP. The form to be used is the LMX form. The printer driver will automatically format the information correctly on this form, using the correct DRIVER and ENV values for the form. Finally, only forms 250 through 287 will be printed.

## *1099 Form Restarting Instructions*

Use this section if you have a printer jam, or for any other reason you want to restart printing the 1099-MISCs without re-printing from the first form.

*For printing from a hot printer:*

<BREAK> Press the <BREAK> key.

ABORT Type this command to stop the printing program.

*For printing from a spooled print:*

SPOOLF Delete the spooled file used for printing the 1099-MISC  
spoolid;DELETE forms.

*For all print jobs:*

Y13TEN99PRT Make any adjustments to the printer and/or forms, then type this UDC to begin printing again.

Answer the questions the same way you did originally except when you get the question "Is this a restart?"



Did you run the FILTER process? (Y/N)

Are the vendors that should receive 1099s flagged correctly? (Y/N)

Vendor 1099 flags are correctly set.

Is this correct? (Y/N)

Is this a restart? Type Y for yes.

Enter last valid district      Type the 2-digit district number of the last good 1099 printed.  
Fill in a leading zero for districts 1-9.

-Enter last valid vendor number      Type the last good 6-digit vendor number printed.

Print 3 sample 1099-MISC's?

You can request the program to print three alignment forms filled with Xs by typing Y. These sample forms provide an opportunity to align forms on the printer. Type N if you do not want to print three sample forms.

Is printer alignment OK (Y/N)?  
Answer 'Y' or 'N'.

Type Y or N.

If you type N, the program prints 3 more alignment forms and repeats the question, "Is printer alignment OK?" To print more alignment forms, type N again. The sample forms can be printed as many times as you like.

Type Y after the forms are aligned correctly. The 1099 forms begin to print.

If printing to a laser printer, use the Y13TEN99PRT UDC to produce a new PIF file, then rerun the Y13TEN99LASER UDC.

After all 1099-MISC forms are printed, take the 1099-MISC forms off the printer and put the stock paper back on the printer.

If printing was done to a hot printer, return the printer to spooler control from the operator's console with the command-line command STARTSPOOL (*devicenum*). This restarts the spooler so that the other users' reports that have been queuing up in the spooler can be printed.

## Printing a Specific 1099 Laser Form

If you need to reprint a single 1099 laser form, you can do it with the UDC command `Y13TEN99LASER`. The `INFO=` parameter of the `Y13TEN99LASER` command controls the printing of a subset of 1099s.

However, first you need to know the PIF document number. You can find the PIF document number of the 1099 you wish to reprint with the `Y13TEN99GETDOCNO` UDC. The parameters you supply to this UDC are the district number and the vendor number. As a result, this UDC displays the PIF document number. You can then use that number with the `Y13TEN99LASER` command.

*To display the PIF document number for a specific 1099:*

- ◇ Type `Y13TEN99GETDOCNO` (*divendor*) at the command line prompt.
- ◇ Replace *divendor* with the 2-digit district number, followed by the 6-digit vendor number.

The next step is to issue the UDC command  
`Y13TEN99LASER INFO="00018,00018"`.

This specifies that the range is a single document number.

## List of QSS-Supported 1099 Forms

Following are two lists of 1099 forms supported by **QSS** for the 2013 tax year, one for laser printers, and one for continuous pin-feed printers.

### 1099-MISC Forms for Laser Printers

Although printed laser forms are given various Form IDs by the supplying company, they really all fall into one of two types: LMX and 353. For example, a ptm BMISFED is really an LMX form. So you would use the LMX driver to print all the ptm BMISxxx forms, using the parameter `FORM=LMX`. Blank paper forms use the UNIV and UNIVPS drivers. (See the `FORM=` column in the table below.)

#### 1099-MISC Forms for Laser Printers

Company	1099	Form ID	FORM=	Size	Description	Form Type
Moore	1099-MISC	MW353	353	simplex 8.5x11		laser pressure-seal (Z fold)
Moore	1099-MISC	LMISFED LMISREC LMISPAY LMISRECST	LMX	8.5x11	different labels for different recipients	laser cut-sheet
ptm	1099-MISC	BMISFED05 BMISREC05 BMISPAY05 BMIS205	LMX	8.5x11	different labels for different recipients	laser cut-sheet
ptm	1099-MISC	80487	353	simplex 8.5x11	same as MW353	laser pressure-seal (Z fold)
Nelco <sup>1</sup>	1099-MISC	B4PERF05 (blank paper)	UNIV	8.5x11		laser cut-sheet
Nelco <sup>1</sup>	1099-MISC	1970 (envelopes for B4PERF05)	Envelopes for B4PERF05			
Nelco <sup>1</sup>	1099-MISC	80650 (blank paper)	UNIVPS	simplex 8.5x14		laser pressure-seal (Z fold)

<sup>1</sup> **QSS** has entered into an agreement with **Nelco** that allows **QSS** to print W2 and 1099 forms on blank paper (B4PERF05 & 80650). Nelco has provided **QSS** with the PCL overlay templates for the forms, which can be used to merge with the data to print the W2 and/or 1099 without buying pre-printed forms. Our agreement with Nelco requires you to buy the blank paper from Nelco. **CAUTION:** You **must** report your W2/1099 data electronically to use Nelco forms B4PERF05 or 80650 as they **cannot** be scanned.

## Forms for Continuous (Pin-Feed) Printers

### 1099 Forms for Continuous (Pin-Feed) Printers

Company	1099	Form	Description
Moore	1099-MISC	8326M 8226M 9917862 9912862 9919C	All of these are the same layout and will work
ptm	1099-MISC	MMMISND053 CMIS053 CMIS054 CMIS055 PAMIS053 PAMIS054 QMMIS055 TC-M2 MMPAMIS052 MMQMMIS053	All of these are the same layout and will work

## *Sample 1099-MISC Forms*

This heading provides samples of some of the forms that **QSS** supports:

- ◆ Sample MW285 and ptm-80483 Form (Laser Pressure Seal)
- ◆ Sample Nelco B4ERF05 Form (Laser Universal)
- ◆ Sample Nelco 80850 Form (Laser Pressure Seal)
- ◆ Sample MW9912862 Form (Pin Feed)

Sample MW285 and ptm-80483 Form (Laser Pressure Seal)

PRINTED IN USA  
 FORM 1099-MISC  
 1099-MISC

CORRECTED (if checked)

000295

*PAYER'S name, street address, city or town, province or state, country, ZIP or foreign postal code, and telephone number		1 Rents	OMB No. 1545-0115	<div style="font-size: 2em; font-weight: bold;">2013</div> Miscellaneous Income
		\$	Form 1099-MISC	
PAYER'S federal identification number		2 Royalties		Copy 2  To be filed with recipient's state income tax return, when required.
RECIPIENT'S identification number		\$		
*RECIPIENT'S name, street address (including apt. no.), city or town, province or state, country, and ZIP or foreign postal code		3 Other income	4 Federal income tax withheld	
		\$	\$	
Account number (see instructions)		5 Fishing boat proceeds	6 Medical and health care payments	
		\$	\$	
		7 Nonemployee compensation	8 Substitute payments in lieu of dividends or interest	
		\$	\$	
*1 Foreign tax paid		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale	10 Crop insurance proceeds	
12 Foreign country or U.S. possession:		\$	\$	
		13 Excess golden parachute payments	14 Gross proceeds paid to an attorney	
		\$	\$	
*5a Section 409A deferrals		16 State tax withheld	17 State/Payer's state no.	18 State income
15b Section 409A income		\$	\$	\$
		\$	\$	\$

Form 1099-MISC      www.irs.gov/form1099misc      Department of the Treasury - Internal Revenue Service

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SEE REVERSE SIDE FOR OPENING INSTRUCTIONS

CORRECTED (if checked)

000295

*PAYER'S name, street address, city or town, province or state, country, ZIP or foreign postal code, and telephone number		1 Rents	OMB No. 1545-0115	<div style="font-size: 2em; font-weight: bold;">2013</div> Miscellaneous Income
		\$	Form 1099-MISC	
PAYER'S federal identification number		2 Royalties		Copy B For Recipient  This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
RECIPIENT'S identification number		\$		
*RECIPIENT'S name, street address (including apt. no.), city or town, province or state, country, and ZIP or foreign postal code		3 Other income	4 Federal income tax withheld	
		\$	\$	
Account number (see instructions)		5 Fishing boat proceeds	6 Medical and health care payments	
		\$	\$	
		7 Nonemployee compensation	8 Substitute payments in lieu of dividends or interest	
		\$	\$	
*1 Foreign tax paid		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale	10 Crop insurance proceeds	
12 Foreign country or U.S. possession:		\$	\$	
		13 Excess golden parachute payments	14 Gross proceeds paid to an attorney	
		\$	\$	
*5a Section 409A deferrals		16 State tax withheld	17 State/Payer's state no.	18 State income
15b Section 409A income		\$	\$	\$
		\$	\$	\$

Form 1099-MISC      www.irs.gov/form1099misc (keep for your records)      Department of the Treasury - Internal Revenue Service

First-Class Mail  
 Important Tax Return  
 Document Enclosed

Sample Nelco B4ERF05 Form (Laser Universal)

1 Rents	4 Fed. income tax withheld
2 Royalties	5 Fishing boat proceeds
3 Other income	6 Med. & health care pymts.
PAYER'S name, street address, city or town, province or state, country, ZIP or foreign postal code, and telephone no.	
PAYER'S federal ID number	CORRECTED (if checked) <input type="checkbox"/>
7 Nonemployee compensation	8 Substitute pymts. in lieu of dividends/interest
9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>	10 Crop insurance proceeds
11 Foreign tax paid	12 Foreign country or U.S. possession
13 Excess golden parachute payments	14 Gross proceeds paid to an attorney
RECIPIENT'S ID number	Account number (see inst.)
15a Section 409A deferrals	
RECIPIENT'S name, address, country, and ZIP or foreign postal code	
15b Section 409A income	
16 State tax withheld	17 State/Payer's state no.
18 State income	
Miscellaneous Income Copy 2 1099-MISC 2013 OMB No. 1545-0045 28-2098802 To be filed with recipient's state income tax return, when required. Dept. of Treasury - IRS	

1 Rents	4 Fed. income tax withheld
2 Royalties	5 Fishing boat proceeds
3 Other income	6 Med. & health care pymts.
PAYER'S name, street address, city or town, province or state, country, ZIP or foreign postal code, and telephone no.	
PAYER'S federal ID number	CORRECTED (if checked) <input type="checkbox"/>
7 Nonemployee compensation	8 Substitute pymts. in lieu of dividends/interest
9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>	10 Crop insurance proceeds
11 Foreign tax paid	12 Foreign country or U.S. possession
13 Excess golden parachute payments	14 Gross proceeds paid to an attorney
RECIPIENT'S ID number	Account number (see inst.)
15a Section 409A deferrals	
RECIPIENT'S name, address, country, and ZIP or foreign postal code	
15b Section 409A income	
16 State tax withheld	17 State/Payer's state no.
18 State income	
Miscellaneous Income Copy 2 - For Recipient 1099-MISC 2013 OMB No. 1545-0045 28-2098802 This is important tax info. It is being furnished to IRS. If you are required to file an independent personal federal tax return this box is required on your 1041a income tax box. See instructions for details. Dept. of Treasury - IRS	

**Instructions for Recipient**  
**Recipient's identification number.** For your protection, this form may show only the last four digits of your account number (BIN), individual taxpayer identification number (ITIN), or adoption taxpayer identification number (ATIN). However, the issuer has reported your complete identification number to the IRS and, where applicable, to state and/or local governments.  
**Account number.** May show an account or other unique number the payer assigned to distinguish your account.  
**Amounts shown may be subject to self-employment (SE) tax.** If your net income from self-employment is \$400 or more, you may file a return and compute your SE tax on Schedule SE (Form 1043). See Pub. 304 for more information. If no income or social security and Medicare taxes were withheld and you are self-employed, see Form 1043-SS (or Form 1043-SS (R)), individuals must report these amounts as explained in the box 7 instructions on this page. Corporation, S corporation, or partnership must report the amounts on the proper line of their tax return.  
**Form 1099-MISC incorrect?** If this form is incorrect or has been issued in error, contact the payer. If you cannot get the form corrected, attach an explanation to your tax return and report your income correctly.  
**Box 1.** Report rents from real estate on Schedule E (Form 1041). However, report rents on Schedule D (Form 1041) if you provided significant services to the tenant, sold real estate as a business, or rented personal property as a business.  
**Box 2.** Report royalties from oil, gas, or mineral properties, copyrights, and patents on Schedule E (Form 1041). However, report payments for a writing (treated as explained in the box 7 instructions). For royalties on an employer, contractor, and for sale, see Pub. 544.  
**Box 3.** Generally, report this amount on "Other income" line of Form 1040 (or Form 1040NR) and Social Security. The amount shown may be payments received as beneficiary of a deceased employee, partner, annuitant, annuity beneficiary, or other special income. See Pub. 596. If it is trade or business income, report the amount on Schedule C or F (Form 1040).  
**Box 4.** Shows backup withholding or withholding on Indian gaming profits. Generally, payer must have withheld if you did not furnish your taxpayer identification number. See Form W-9 and Pub. 508 for more information. Report the amount on your income tax return as tax withheld.  
**Box 5.** An amount in this box means the fishing boat operator considers you self-employed. Report the amount on Schedule C (Form 1040). See Pub. 304.  
**Box 6.** For individuals, report on Schedule C (Form 1040).  
**Box 7.** Shows nonemployee compensation. If you are in the trade or business of selling fish, box 7 may show cash you received for sale of fish. If the amount in this box is 50% income, report it on Schedule C or F (Form 1040), and complete Schedule SE (Form 1043). You received the form instead of Form 1043 because the payer did not consider you an employee and did not withhold income tax or social security and Medicare tax. If you believe you are an employee and cannot get the payer to correct this form, report the amount from box 7 on Form 1040, line 7 (or Form 1040NR, line 8). You must also complete Form 941-B and attach it to your return. If you are not an employee but the form is not self-employment income, it is income from a sporadic activity or a hobby; report it on Form 1040, line 21 (or Form 1040NR, line 21).  
**Box 8.** Shows substitute payments in lieu of dividends or tax-exempt interest received by your holder on your behalf as a result of a lease of your securities. Report on the "Other income" line of Form 1040 (or Form 1040NR).  
**Box 9.** Shows \$5,000 or more of sales of consumer products was paid to you on a top hat, deposit/advance, or other basis. A dollar amount does not have to be shown. Generally, report any income from your sale of these products on Schedule C (Form 1040).  
**Box 10.** Report this amount on Schedule F (Form 1040).  
**Box 11.** Shows the foreign tax that you may be able to claim as a deduction or a credit on Form 1040. See the Form 1040 instructions.  
**Box 12.** Shows the country or U.S. possession to which the foreign tax was paid.  
**Box 13.** Shows your total compensation of excess golden parachute payments subject to 20% excise tax. See the Form 1040 (or Form 1040NR) instructions for where to report.  
**Box 14.** Shows gross proceeds paid to an attorney in connection with legal services. Report only the taxable part as income on your return.  
**Box 15a.** May show unpaid tax deferrals as a nonemployee under a nonqualified deferred compensation (NQDC) plan that is subject to the requirements of section 409(a), plus any earnings on current and prior year deferrals.  
**Box 15b.** Shows income as a nonemployee under an NQDC plan that does not meet the requirements of section 409(a). This amount is also included in box 7 as nonemployee compensation. Any amount included in box 15b that is currently taxable is also included in this box. The income is also subject to a substantial additional tax to be reported on Form 1040 and Form 1040NR, See "Tax" in the Form 1040 or Form 1040NR instructions.  
**Boxes 16-18.** Shows state or local income tax withheld from the payments.  
**Future developments.** For the latest information about developments related to Form 1099-MISC and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/form1099](http://www.irs.gov/form1099).

1 Rents	4 Fed. income tax withheld
2 Royalties	5 Fishing boat proceeds
3 Other income	6 Med. & health care pymts.
PAYER'S name, street address, city or town, province or state, country, ZIP or foreign postal code, and telephone no.	
PAYER'S federal ID number	CORRECTED <input type="checkbox"/> VOID <input type="checkbox"/>
7 Nonemployee compensation	8 Substitute pymts. in lieu of dividends/interest
9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>	10 Crop insurance proceeds
11 Foreign tax paid	12 Foreign country or U.S. possession
13 Excess golden parachute payments	14 Gross proceeds paid to an attorney
RECIPIENT'S ID number	Account number (see inst.)
15a Section 409A deferrals	
RECIPIENT'S name, address, country, and ZIP or foreign postal code	
15b Section 409A income	
16 State tax withheld	17 State/Payer's state no.
18 State income	
Miscellaneous Income Copy 1 - For State Tax Dept. 1099-MISC 2013 OMB No. 1545-0045 28-2098802 For Privacy Act and Paperwork Reduction Act Notice, see the 2013 General Instructions for Recipient Information Returns. Dept. of Treasury - IRS	

1 Rents	4 Fed. income tax withheld
2 Royalties	5 Fishing boat proceeds
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PAYER'S name, street address, city or town, province or state, country, ZIP or foreign postal code, and telephone no.	
PAYER'S federal ID number	CORRECTED <input type="checkbox"/> VOID <input type="checkbox"/>
7 Nonemployee compensation	8 Substitute pymts. in lieu of dividends/interest
9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>	10 Crop insurance proceeds
11 Foreign tax paid	12 Foreign country or U.S. possession
13 Excess golden parachute payments	14 Gross proceeds paid to an attorney
RECIPIENT'S ID number	Account number (see inst.)
15a Section 409A deferrals	
RECIPIENT'S name, address, country, and ZIP or foreign postal code	
15b Section 409A income	
16 State tax withheld	17 State/Payer's state no.
18 State income	
Miscellaneous Income Copy C - For Payer 1099-MISC 2013 OMB No. 1545-0045 28-2098802 For Privacy Act and Paperwork Reduction Act Notice, see the 2013 General Instructions for Recipient Information Returns. Dept. of Treasury - IRS	

**Instructions for Payer**  
 General and specific form instructions are provided separately. You should use the 2013 General Instructions for Certain Information Returns and the 2013 instructions for Form 1099-MISC to complete Form 1099-MISC. A chart in the general instructions gives a quick guide to which form must be filed to report a particular payment. To order these instructions and additional forms, go to [www.irs.gov/form1099misc](http://www.irs.gov/form1099misc) or call 1-800-TAX-FORM (1-800-829-3676).  
**Caution:** Because paper forms are scanned during processing, you cannot file with the IRS Forms 1099, 1097, 1098, 1099, 3921, 3922, or 5498 that you print from the IRS website.  
**Due dates.** Furnish Copy B of this form to the recipient by January 31, 2014. The due date is extended to February 18, 2014, if you are reporting payments in boxes B or 14.  
 File Copy A of this form with the IRS by February 28, 2014. If you file electronically, the due date is March 31, 2014. To file electronically, you must have software that generates a file according to the specifications in Pub. 1220, Specifications for Filing Forms 1097, 1098, 1099, 3921, 3922, 5498, 8935, and W-2G Electronically. The IRS does not provide a fill-in form option.  
**Need help?** If you have questions about reporting on Form 1099-MISC, call the information reporting customer service site toll free at 1-866-455-7438 or 304-263-8700 (not toll free). Persons with a hearing or speech disability with access to TTY/TDD equipment can call 304-579-4827 (not toll free). The hours of operation are Monday through Friday from 8:30 a.m. to 4:30 p.m., Eastern time.  
**3 99MISCU NTF 25773840**  
 Copyright 2013 Grantland/Nelco - Forms Software Only

Sample Nelco 80850 Form (Laser Pressure Seal)

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">1 Rents</td> <td style="width: 50%;">4 Fed. income tax withheld</td> </tr> <tr> <td>2 Royalties</td> <td>5 Fishing boat proceeds</td> </tr> <tr> <td>3 Other income</td> <td>6 Med. &amp; health care payments</td> </tr> <tr> <td colspan="2"><small>PAVERS name, street address, city or town, province or state, country, ZIP or foreign postal code, and telephone no.</small></td> </tr> <tr> <td>PAVERS federal ID number</td> <td>CORRECTED (if checked) <input type="checkbox"/></td> </tr> <tr> <td>7 Nonemployee compensation</td> <td>8 Substitute payments in lieu of dividends</td> </tr> <tr> <td>9 Paper made sheet sales of \$1,000 or more of consumer products in a foreign country for resale <input type="checkbox"/></td> <td>10 Crop insurance proceeds</td> </tr> <tr> <td>11 Foreign tax paid</td> <td>12 Foreign country or U.S. possession</td> </tr> <tr> <td>13 Gross pension/annuity payments</td> <td>14 Gross proceeds paid to an attorney</td> </tr> <tr> <td>RECIPIENTS ID number</td> <td>Account number (see inst.)</td> </tr> <tr> <td colspan="2">15a Section 408A deferrals</td> </tr> <tr> <td colspan="2"><small>RECIPIENTS name, address, country, and ZIP or foreign postal code</small></td> </tr> <tr> <td colspan="2">15b Section 408A income</td> </tr> <tr> <td>16 State tax withheld</td> <td>17 State/Payer's state no.</td> </tr> <tr> <td>18 State income</td> <td></td> </tr> <tr> <td colspan="2"> <b>Miscellaneous Income</b> <small>OMB No. 1545-0047</small>  <b>Copy 2</b>  <b>1099-MISC</b>  <small>To be filed with recipient's state income tax return (see instructions)</small>  <small>Dept. of Treasury - IRS</small> </td> </tr> </table>	1 Rents	4 Fed. income tax withheld	2 Royalties	5 Fishing boat proceeds	3 Other income	6 Med. & health care payments	<small>PAVERS name, street address, city or town, province or state, country, ZIP or foreign postal code, and telephone no.</small>		PAVERS federal ID number	CORRECTED (if checked) <input type="checkbox"/>	7 Nonemployee compensation	8 Substitute payments in lieu of dividends	9 Paper made sheet sales of \$1,000 or more of consumer products in a foreign country for resale <input type="checkbox"/>	10 Crop insurance proceeds	11 Foreign tax paid	12 Foreign country or U.S. possession	13 Gross pension/annuity payments	14 Gross proceeds paid to an attorney	RECIPIENTS ID number	Account number (see inst.)	15a Section 408A deferrals		<small>RECIPIENTS name, address, country, and ZIP or foreign postal code</small>		15b Section 408A income		16 State tax withheld	17 State/Payer's state no.	18 State income		<b>Miscellaneous Income</b> <small>OMB No. 1545-0047</small> <b>Copy 2</b> <b>1099-MISC</b> <small>To be filed with recipient's state income tax return (see instructions)</small> <small>Dept. of Treasury - IRS</small>		<table border="1" style="width: 100%; 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**3 MISPCPU**    NTF 25773708  
Copyright 2013 Greendale/Nelco - Forms Software Only

**Instructions for Recipient**

**Recipient's identification number.** For your protection this form may show you the last four digits of your social security number (SSN), individual taxpayer identification number (ITIN), or adjusted taxpayer identification number (ATIN). However, the federal law requires your complete identification number to file IRS and, where applicable, to state and/or foreign governments.

**Account number.** May show an account or other unique number the payer assigned to distinguish your account.

**Always show may be subject to self-employment (SE) tax.** If you are an individual who has net earnings from self-employment, you must file Form 1040-ES and pay SE tax. See Pub. 304 for more information. If you receive or expect to receive more than \$400 of net earnings from self-employment, you must file Form 1040-ES and pay SE tax. If you are a partner in a partnership, you must file Form 1040-ES and pay SE tax. If you are a sole proprietor, you must file Form 1040-ES and pay SE tax. If you are a self-employed individual, you must file Form 1040-ES and pay SE tax.

**Fair 1999-MISC agreement?** If this form is received or has been received in error, contact the payer (the issuer) and get the form corrected, unless an agreement is in place with respect to your income liability.

**Box 1.** Report state tax withheld on Schedule D (Form 1040). However, report state tax withheld on Schedule C (Form 1040) if you provided significant services to the recipient. List the state as a business, or other purpose, possibly as a liability.

**Box 2.** Report qualified film or video, or related properties, copyrights, and patents on Schedule D (Form 1040). However, report qualified film or video on Schedule C (Form 1040) if you provided significant services to the recipient. For royalties on film, video, or related properties, see Pub. 984.

**Box 3.** Dividends, report the amount on Schedule B (Form 1040) or Form 1099-DIV. If a dividend is a business, report the amount on Schedule C (Form 1040).

**Box 4.** Report foreign withholding or withholding on income-generating activity. Generally, you must report foreign withholding if you did not furnish your taxpayer identification number. See Form 1040-F, 1040-SS, and Form 1040-PR. Report the amount of your income tax return as tax withheld.

**Box 5.** An amount in this box means the filing base recipient (dividend) you self-employed report on Schedule C (Form 1040). See Pub. 304.

**Box 6.** For individuals, report on Schedule C (Form 1040).

**Box 7.** Report nonemployee compensation. If you are in the trade or business of providing film, video, or related properties, you must file Form 1040-ES and pay SE tax. If you are not in the trade or business of providing film, video, or related properties, you must file Form 1040-ES and pay SE tax. If you are a partner in a partnership, you must file Form 1040-ES and pay SE tax. If you are a sole proprietor, you must file Form 1040-ES and pay SE tax. If you are a self-employed individual, you must file Form 1040-ES and pay SE tax.

**Box 8.** Report qualified payments on Schedule D (Form 1040) or Form 1099-DIV. If you are a partner in a partnership, you must file Form 1040-ES and pay SE tax. If you are a sole proprietor, you must file Form 1040-ES and pay SE tax. If you are a self-employed individual, you must file Form 1040-ES and pay SE tax.

**Box 9.** If an amount in this box or more of consumer products was paid to you as a result of a contract, report the amount on Schedule C (Form 1040). If you are a partner in a partnership, you must file Form 1040-ES and pay SE tax. If you are a sole proprietor, you must file Form 1040-ES and pay SE tax. If you are a self-employed individual, you must file Form 1040-ES and pay SE tax.

**Box 10.** Report the amount on Schedule C (Form 1040).

**Box 11.** Show the foreign tax that you may be able to claim on a (individual or credit) on Form 1040. See Form 1040 instructions.

**Box 12.** Show the country or U.S. possession to which the foreign tax was paid.

**Box 13.** Show your total nonemployee compensation grossed-up payments subject to a 3.0% reserve fee. See the Form 1040 or Form 1040-SS instructions to which to report.

**Box 14.** Shows gross proceeds paid to an attorney in connection with legal services. Report only the fee-based or income tax portion.

**Box 15a.** May show correct pay (total) as a nonemployee under a nonqualified deferred compensation (NQDC) plan that is subject to the requirements of section 855A. Also any earnings on account and prior year deferrals.

**Box 15b.** Report income as a nonemployee under an NQDC plan that does not meet the requirements of section 855A. This amount also includes any net nonemployee compensation that is not subject to the 3.0% reserve fee. See the instructions to which to report.

**Box 16.** Report the amount on Schedule C (Form 1040) or Form 1099-DIV. If you are a partner in a partnership, you must file Form 1040-ES and pay SE tax. If you are a sole proprietor, you must file Form 1040-ES and pay SE tax. If you are a self-employed individual, you must file Form 1040-ES and pay SE tax.

**Future developments.** For the latest information about developments related to Form 1099-MISC, visit [www.irs.gov](http://www.irs.gov), or contact your tax preparer.

SEE REVERSE SIDE FOR OPENING INSTRUCTIONS

**FIRST-CLASS MAIL**  
Important Tax Return  
Document Enclosed



Sample MW9912862 Form (Pin Feed)

9595 <input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED		OMB No. 1545-0115		<b>2013</b>		<b>Miscellaneous Income</b>	
PAYER'S name, street address, city or town, province or state, country, ZIP or foreign postal code, and telephone no.		1 Rents	\$	4 Federal income tax withheld	\$	<b>Copy A</b> For Internal Revenue Service Center File with Form 1096.	
		2 Royalties	\$	5 Fishing boat proceeds	\$		
PAYER'S federal identification number		RECIPIENT'S identification number		6 Medical and health care payments	\$	For Privacy Act and Paperwork Reduction Act Notice, see the 2013 General Instructions for Certain Information Returns.	
				7 Nonemployee compensation	\$		
RECIPIENT'S name		8 Substitute payments in lieu of dividends or interest		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>	\$		
Street address (including apt. no.)		10 Crop insurance proceeds		11 Foreign tax paid	\$		
City or town, province or state, country, and Zip or foreign postal code		12 Foreign country or U.S. possession		13 Excess golden parachute payments	\$	14 Gross proceeds paid to an attorney	
Account number (see instructions)		2nd TIN not <input type="checkbox"/>		15 State tax withheld	\$	17 State/Payer's state no.	
15a Section 408A deferrals		15b Section 408A income		16 State tax withheld	\$	18 State income	
\$		\$		\$	\$	\$	
Form 1099-MISC 16-0331990 www.irs.gov/form1099misc		Department of the Treasury - Internal Revenue Service		<b>Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page</b>			

9595 <input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED		OMB No. 1545-0115		<b>2013</b>		<b>Miscellaneous Income</b>	
PAYER'S name, street address, city or town, province or state, country, ZIP or foreign postal code, and telephone no.		1 Rents	\$	4 Federal income tax withheld	\$	<b>Copy A</b> For Internal Revenue Service Center File with Form 1096.	
		2 Royalties	\$	5 Fishing boat proceeds	\$		
PAYER'S federal identification number		RECIPIENT'S identification number		6 Medical and health care payments	\$	For Privacy Act and Paperwork Reduction Act Notice, see the 2013 General Instructions for Certain Information Returns.	
				7 Nonemployee compensation	\$		
RECIPIENT'S name		8 Substitute payments in lieu of dividends or interest		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>	\$		
Street address (including apt. no.)		10 Crop insurance proceeds		11 Foreign tax paid	\$		
City or town, province or state, country, and Zip or foreign postal code		12 Foreign country or U.S. possession		13 Excess golden parachute payments	\$	14 Gross proceeds paid to an attorney	
Account number (see instructions)		2nd TIN not <input type="checkbox"/>		15 State tax withheld	\$	17 State/Payer's state no.	
15a Section 408A deferrals		15b Section 408A income		16 State tax withheld	\$	18 State income	
\$		\$		\$	\$	\$	
Form 1099-MISC 16-0331680 www.irs.gov/form1099misc		Department of the Treasury - Internal Revenue Service		<b>Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page</b>			

## *Allowing an Interval Between Distributing 1099s and Making 1099-MISC File for IRS*

After you have printed and distributed the 1099 forms, stop before taking the next step. Wait until late in March to make the 1099 file for the government.



**Figure 2-10: Allow Interval Before Making IRS File**

This will allow time for any adjustments to be made *before* the file is created that is sent to the government.

Adjustments can be made in either or both of two ways:

- ◆ By using the Additional Data program, as described in "Task 7-AP: Adjusting or Adding Data Using the Additional Data Program" on page 2-16, *and/or*
- ◆ By adjusting the flags for payments to vendors, using the 1099 Inspection/Maintenance (AAUPDT) program, as described in "Task 5-AP: Adjusting Flags for Transactions with AAUPDT" on page 3-17.

---

**WARNING:** If you make adjustments by repeating Task 7-AP and/or Task 5-AP, you must also create a new extract file as described in "Task 8-T: Creating 1099-MISC Extract File from AP Transactions" on page 2-17.

When you repeat Task 8-T to create the new 1099 extract file, there is a possibility that vendors other than those targeted for adjustments could have data changes. This could cause a discrepancy between a printed 1099 (from the original extract file) and the data submitted to the IRS (from the new extract file).

Therefore, you should take measures to verify that the only changes in the new extract are for the vendor(s) targeted for adjustments.

---

## Task 13-T: Creating 1099-MISC Electronic Transmittal File(s)

This step creates an electronic transmittal files named IRSTAX for submission to the IRS. If your state does not require 1099 reporting or you are participating in a Combined Federal/State Filing program, this is the only transmittal file you will need.

If your state requires 1099 reporting and you are *not* participating in a Combined Federal/State Filing program, you will need two separate files. For states other than California, you can simply copy the IRSTAX file to a file named STATAX for submission to state. If you are in California, you must run this step twice because the STATAX file includes additional fields not included in the IRSTAX file.

California sites who are *not* participating in the Combined Federal/State Filing program, should follow these steps:

1. Create the state transmittal file first.

Run the Y13TEN99FILE command.

Respond N to the prompt that reads:

Create a Combined Federal/State transmittal file?

Respond Y to the prompt that reads:

Is this file for the State of California?

When the IRSTAX file is created, rename it STATAX by typing the following at the command prompt: RENAME IRSTAX, STATAX.

2. Create the IRS transmittal file next.

Re-run the Y13TEN99FILE command.

Respond N to the prompt that reads:

Create a Combined Federal/State transmittal file?

Respond N to the prompt that reads:

Is this file for the State of California?

The IRSTAX will be created. This is your IRS transmittal file.

---

**NOTE:** If you are submitting by paper and do not want to produce a 1099-MISC electronic file, you can skip the Y13TEN99FILE command and proceed to Y13TEN99SAVE after the forms have been printed.

---

---

**NOTE:** If your site produces over 250 1099-MISC forms, you must report by electronically rather than by paper.

---

To create the 1099-MISC electronic transmittal file:

Log on as OPR.QSSUSER, W2109913

◇ Type Y13TEN99FILE at the command prompt.

The syntax of the Y13TEN99FILE command is:

Y13TEN99FILE [*optioncmd,optioncmd,...*]

The list of optional parameters (optioncmd) follows. If you use the default value for a parameter, do not include the parameter.

Parameter	Value to Input	Default Value	Explanation
SIZE=	Number of records for work files	100000	<a href="#">page 2-33</a>
EINFILE=	Name of EIN control file	CTW2TP13.W2109913	<a href="#">page 2-10</a>
PHFILE=	Name of phone number control file	CT1099PH.W2109913	<a href="#">page 2-12</a>

As a result of typing the Y13TEN99FILE command, you will see the following dialog.

---

**NOTE:** Depending on which information this program can obtain from the EIN and PHONE control files, ***you may or may not see all the following questions.***

---

Test Indicator? (T/\_)  
Enter 'T' if this is a TEST file, otherwise press the <Return> key.

The **T** option allows a report like a prelist.

Did you run the FILTER process? (Y/N)

---

**NOTE:** If you answered y to the question "Did you run the FILTER process?" the following questions about cutoff amounts will be skipped.

---

Please enter the dollar amount to be used as a cutoff amount.

Cutoff amount in dollars? (Exam: 000600 = 600.00)  
Enter the 6 digit amount:

Type a 6-digit cutoff amount rounded to the nearest dollar. Fill in leading zeros. For example, type 000600 to specify the \$600. Be sure to use the same dollar amount as the amount you used in the previous steps. Specify all zeros if you ran the Y13TEN99FILTER UDC. This cutoff applies to Boxes 1, 3, 6 and 7.

Royalties Cutoff amount? (Exam: 000010 = \$10.00)  
Enter the 6 digit amount:

Type a 6-digit cutoff amount for Box 2 amounts.

Cutoff amount is \$xxx.xx  
Royalties Cutoff amount is \$xxx.xx  
Is this correct? (Y/N)

Confirm that you've responded correctly.

---

**NOTE:** If you have set up the CT1099TI.W2109913 file, the following four prompts will not be displayed.

---

Enter Name Control (4 characters)

Type the Payer Name Control from the mailing label in your package from the IRS.

If the name is less than 4 characters, left-justify the name. For example, the name XX is typed as XX^^, where ^^ are blank spaces.

If you do not have this information, press the space bar 4 times to fill this field with blanks.

Enter Transmitter Control Code (5 char)

Type the TCC assigned by the IRS. If it is missing, the IRS will reject the file. If you do not have a transmitter control code, contact the Martinsburg Center at (304) 263-8700.

Transmitter Contact Person Name?  
Transmitter Contact Email Address?

Type the name and e-mail address of the person to be contacted regarding any issues with the transmittal file.

The values will be re-displayed for your review:

Name control:                   xxxx  
Transmitter control code:   cccc  
Contact Person Name:        Contact Name  
Contact Person Email:       Contact Email

Is this correct? (Y/N)

Confirm that you've responded correctly.

---

**NOTE:** The above confirmation information is displayed whether or not you have used the CT1099TI.W2109913 file.

---

Enter Contact Telephone number - 9 digits max

This prompt is displayed only if the PHONE control file does not exist or cannot be opened. Type the telephone number of the person to be contacted regarding any issues with the forms.

Enter Federal Employer Id Number - 9 digits max

---

**NOTE:** The above prompt only displays if the EIN control file does not exist or cannot be opened.

---

CA is a participating state in the Combined Federal/State Filing Program.

This program can create a Combined Federal/State transmittal file.

Create a Combined Federal/State transmittal file?  
Respond 'N' if your state does not participate in the CF/SF program,  
or if your agency has not been approved to participate in the  
CF/SF program.

Respond 'Y' to create a CF/SF file.

---

**NOTE:** If you respond 'N' to the above prompt, the following 2 prompts will be displayed.

---

This will NOT be a Combined Federal/State Filing file.  
Correct? (Y/N)

Is this file for the State of California (Y/N)  
Respond 'N' if this file is for IRS or any other state  
Respond 'Y' if this file will be sent to the State of California

Type Y for Yes or N for No.

CODE	EXPLANATION
Y	This file is being prepared for submission to the state of California.  <b>NOTE:</b> Files submitted to the California Franchise Tax Board have additional data fields that are not part of the IRS specification.
N	This file is being prepared for submission to the IRS or any state other than California.

---

**NOTE:** If you respond 'Y' to the above prompt, the following confirmation will be requested.

---

This copy of the file is being sent to the State of California Franchise  
Tax Board.  
Correct? (Y/N)

Are the vendors that should receive 1099 flagged correctly? (Y/N)

The recommended response is Y to confirm the correct flag-  
ging of the vendors on the Vendor Maintenance (VEUPDT)  
screen. Contact your **QSS** account manager if you think  
there's any reason for you to answer N. (This was an option  
added for a site that had all their vendors flagged not to  
receive 1099-MISCs.)

Vendor 1099 flags are correctly set.  
Is this correct? (Y/N)

Confirm that you've responded correctly.

This concludes the Y13TEN99FILE command prompts. The IRSTAX transmittal file will be  
created. If you are creating your state transmittal file, you should rename the IRSTAX file to  
STATAX by typing the following at the command prompt: RENAME IRSTAX, STATAX.  
Then re-run the Y13TEN99FILE command to create your IRS transmittal file.

## Task 14-T: Transferring Transmittal File(s) to PC

You must transfer your electronic transmittal file(s) from the HP e3000 to your PC before you can transmit them to the IRS and the appropriate state revenue authority. The IRSTAX file is for the IRS, and the STATAX file is for the state.

For details on transmitting your IRSTAX file to the IRS, refer to IRS Publication 1220 and/or Filing Information Returns Electronically (FIRE). To find these publications, go to [www.irs.gov](http://www.irs.gov), then use the search box to search for 1220 and 3609.

This step tells how to transfer your transmittal files from the HP e3000 to your PC.

- ◇ Using Windows Explorer, create a new folder on your PC where you will transfer the transmittal file. Name it 1099-MISC 2013. Then close Windows Explorer.

---

**NOTE:**

***If you are using Reflection***, follow "To Transfer the Transmittal File with WRQ/Reflection:" on page 2-61.

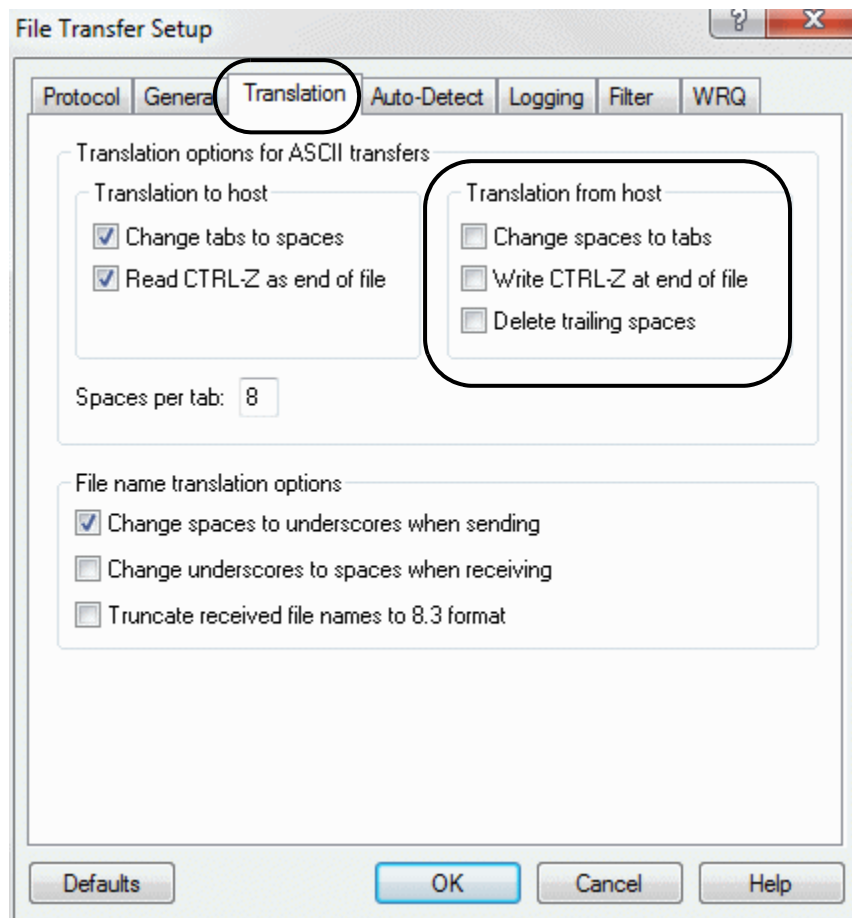
***If you are using Minisoft***, follow "To Transfer the Transmittal File with Minisoft/MS92:" on page 2-63.

---



*To Transfer the Transmittal File with WRQ/Reflection:*

1. Log on as OPR.QSSUSER.
2. Click "File" in the top menu bar.
3. Click "Transfer" on the drop-down menu.
4. Click the [Setup] button in the File Transfer dialog box.
5. Click the Translation tab in the File Transfer Setup dialog box and make sure that all boxes in the "Translation from Host" group box are off (**no** check mark in any box). This is extremely important for correct formatting of the file on the diskette.

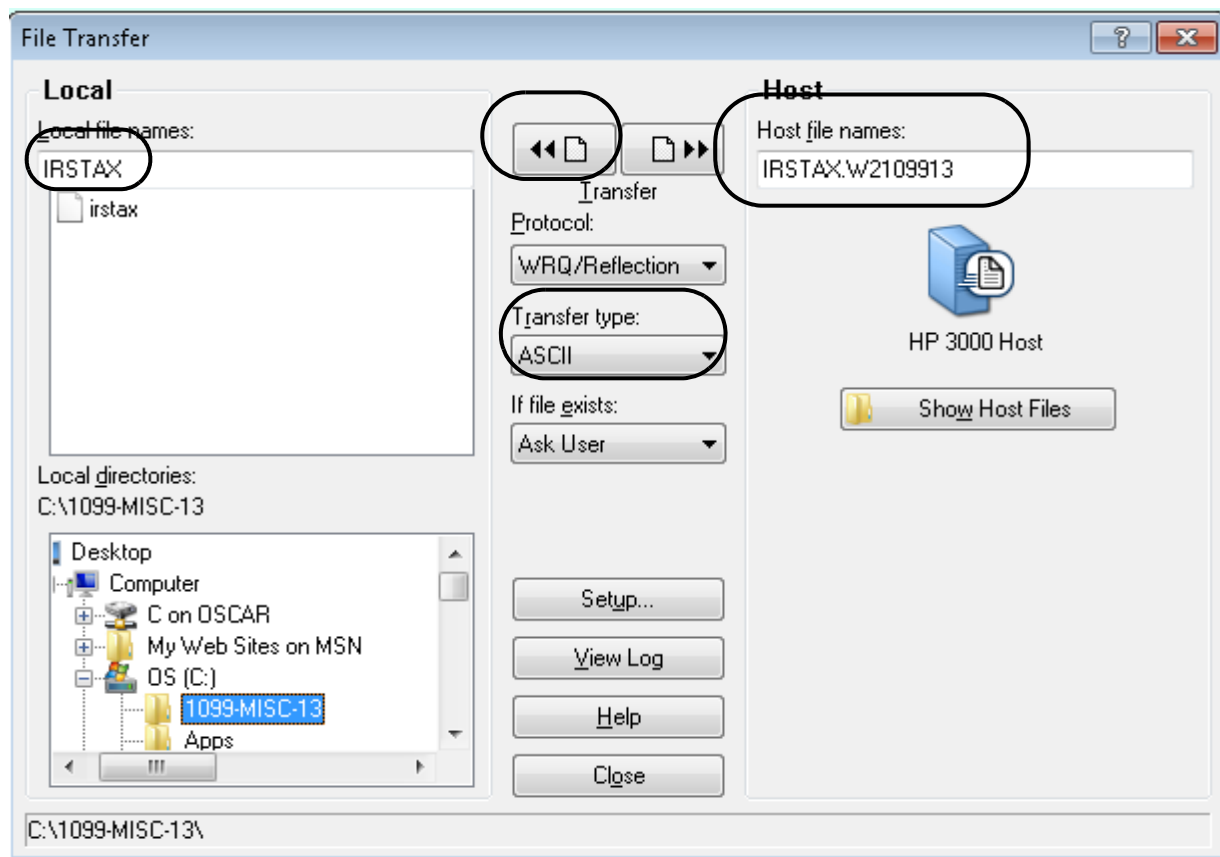


**Figure 2-11: Reflection—File Transfer Setup Dialog Box**

6. Click [OK].

7. Complete the fields in the File Transfer dialog box as follows:

Field	Contents
Local file names	IRSTAX
Host file names	IRSTAX.W2109913
Transfer type	ASCII
Local directories	1099-MISC 2013



**Figure 2-12: Reflection—File Transfer Dialog Box**

8. Initiate the transfer by clicking the left transfer button at the top of the dialog box.

After the transfer is complete, transmit the file to the IRS or the appropriate state revenue authority.

*To Transfer the Transmittal File with Minisoft/MS92:*

1. Log on as OPR.QSSUSER.
2. Click "Config" in the top menu bar.
3. Click "File Transfer" on the drop-down menu. The File Transfer Configuration dialog box is displayed.

**File Transfer Configuration**

**Protocol**

- Minisoft
- Xmodem 128
- Xmodem 1K
- NFT

**Minisoft Protocol Options**

- Add Trailing Spaces
- 15 Timeout
- 80 Default Record Size

**General Options**

- Default to ASCII
- Ctrl Z for End of File
- List Host Files
- Suppress Run Command
- Strip Carriage Control
- 0 Spaces per Tab

**If File Exists**

- Over-write
- Append
- Cancel

Host Program Name: WS92LINK.PUB.SYS

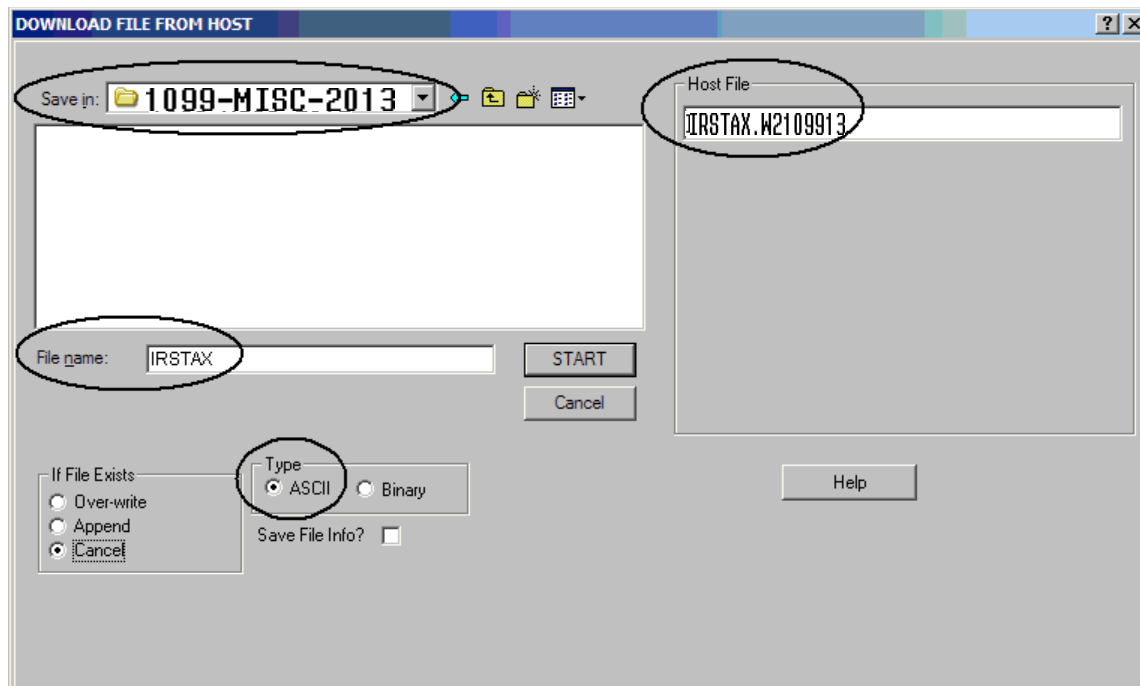
Host Printer Name: LP/S

UPLOAD HOST PROGRAM    HELP    DEFAULTS    CANCEL    OK

**Figure 2-13: Minisoft—File Transfer Configuration Dialog Box**

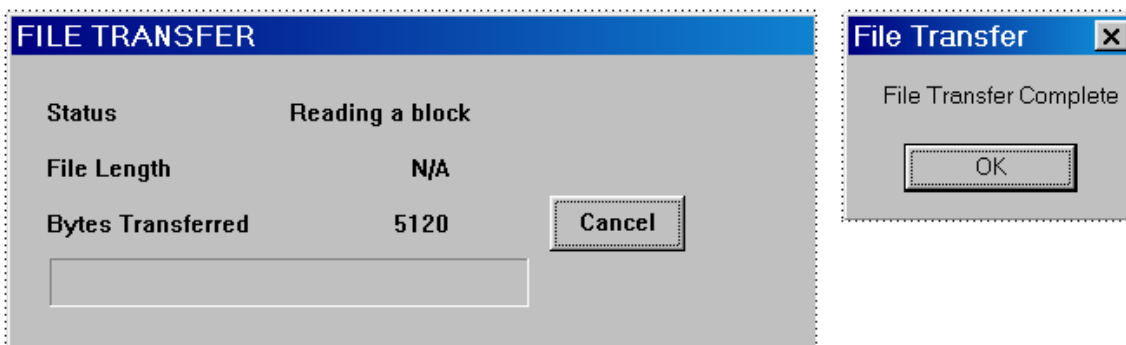
4. Make sure the **Add Trailing Spaces** checkbox is checked.
5. Click [OK].
6. Click "Config" in the top menu bar.
7. Click "Save" on the drop-down menu.
8. Click "File" in the top menu bar.
9. Click "Download file from host" on the drop-down menu.

The DOWNLOAD FILE FROM HOST dialog box is displayed.



**Figure 2-14: Minisoft—Download File from Host Dialog Box**

10. Select the destination folder on your PC: 1099-MISC 2013.
11. Enter the host file name in the **Host File** box: IRSTAX.W2109913.
12. Type the PC file name in the **File name** box on the left: IRSTAX.
13. Make sure the ASCII option button is selected in the **Type** group box.
14. Initiate the transfer by clicking the [Start] button in the middle of the dialog box.
  - > The following dialog boxes will be displayed.



**Figure 2-15: Minisoft—File Transfer in Progress**

15. After the transfer is complete, transmit the file to the IRS or the appropriate state revenue authority.

---

**NOTE:** For information on submitting 1099 information to the IRS, refer to *Publication 1220* at <http://www.irs.gov/pub/irs-pdf/p1220.pdf>.

---

## *Task 15-T: Saving Work Files in HISTORY Group*

This step saves history files that provide an audit trail and the ability to rerun 1099-MISCs if necessary.

It creates the following files:

- ◆ The extract file created with Y13TEN99EXT is saved as TND13.HISTORY.QSSUSER.
- ◆ The additional data file created with Y13TEN99ADD is saved as TNF13.HISTORY.QSSUSER.

*To save the history files:*

- ◆ Type Y13TEN99SAVE at the command prompt.



# Chapter 3: Processing Instructions for AP Staff

## *Chapter Overview*

This chapter covers the following main topics:

TOPIC	PAGE
Tasks 1-T Through 3-T	3-1
<b>Task 4-AP: Printing a Preliminary Prelist with TNSB13</b>	3-2
Task 5-AP: Adjusting Flags for Transactions with AAUPDT	3-17
Task 6-AP: Adjusting Vendor Information with VEUPDT	3-27
<b>Task 7-AP: Adding and Adjusting Additional Data with TNFD13</b>	3-30
Sample 1099-MISC Form	3-38

---

**CAUTION:** The software and documentation for producing 1099 forms is updated yearly. Therefore, ***make sure you are dealing with the software and documentation for the current year.*** The software for the current year is designated as TX13.

---

## *Tasks 1-T Through 3-T*

Before you, the accounts payable staff, can begin your part of the 1099 processing with the prelist in Task 4-AP, you need to check with the technical staff to make sure they have finished Tasks 1-T through 3-T. An overview of all the tasks is given in Chapter 2 of this manual.

## Task 4-AP: Printing a Preliminary Prelist with TNSB13

Before printing the 1099-MISC forms, you need to run the 1099-MISC prelist to review the data and, if necessary, make corrections. The prelist reports transactions that have been flagged for 1099-MISC reporting. Any information that has been entered via the Additional Data program (TNFD13) is also included on this report. The report includes the vendor name, address and TIN, in addition to showing the payment amounts.

The instructions for this step focus on the following areas:

- ◆ Launch Window for QCC Version
- ◆ Launch Screen for the Traditional Version
- ◆ Sample Report

### Launch Window for QCC Version

These instructions focus on the following areas:

- ◆ Opening the Launch Window from QCC
- ◆ Launching the Report
- ◆ Description of Launch Window

#### Opening the Launch Window from QCC

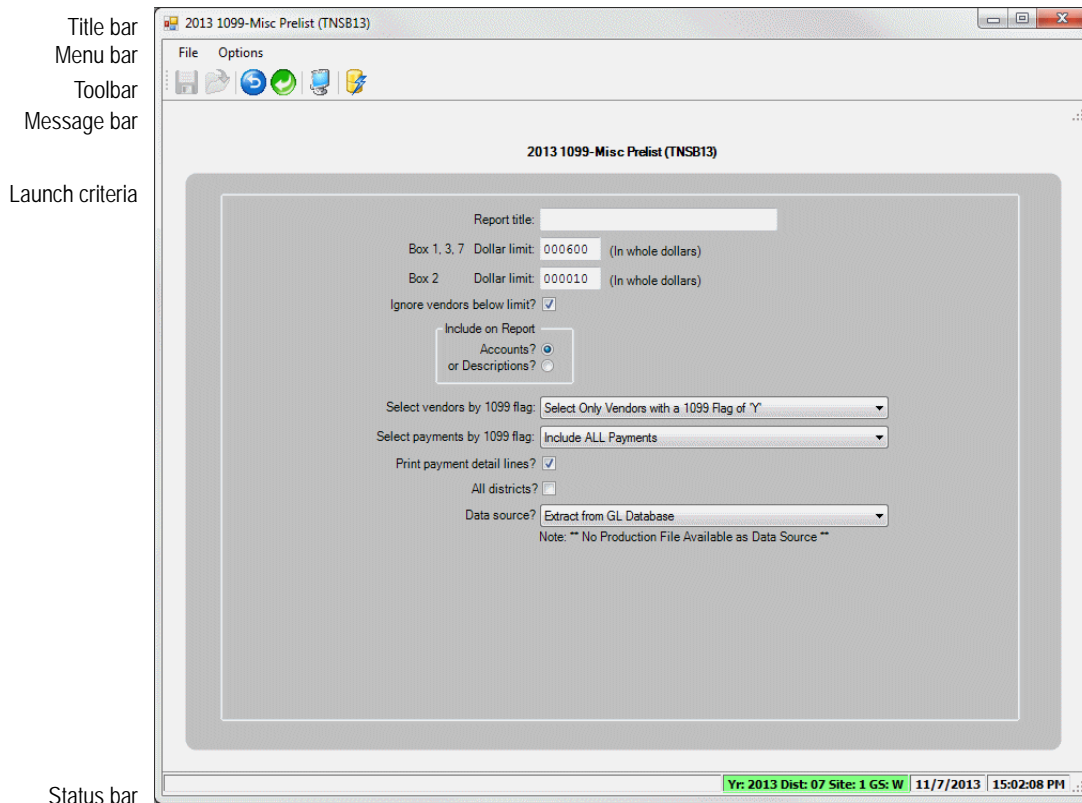
1. Log on to QCC. For instructions, see [page A-2](#).
2. Do either of the following to open the *W2/1099 Processing* window from the *QSS ControlCenter* window.
  - > On the menu bar, click **Go**, point to **Human Resources**, and click **W2/1099 Processing**
  - > On the tree view, click the **W2/1099** folder, then **W2/1099 Processing**.
3. In the *W2/1099 Processing* window, click the **Tax Year 2013** branch, then click **1099 Processing**. Double-click **1099-Misc Prelist (TNSB13)** to open a *TAX* window.

#### Launching the Report


Figure 3-1 illustrates the *TAX* window. This heading summarizes the parts of the window. The table on [page 3-4](#) explains the commands in the toolbar.

- ◆ The title bar lists the name of the report.











**Figure 3-1: 1099 Misc Prelist (TNSB13) window**

- ◆ The toolbar contains the commands for launching the report. For an explanation, see the table on [page 3-4](#).
- ◆ After you click the  (Submit [Ctrl+S]) icon, the report launches. Press F12 to close the dialog box.

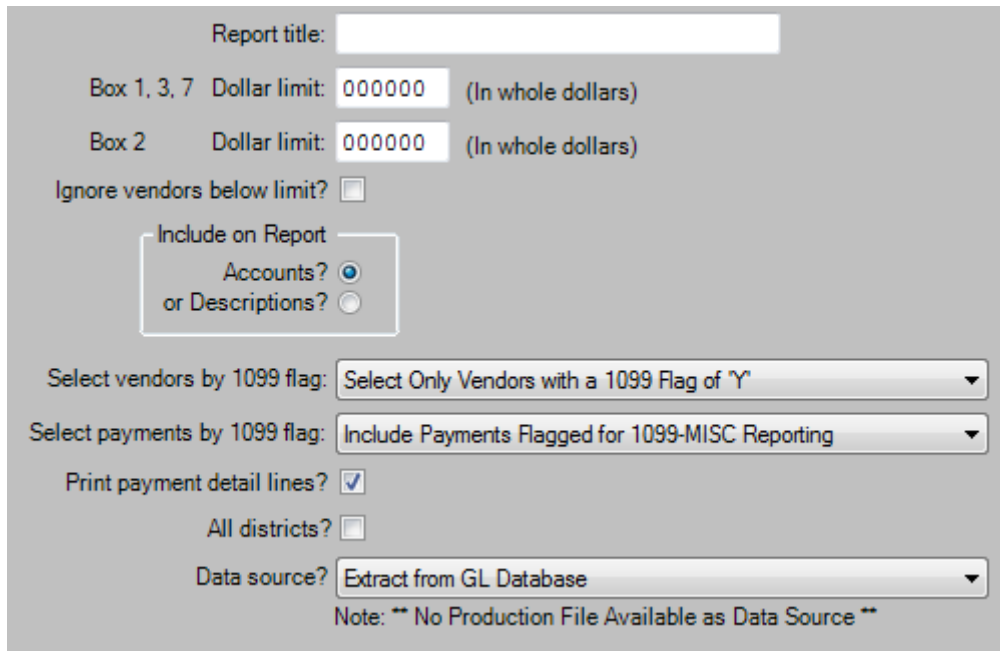
If part of the launch window is not filled out correctly, the message bar explains what changes you need to make before launching the report.

- ◆ The launch criteria allow you to select the data to report.
- ◆ The status bar includes the following information:
  - ◇ **Yr: 2009 Dist: 07 Site: 1**. The fiscal year, district, and site for you QCC session. The background color is a year code. The defaults are red for a previous fiscal year, green for the current year, and blue for a future fiscal year.
  - ◇ **10/21/2009 10:05:05**. The current date and time.

**Toolbar commands for the 2013 1099-Misc Prelist (TNSB13) window**

Command	Icon	Keyboard	Description
Save report preset		Ctrl+A	As of October 2010, this command is not implemented.
Retrieve report preset		Ctrl+T	As of October 2010, this command is not implemented.
Undo Changes		Ctrl+U	Undo the changes to the window since the last time you launched the report.
Reset back to defaults		Ctrl+R	Return all of the boxes on the window to the way they were when you first opened it.
Print Screen		F11	Print a copy of the screen on the default Windows printer for your PC.
Submit job		Ctrl+S	Launch the report. The system verifies that the window is filled in completely. If you need to make corrections before launching the report, the message bar explains what you need to do. After the report launches, a "Job Submission Succeeded" box displays the job number. You can use this job number to locate the report in the <i>Print Manager</i> window.

*Description of Launch Window*



The screenshot shows a form with the following elements:

- Report title: [Text input field]
- Box 1, 3, 7 Dollar limit: [000000] (In whole dollars)
- Box 2 Dollar limit: [000000] (In whole dollars)
- Ignore vendors below limit?
- Include on Report:
  - Accounts?
  - or Descriptions?
- Select vendors by 1099 flag: [Select Only Vendors with a 1099 Flag of 'Y']
- Select payments by 1099 flag: [Include Payments Flagged for 1099-MISC Reporting]
- Print payment detail lines?
- All districts?
- Data source? [Extract from GL Database]
- Note: \*\* No Production File Available as Data Source \*\*

**Figure 3-2: Report boxes on the 1099 Misc Prelist (TNSB13) window**

**Report Title** Type a title up to 30 characters long. This title prints on the upper left corner of each page of the report.

**BOX 1, 3, 7 Dollar Limit** Type the cutoff amount, rounded to the nearest dollar (up to 6 digits) for Boxes 1, 3, and 7.

The report includes vendors whose combined totals for Boxes 1, 3, and 7 meet or exceed the cutoff amount.

When you are doing preliminary reports, **QSS** suggests that you use a cutoff amount of 0 so that all vendors are reported. Later on, you can specify a cutoff amount of 600 to limit the report to vendors who have more than \$600 of payments for any one box.

**BOX2 Dollar Limit** Type the cutoff amount in dollars for Royalties, Box 2. An amount of 0 means to report all royalty payments.

**Ignore Vendors Below Limit?** Select or clear the check box.

- ◆ Select the check box to exclude vendors whose 1099 payments are below the threshold.
- ◆ Clear the check box to limit the report to vendors with 1099 payments that meet the thresholds.

**On Report include Accounts? or Descriptions?** Select one of the option buttons.

- ◆ Select the **Accounts** check box to print the account for each 1099 payment, as in the report sample on [page 3-11](#).
- ◆ Select the **Description** check box to print the description for each payment, as in the sample on [page 3-12](#).

**Select Vendors by 1099 flag** Select one of the following from the list:

- ◆ **Select All Vendors** to have the report include vendors with any 1099 flag.
- ◆ **Select Only Vendors with a 1099 Flag of 'Y'**.
- ◆ **Select Only Vendors with a 1099 Flag of 'N' or ' ' (blank)**.

**Select Payments by 1099 flag** Select one of the following from the list:

- ◆ **Include Payments for 1099-Misc Reporting** to report payments with any flag for 1099 reporting.

- ◆ **Include ALL Payments** to report all payments to vendors, including those not flagged for 1099 reporting.
- ◆ **Box 1 through Box 18** to report only payments flagged for reporting in a specific box.
- ◆ **Include Payments Not Flagged for 1099-MISC Reporting** to report only transactions that are NOT flagged for 1099 reporting.

**Print payment detail lines?** Select or clear the check box.

- ◆ Select the check box to print full payment detail for each vendor.
- ◆ Clear the check box to print only transaction totals for each vendor and

**All Districts?** Select or clear the check box.

- ◆ Select the check box to create a report for all districts.
- ◆ Clear the check box to create a report for the current district for you QCC session.

**Data Source?** Select one of the following from the list:

- ◆ **Extract from GL Database** to have the prelist extract data from the database for reporting. This is the only option available if your site has not done Task 9-T (Y13TEN99MRG) on [page 2-23](#).
- ◆ **Extract data from extract file** to use the extract file created by the Y13TEN99EXTRACT command. This item is available only after your site has done Task 9-T (Y13TEN99MRG) on [page 2-23](#).

**Note** If the note reads, "No Production File Available as Data Source," the only choice available for the **Data Source** is **Extract from GL Database**.

## Launch Screen for the Traditional Version

The prelist program identifies vendors based on their TINs. Even if vendors are otherwise identified by various names, this program gathers transactions based on the TINs.

District: 07		Request 1099-MISC Prelist for Tax Year 2013		QSS/OASIS	
Report title: [REDACTED]					
Box 1,3,7	Dollar limit:	600	(In whole dollars)		
Box 2	Dollar limit:	10	(In whole dollars)		
Ignore vendors below limit? Y (Y/N)					
Show accounts or descriptions: A (A/D)					
Select vendors by 1099 flag: 1 0 = Any value; 1 = "Y"; 2 = "N" or " "					
Select payments by 1099 flag: R A = Any value 6 = Box 6(Medical)					
R = Any reportable value 7 = Box 7(Nonempl)					
or select specific box D = Box13(GPP)					
1 = Box 1 (Rents) E = Box14(Attny)					
2 = Box 2 (Royalties) G = Box16(SIT)					
3 = Box 3 (Other) H = Box18(ST INC)					
4 = Box 4 (FIT) N = non-reportable					
Print payment details lines: Y (Y/N)					
All districts: N (Y/N)					
Data source: 1 1 = Extract data from GL database					
2 = Use production file from *** not available ***					
TNSB13 H.13.00 compiled 05/30/13 13:36 Option:0 TNSB:Y 600 10YA1RN1Y					
Start over			Start over	Launch report	Return to menu

Figure 3-3: Request 1099-MISC Prelist (TNSB13)

**Report title (O)** The program prints the contents of this 30-character field in the upper left corner on each page of the report. You can type your name and work location so the report can be routed to you after printing.

**Box 1, 3, 7 Dollar limit (R)** Type the cutoff amount, rounded to the nearest dollar (up to 6 digits) for Boxes 1, 3, and 7. The default of 600 is pre-filled. If the amount is zero, type 0.

---

**NOTE:** The first time you run this prelist, it is recommended that you change the cutoff amount to 0. You thus get a complete view of the situation.

---

The default cutoff amount is \$600. The report includes vendors with a combined total of Box 1 (rents), Box 3 (other income), and Box 7 (non-employee compensation) that matches or exceeds the cutoff amount.

**Box 2 Dollar limit (R)** Type the cutoff amount in dollars for Royalties, Box 2. The default of 10 is pre-filled. This means if 1099 transactions total \$10 or more for Box 2 (royalties), a 1099 will be printed. If the amount is zero, type 0.

**Ignore vendors below limit? (R)**

Type Y for Yes or N for No.

CODE	EXPLANATION
Y	Exclude from the report those vendors whose 1099-flagged payments are less than the cutoff amount.
N	Include in the report all vendors with 1099-MISC flagged payments, even vendors with 1099-MISC flagged payments less than the cutoff amount.

**Show accounts or descriptions (R)**

Type A or D.

CODE	EXPLANATION
A	Include the account numbers in the report.
D	Include the payment descriptions in the report.

**Select vendors by 1099 flag (R)**

Type 0, 1, or 2.

CODE	EXPLANATION
0	Select all vendors.
1	Select only vendors with a 1099-MISC flag of <u>Y</u> .
2	Select only vendors with a 1099-MISC flag of <u>N</u> or blank.

**NOTE:** The first time you run this prelist, it is recommended that you use option 0, to select all vendors. You thus get a complete view of the situation.

**Select payments by 1099 flag (R)**

Select one of the codes from the list displayed on the screen in determining which 1099-MISC flagged payments to include in the report. The numbers refer to box numbers on the 1099-MISC form.

CODE	EXPLANATION
A	Include payments of any value.
R	Include all payments flagged for 1099-MISC reporting. (This includes all codes below.)
N	Include only payments with a 1099-MISC flag of <u>N</u> or blank, that is, payments not subject to 1099 reporting on the 1099 form.

**The following codes correspond to boxes on the 1099-MISC form.**

1	Rent
---	------

CODE	EXPLANATION
2	Royalties
3	Other Income
4	Federal Income Tax Withheld
6	Medical and Health Care Payments
Y or 7	Nonemployee Compensation
D	Excess Golden Parachute Payments (corresponding to Box 13 on the 1099-MISC form)
E	Gross Proceeds Paid to an Attorney (corresponding to Box 14 on 1099-MISC form)
G	State Tax Withheld (corresponding to Box 16 on 1099-MISC form)
H	State Income (corresponding to Box 18 on 1099-MISC form)

**NOTE:** The first time you run this prelist, it is recommended that you use option A, to select all payments. You thus get a complete view of the situation.

**Print payment detail lines (R)** Type Y for yes or N for no.

CODE	EXPLANATION
Y	Print the details all transactions for each vendor.
N	Print only the total transaction amounts for each vendor.

**All districts (R)** Type Y for Yes or N for No.

CODE	EXPLANATION
Y	Get prelist report for all districts.
N	Get prelist report only for your logon district.

**Data source (R)** Type 1 to extract data from the General Ledger (GL) database.

CODE	EXPLANATION
1	Extract data from GL database.

CODE	EXPLANATION
2	Extract data from extract file.
	If you request the prelist after your site has done Task 9-T (Y13TEN99MRG) on <a href="#">page 2-23</a> , option 2 will display the date and time of the extract file. Option 2 can then be selected.

Press <ENTER>, then <Launch report>. The word "Working..." flashes at the bottom of the screen. A job number appears in the bottom left corner of the screen. Make a note of the job number so that you know when the job finishes and can find its print file if you are using QSS/OASIS's print spooler to route your reports.

## Sample Report

The description of the report includes the following:

- ◆ Page Zero (Header Page)
- ◆ Sample with Accounts
- ◆ Sample with Descriptions
- ◆ Sample with Totals Only
- ◆ How to Read the Prelist

### Page Zero (Header Page)

The prelist is sorted by district and vendor name within district. The report details dollar totals of transactions for each vendor, for each district, and for the report.

The first page of the report is Page 0, which recaps how the report was requested.

44 SAMPLE DISTRICT	S469	1099-MISC PRE-LIST - 2012	TNRP12	H.12.01	12/05/12	16:07	PAGE	0
SAMPLE WITH ACCOUNTS								
-----								
Cutoff amount: \$600.00								
Royalties Cutoff amount: \$10.00								
Cutoff rule for this report: Ignore vendors that don't exceed the cutoffs.								
Select vendors with 1099 flags: set to 'Y'.								
Select payments with 1099 flags: any reportable values								
Input file: FMTNMG12.W2109912.QSSUSER Updated: MON, DEC 5, 2012, 10:05 AM								
Report prepared: MON, DEC 5, 2012, 4:07 PM								



Sample with Accounts

The following partial prelist shows what is displayed as a result of typing A in the field Show accounts or descriptions on the launch screen. Notice that for each vendor, the account numbers are displayed.

44 SAMPLE DISTRICT		S469	1099-MISC PRE-LIST - 2012	TNRP12	H.12.01	12/05/12	16:07	PAGE	1
SAMPLE WITH ACCOUNTS									
Vendor	Tax ID	SE9	FD-RESC-Y-OBJT.SO-GOAL-FUNC-SCH-DD1-DD2	Date Paid	Warrant	Reference	Amount	Flag	
-----									
xxxxxx A FIRST SAMPLE VENDOR									
N >A FIRST SAMPLE VENDOR			12-5050-0-5899.00-8530-5900-500-000-000	01/07/2012	60114592	PV-008247	425.58	Y	
A >100 MAIN STREET			12-5050-0-5899.00-8530-5900-500-000-000	01/07/2012	60124592	PV-008247	425.58	Y	
C >YOUR CITY, CA 12345			12-5050-0-5899.00-8530-5900-500-000-000	02/23/2012	60144467	PV-010680	425.58	Y	
			12-5050-0-5899.00-8530-5900-500-000-000	02/23/2012	60144467	PV-010680	425.58	Y	
			12-5050-0-5899.00-8530-5900-500-000-000	03/16/2012	60155053	PV-012880	425.58	Y	
			12-5050-0-5899.00-8530-5900-500-000-000	03/16/2012	60155053	PV-012880	425.58	Y	
			12-5050-0-5899.00-8530-5900-500-000-000	04/08/2012	60170447	PV-013079	412.00	Y	
			12-5050-0-5899.00-8530-5900-500-000-000	04/08/2012	60170447	PV-013079	425.58	Y	
			12-5050-0-5899.00-8530-5900-500-000-000	05/20/2012	60194256	PV-015595	425.58	Y	
			12-5050-0-5899.00-8530-5900-500-000-000	05/20/2012	60194256	PV-015595	425.58	Y	
			12-5050-0-5899.00-8530-5900-500-000-000	06/22/2012	60213364	PV-017338	384.00	Y	
			12-5050-0-5899.00-8530-5900-500-000-000	06/22/2012	60213364	PV-017338	384.00	Y	
44-xxxxxx AFIR	xxxxxx	Y	A FIRST SAMPLE VENDOR		(7)Nonempl		5,009.22		
-----									
xxxxxx ANOTHER VENDOR									
N >JOHNSON, JOHN J			09-0000-0-5800.00-1110-2490-000-000-000	06/03/2012	60204746	PO-102002	3,800.00	Y	
A >100 MAIN STREET									
A >ATTN: JOHN J JOHNSON									
C >YOUR CITY, CA 12345									
44-xxxxxx ANOT	xxxxxx	S	Y JOHNSON, JOHN J		(7)Nonempl		3,800.00		
-----									
xxxxxx ATTORNEYS AT LAW									
N >ATTORNEYS AT LAW			01-0000-0-5801.00-0110-7350-000-000-000	01/08/2012	60126061	PO-100539	2,555.18	Y	
A >100 MAIN STREET			01-6502-0-5801.00-5050-2200-300-108-000	01/08/2012	60126061	PV-008212	776.25	Y	
A >SUITE 100			01-0000-0-5801.00-0110-7350-000-000-000	01/27/2012	60129082	PO-100539	657.75	Y	
C >YOUR CITY, CA 12345			01-9020-0-5200.00-5050-2200-300-108-000	02/25/2012	60146364	PV-010869	98.00	Y	
			01-0000-0-5801.00-0110-7350-000-000-000	03/02/2012	60148329	PO-100539	16,428.50	Y	
			01-0000-0-5801.00-0110-7350-000-000-000	03/02/2012	60148329	PO-100539	1,235.60	Y	
			01-0000-0-5801.00-0110-7350-000-000-000	04/07/2012	60169965	PO-100539	1,882.55	Y	
			01-6502-0-5801.00-5050-2200-300-108-000	04/07/2012	60169965	PV-012846	727.55	Y	
			01-6502-0-5801.00-5050-2200-300-108-000	04/07/2012	60169965	PV-012847	53.75	Y	
			01-0000-0-5801.00-0110-7350-000-000-000	04/29/2012	60183800	PO-100539	5,074.00	Y	
			01-0000-0-5801.00-0110-7350-000-000-000	06/15/2012	60210532	PO-100539	25,063.80	Y	
			01-0000-0-5801.00-0110-7350-000-000-000	06/15/2012	60210532	PO-100539	104,115.07	Y	
			01-0235-0-5801.00-6300-3600-000-000-000	06/15/2012	60210532	PV-016725	344.00	Y	
			01-2420-0-5801.00-3500-3600-000-000-000	06/15/2012	60210532	PV-016726	516.00	Y	
			01-0000-0-5801.00-0110-7400-000-000-000	06/15/2012	60210532	PV-016727	2,500.00	Y	
			01-0000-0-5801.00-0110-7350-000-000-000	06/24/2012	60217312	PO-100539	7,025.12	Y	
			01-0235-0-5801.00-6300-3600-000-000-000	06/24/2012	60217312	PV-017569	128.86	Y	
			01-2420-0-5801.00-3500-3600-000-000-000	06/24/2012	60217312	PV-017570	193.30	Y	
			01-0000-0-4200.00-0110-7400-000-000-000	07/07/2012	61002191	CL-100339	369.30	Y	
44-xxxxxx ATTO	xxxxxx	Y	ATTORNEYS AT LAW		(7)Nonempl		169,744.58		

Sample with Descriptions

The following partial prelist shows what is displayed as a result of typing D in the field **Show accounts or descriptions** on the launch screen. Notice that for each vendor, the descriptions or payment details are displayed.

44 QSS Test District		S469	1099-MISC PRE-LIST - 2012	TNRP12	H.12.01	12/05/12	16:10	PAGE	1
Vendor	Tax ID	SE9	Description	Date Paid	Warrant	Reference	Amount	Flag	
-----									
xxxxxx A FIRST SAMPLE VENDOR									
N >A FIRST SAMPLE VENDOR			12/09 Anderson, Sherwood	01/07/2012	60124592	PV-008247	425.58	Y	
A >100 MAIN STREET			12/09 Beethoven, Ludwig	01/07/2012	60124592	PV-008247	425.58	Y	
C >YOUR CITY, CA 12345			01/10 Vivaldi, Antonio	02/23/2012	60144467	PV-010680	425.58	Y	
			01/10 Dumas, Alexandre	02/23/2012	60144467	PV-010680	425.58	Y	
			02/10 Ellington, Duke	03/16/2012	60155053	PV-012880	425.58	Y	
			02/10 Fitzgerald, F Scott	03/16/2012	60155053	PV-012880	425.58	Y	
			03/10 Hemingway, Ernest	04/08/2012	60170447	PV-013079	412.00	Y	
			03/10 Irving, Washington	04/08/2012	60170447	PV-013079	425.58	Y	
			04/10 Johnson, Lyndon	05/20/2012	60194256	PV-015595	425.58	Y	
			04/10 Steinbeck, John	05/20/2012	60194256	PV-015595	425.58	Y	
			05/10 Stein, Gertrude	06/22/2012	60213364	PV-017338	384.00	Y	
			05/10 Tennyson, Alfred	06/22/2012	60213364	PV-017338	384.00	Y	
44-xxxxxx AFIR xxxxxxxxx		Y	A FIRST SAMPLE VENDOR		(7)Nonempl		5,009.22		
-----									
xxxxxx ANOTHER VENDOR									
N >JOHNSON, JOHN J			05041001	06/03/2012	60204746	PO-102002	3,800.00	Y	
A >ATTN: JOHN J JOHNSON									
C >YOUR CITY, CA 12345									
44-xxxxxx ANOT xxxxxxxxx		S	Y JOHNSON, JOHN J		(7)Nonempl		3,800.00		
-----									
xxxxxx ATTORNEYS AT LAW									
N >ATTORNEYS AT LAW			005057/347465 NOV 09	01/08/2012	60126061	PO-100539	2,555.18	Y	
A >100 MAIN STREET			005057/347465 NOV 09 SMITH A	01/08/2012	60126061	PV-008212	776.25	Y	
C >YOUR CITY, CA 12345			005057/349386 DEC 09	01/27/2012	60129082	PO-100539	657.75	Y	
			005057/349668 NOV 09 WORKSHOPS	02/25/2012	60146364	PV-010869	98.00	Y	
			005057/351418 3RD QTR RETAIN	03/02/2012	60148329	PO-100539	16,428.50	Y	
			005057/351418 JAN 10	03/02/2012	60148329	PO-100539	1,235.60	Y	
			005057/353507 FEB 10 SMITH B	04/07/2012	60169965	PO-100539	1,882.55	Y	
			005057/353507 FEB10 SMITH C	04/07/2012	60169965	PV-012846	727.55	Y	
			005057/353507 FEB10 SMITH D	04/07/2012	60169965	PV-012847	53.75	Y	
			005057/355349 MAR 10	04/29/2012	60183800	PO-100539	5,074.00	Y	
			005057/357311 APR 10	06/15/2012	60210532	PO-100539	25,063.80	Y	
			01/01-06/30/10 DISTRICT RETAIN	06/15/2012	60210532	PO-100539	104,115.07	Y	
			005057/357311 APR 10	06/15/2012	60210532	PV-016725	344.00	Y	
			005057/357311 APR 10	06/15/2012	60210532	PV-016726	516.00	Y	
			005057/356459 APR 10 SMITH E	06/15/2012	60210532	PV-016727	2,500.00	Y	
			005057/359304 MAY 10	06/24/2012	60217312	PO-100539	7,025.12	Y	
			005057/359304 MAY 10	06/24/2012	60217312	PV-017569	128.86	Y	
			005057/359304 MAY 10	06/24/2012	60217312	PV-017570	193.30	Y	
			005057/359442 SMITH F	07/07/2012	61002191	CL-100339	369.30	Y	
44-xxxxxx ATTO xxxxxxxxx		Y	ATTORNEYS AT LAW		(7)Nonempl		169,744.58		

*Sample with No Totals*

The following partial prelist shows what is displayed as a result of typing N in the **Print payment details lines** field. This format lists only the total of reportable transactions for each vendor.

Vendor	Tax ID	SE9	FD-RESC-Y-OBJT.SO-GOAL-FUNC-SCH-DD1-DD2	Date Paid	Warrant	Reference	Amount	Flag
-----								
xxxxxx A FIRST SAMPLE VENDOR								
N >A FIRST SAMPLE VENDOR								
A >100 MAIN STREET								
C >YOUR CITY, CA 12345								
44-xxxxxx	AFIR	xxxxxx	Y A FIRST SAMPLE VENDOR		(7)Nonempl		5,009.22	
-----								
xxxxxx ANOTHER VENDOR								
N >JOHNSON, JOHN J								
A >100 MAIN STREET								
A >ATTN: JOHN J JOHNSON								
C >YOUR CITY, CA 12345								
44-xxxxxx	ANOT	xxxxxx	S Y JOHNSON, JOHN J		(7)Nonempl		3,800.00	
-----								
xxxxxx ATTORNEYS AT LAW								
N >ATTORNEYS AT LAW								
A >100 MAIN STREET								
A >SUITE 100								
C >YOUR CITY, CA 12345								
44-xxxxxx	ATTO	xxxxxx	Y ATTORNEYS AT LAW		(7)Nonempl		169,744.58	
-----								

*How to Read the Prelist*

The detail lines for the prelist show the vendor name and address on the left side. The right side contains the detail transactions. The following instructions tell how to read the report.

Vendor	Tax ID	SE9	Description	Date Paid	Warrant	Reference	Amount	Flag
-----								
-								
xxxxxx A FIRST SAMPLE VENDOR								
N >A FIRST SAMPLE VENDOR								
A >100 MAIN STREET								
C >YOUR CITY, CA 12345								
			12/09 Anderson, Sherwood	01/07/2012	60124592	PV-008247	425.58	Y
			12/09 Beethoven, Ludwig	01/07/2012	60124592	PV-008247	425.58	Y
			01/10 Vivaldi, Antonio	02/23/2012	60144467	PV-010680	425.58	Y
			01/10 Dumas, Alexandre	02/23/2012	60144467	PV-010680	425.58	Y
			02/10 Ellington, Duke	03/16/2012	60155053	PV-012880	425.58	Y
			02/10 Fitzgerald, F Scott	03/16/2012	60155053	PV-012880	425.58	Y
			03/10 Hemingway, Ernest	04/08/2012	60170447	PV-013079	412.00	Y
			03/10 Irving, Washington	04/08/2012	60170447	PV-013079	425.58	Y
			04/10 Johnson, Lyndon	05/20/2012	60194256	PV-015595	425.58	Y
			04/10 Steinbeck, John	05/20/2012	60194256	PV-015595	425.58	Y
			05/10 Stein, Gertrude	06/22/2012	60213364	PV-017338	384.00	Y
			05/10 Tennyson, Alfred	06/22/2012	60213364	PV-017338	384.00	Y
44-xxxxxx	AFIR	xxxxxx	Y A FIRST SAMPLE VENDOR		(7)Nonempl		5,009.22	
-----								

*Vendor Information on the Detail Line*

The left side of the detail line identifies the vendor name, and address. The codes to the left of each address line allow you to identify what will be reported to the IRS for electronic reporting.

N > The name to be reported to the IRS.

N2> The second name field, which is used rarely.

This field applies only to customers who use the first line of the address as the name extension.

A > The address line to be reported in the single address field for electronic reporting.

Some 1099-MISC forms have room for printing two address lines. However, electronic reporting uses only the last address line for a vendor.

For example, a vendor has the following address lines:

100 MAIN STREET  
SUITE 100

The printed 1099-MISC form can use both lines. However, the address reported electronically is "SUITE 100."

C > The city, state, and ZIP code to be reported.

The totals line for each vendor contains the vendor's tax ID number. In this example, that line is:

```
44-xxxxxx AFIR xxxxxxxxxxx Y A FIRST SAMPLE VENDOR
```

- ◆ 44 is the district number. This information displays when you request a report for all districts.
- ◆ xxxxxx is the Vendor Number from the Vendor Master File (VEUPDT).
- ◆ AFIR is the control name, composed of the first four letters of the vendor name. The IRS uses this name as a key for quick lookup of vendors.
- ◆ xxxxxxxxxxx is the tax ID number or SSN.
- ◆ Y is the vendor's 1099-MISC flag. Therefore, Y indicates this vendor will receive a 1099-MISC form. (If the 1099-MISC flag is anything other than Y, the report reads Vendor not flagged for 1099-MISC reporting.)
- ◆ A FIRST SAMPLE VENDOR is the name that will print on the 1099-Misc form. This is usually the same as the Vendor Name as in the example above. However, if VEUPDT contains a different 1099-MISC Name, that name will print here.

For example, suppose the vendor's name is YOUNG AND SONS

CONTRACTORS. However, the Vendor Maintenance screen has a 1099-MISC name of SMITH, BOB. Invoices are paid to Young and Sons Contractors, but the 1099-MISC is issued to Bob Smith, and the control name for the 1099-MISC is SMIT. The tax ID line would be similar to this:

```
SMIT xxxxxxxxxxxx Y SMITH, BOB
```

The totals line may also contain an SY or an SEY as shown below.

```
ADAM xxxxxxxxxxxx SY ADAMS, JOHN
WHIT xxxxxxxxxxxx SEY WHITE, JANE
```

- ◆ S indicates that the vendor has a social security number in VEUPDT.
- ◆ E indicates that the SSN in VEUPDT is also present in the PERPAY database.
- ◆ Y means this is a 1099 vendor.

---

**CAUTION:** If **SEY** is displayed, the SSN of the vendor is also in the PERPAY database as an employee. Usually, information that would go on the 1099 should instead go on the employee's W2 form. If you issue both a 1099 and a W2 for the same SSN, you are inviting an audit by the IRS.

For the exception to this rule, see "Definition of a Vendor and 1099 Transactions" on page 1-6.

---

### *Transaction Information on the Detail Lines*

The detail lines list individual transactions for each vendor flagged to receive a 1099-MISC.

- ◆ Financial or description.

When you launch the report, you can have the report print the financial account or the description.

- ◇ Financial account: This column lists the financial account or the comment for an adjustment made on the 1099-MISC Additional Data screen (if you selected the Accounts option on the report launch screen).
- ◇ Description: This column lists the invoice number or other description (if you selected the Description option on the report launch screen).
- ◆ Date Paid: The issue date for warrant records or the audit date for Additional Data records.
- ◆ Warrant: The warrant number. This is the number you use to find a specific vendor payment, as described in "Task 5-AP: Adjusting Flags for Transactions with AAUPDT" on page 3-17.

- ◆ Reference: The accounts payable transaction, such as PV-123456 for Pay Voucher #123456, or FD-345678 for additional data (foreign data).
- ◆ Amount: The dollar amount for each transaction.
- ◆ Flag: The 1099-MISC flag for the individual transaction. Two messages can be displayed next to the flag. The message for individual lines is the letter X which means 'Not included.' Transaction lines with a flag of N are not included in the total reported on the 1099-MISC form. The message for vendor totals is 'Under cutoff.' This message is displayed for vendors who have less than the cutoff amount for reporting to the IRS.

Vendor	Tax ID	SE9	Description	Date Paid	Warrant	Reference	Amount	Flag
xxxxxx	WASHINGTON, MARTHA							
N >	WASHINGTON, MARTHA		12/12 Kong, King	02/04/2010	60133336	FD-009794	280.55	Y
A >	1600 PENNSYLVANIA AVENUE		12/12 Ranch, Harris	02/04/2010	60133336	FD-009794	140.55	13
C >	YOUR CITY, CA 12345		12/12 Jolson, Al	02/04/2010	60133336	FD-009794	122.80	14
			12/12 Zappa, Moonbeam	02/04/2010	60133336	FD-009794	121.50	16
			12/12 Moose, A Nonny	02/04/2010	60133336	FD-009794	97.20	18
44-xxxxxx	WASH xxxxxxxxx	Y	WASHINGTON, MARTHA		(7)Nonempl		280.55	
					(13)GPP		140.55	
					(14)Attny		122.80	
					(16)SIT		121.50	
					(18)St Inc		97.20	

In the above sample report fragment, a number of items, marked with the reference code FD, came from an Additional Data file. Notice, for example, that the value in the Flag column to the right of the *second line item* (for \$140.55) is 13. Therefore, the corresponding total value that would appear in Box 13 of the 1099-MISC form is 140.55. This total is shown on the line marked (13)GPP 140.55.

Additionally, because the *first line item* has a flag value of Y, the amount of \$280.55 in that line is added to the amount reported in Box 7 of the 1099-MISC form for (7)Nonempl.

*Making Adjustments to the Prelist*

You can make changes to the transactions appearing on the prelist, using any or all of three programs. Each has its own purpose.

To Change...	Use Program	Page
1099 eligibility of specific vendor payments	AAUPDT	3-17
Vendor information	VEUPDT	3-27
1099-MISC amounts	TNFD13	3-30

Use the program AAUPDT (1099 Inspection/Maintenance) to modify the 1099-MISC flag on payments. (1099-MISC flag changes will not show on the accounts payable transaction screens or reports.)

The 1099-MISC reporting programs need the vendor number, name, address, and taxpayer ID number, which are maintained in the Vendor Master File (VEUPDT).

There may be some vendor payments that you want to include on the 1099-MISC that were not made through the system. Use the Additional Data program (TNFD13) to enter these amounts that are not already in the system. The vendor must be in the vendor file in order for the Additional Data screen to accept amounts for that vendor.

## *Task 5-AP: Adjusting Flags for Transactions with AAUPDT*

These instructions focus on the following:

- ◆ Instructions for the QCC Version
- ◆ Instructions for Traditional Software

### *Instructions for the QCC Version*

These instructions focus on the following areas:

- ◆ Overview
- ◆ Opening the Accounts Payable Window
- ◆ Maintaining 1099 Flags
- ◆ 1099 Maintenance Dialog Box

#### *Overview*

The **1099 Maintenance (AA)** action allows you to change the 1099 flags on vendor warrants. Thus, you can correct mistakes in 1099 flags for payments after warrants are issued. For example, you discover that payments to an attorney or accountant were not flagged for 1099 reporting. Once you identify the vendor warrants with the incorrect flags, you can use this action to correct the warrants.

Here are a couple of things to keep in mind:

- ◆ The AA transaction only updates the 1099 flag in warrants that have already been paid. These updates result in more accurate amounts for 1099 reporting. However, changing the vendor warrants has no effect on the underlying pay vouchers, PO payments, and other transactions that were the basis for creating vendor warrants.
- ◆ If the 1099 information for a vendor is incorrect, update the vendor master file to minimize future errors for 1099 reporting. For example, the 1099 preset for an accountant or attorney is N for not reportable. Change the preset to Y so that the system will flag payments for accounting or legal services as reportable on 1099s by default.


### *Opening the Accounts Payable Window*

1. Log on to QCC.
2. Do either of the following to open an *Accounts Payable* window from the *QSS ControlCenter* window.
  - > On the menu bar, click **Go**, point to **Finance**, then click **Accounts Payable**.
  - > On the tree view, click the **Finance** folder, the **AP / Purchasing** folder, then **Accounts Payable**.
3. In the *Accounts Payable* window:
  - > If the **Transaction Maintenance** window branch is closed, click it to open it.
  - > Click **1099 Maintenance (AA)** to maintain 1099 flags for warrants that are already paid.

### *Maintaining 1099 Flags*

After you type a warrant number in the **Search (F3)** panel, the 1099 Maintenance dialog box displays the transaction detail for the warrant and allows you to change the 1099 flag for each detail line on the warrant.

#### *To maintain 1099 flags for warrants:*

- 1** In the tree view, click the **1099 Maintenance (AA)** action.
- 2** In the **Search (F3)** panel, type a warrant number.
- 3** Press F3 to search. If the warrant is on file, a *1099 Maintenance* dialog box displays the header information and payments included on the warrant.
- 4** Click the  (Change [Ctrl+F9]) icon to put the dialog box in Change mode so you can change the 1099 flags.





The 1099 column is the only thing you can change. All other parts of the dialog box are display-only.

**Figure 3-4: 1099 Maintenance dialog box for changing 1099 flags for payments already made**

The only thing you can change is the 1099 flag for each payment. The 1099 flag for each payment line must be one of the **1099 Valid Values** listed on the top of the dialog box.

After typing a 1099 flag, press the TAB key to make the commands for saving available.

**5** After you have finished changing 1099 flags for a warrant, do any of the following:

- ◇ Click the  (Save and Return [F2]) icon to update the warrant and close the dialog box.
- ◇ Click the  (Save and Stay [F9]) icon to update the changes you have made and leave the dialog box open.
- ◇ Press F12 to close the dialog box without saving your changes.

Close the dialog box for the current warrant after you are finished updating or inspecting 1099 flags. Then you can return to Step 2 and select another warrant.

### *1099 Maintenance Dialog Box*

This heading looks at the following parts of the dialog box:

- ◆ Header Information
- ◆ Columns in the Grid

*Header Information.*

Warrant Number:	03503469	District:	07 - QSS UNIFIED SCHOOL DISTRICT
Warrant Status:	0 - Outstanding	Vendor:	008011 - The Nicholas Brothers
Date Paid:	07/26/2012	1099 Valid Values:	1, 2, 3, 4, 6, 7, E

**Figure 3-5: Header information for the 1099 Maintenance dialog box**

- Warrant Number**      The warrant number.
- District**              District number and name.
- Warrant Status**      The status of the warrant.
- Vendor**                Vendor number and name.
- Date Paid**             Date paid for the warrant.
- 1099 Valid Values**    A list of codes that you can use in the **1099** column for payment transactions.

Every payment transaction must have a 1099 flag on this list. Your system administrator defines the list of codes that you can use for this dialog box. For details, see the AAUPDT user security in Chapter 2 of *Module, Task, and User Security for QCC*.

*Columns in the Grid.*

Reference	Invoice	Fd Bdr Sch Resc Y Goal Func Objt Type	Lb	Ut	Amount	1099
CL - 960175	11341724/8373033	01-270-110-0000-0-0000-8220-5500-1920	Y		16.17	7
CL - 960175	11341724/9473729	01-270-110-0000-0-0000-8220-5500-1920	Y		16.17	7
CL - 960175	11341724/8372521	01-270-110-0000-0-0000-8220-5500-1920	Y		16.56	Y
CL - 960175	11341724/8344822	01-270-110-0000-0-0000-8220-5500-1920	Y		16.95	8
CL - 960175	11341724/2965443	01-270-110-0000-0-0000-8220-5500-1920	Y		17.55	E
CL - 960175	11352903/2963710	01-270-110-0000-0-0000-8220-5500-1920	Y		17.64	D
CL - 960175	11341724/9962021	01-000-000-0000-0-0000-0000-4300-0000			20.05	0
CL - 960175	11341724/7981812	01-270-110-0000-0-0000-8220-5500-1920	Y		21.41	3
CL - 960175	11341724/8372190	01-270-110-0000-0-0000-8220-5500-1920	Y		23.44	7
CL - 960175	11341724/7691708	01-270-110-0000-0-0000-8220-5500-1920	Y		23.97	2
CL - 960175	11341724/8372520	01-270-110-0000-0-0000-8220-5500-1920	Y		24.41	Y
CL - 960175	11341724/4253852	01-270-110-0000-0-0000-8220-5500-1920	Y		34.18	1
CL - 960175	11341724/8342602	01-270-110-0000-0-0000-8220-5500-1920	Y		38.95	5
CL - 960175	11341724/8013282	01-270-110-0000-0-0000-8220-5500-1920	Y		41.07	Y
CL - 960175	11613502/9522984	01-270-110-0000-0-0000-8220-5500-1920	Y		59.72	G

**Figure 3-6: Columns in the grid of detail lines for a warrant**

<b>Reference</b>	<p>A reference type, such as PV for pay voucher, followed by a 6-digit transaction number.</p> <p>There are many reference types other than those in the tree view of the <i>Accounts Payable</i> window. For a complete list, see Appendix I in the <i>QSS/OASIS Core Financial Manual</i>.</p>
<b>Invoice</b>	The invoice description for the transaction.
<b>[account]</b>	The account debited for each detail line.
<b>Lb</b>	<p>The liability flag.</p> <ul style="list-style-type: none"><li>◆ <b>N</b> or blank for a payment applied to the current year.</li><li>◆ <b>Y</b> for payment against a liability created in the previous fiscal year.</li></ul>
<b>Ut</b>	<p>The use tax flag.</p> <ul style="list-style-type: none"><li>◆ <b>N</b> for no use tax.</li><li>◆ <b>Y</b> for the default use tax rate for your site for vendors that don't charge sales tax.</li><li>◆ <b>1</b> or <b>2</b> for use tax rate 1 or 2 set up for each vendor in the vendor master file.</li></ul>
<b>Amount</b>	The dollar amount of the payment.
<b>1099</b>	<p>The 1099 flag.</p> <p>Use this column to make corrections to 1099 flags for payments already issued to vendors. The system uses the 1099 flag for payments on warrants to calculate subject payments for reporting on the 1099-MISC form.</p> <p>This column is the only information that you can change in the <i>1099 Maintenance</i> dialog box. Every payment must have one of the 1099 flags in the <b>1099 Valid Values</b> list.</p>

### *Instructions for Traditional Version*

The 1099 Inspection/Maintenance (AAUPDT) program is not year-dependent; it is not updated yearly. Therefore, you can use it at any time.

If the 1099 prelist reveals that any of the 1099-MISC flags *for payments to vendors* are not set properly, change them with the 1099 Inspection/Maintenance program (AAUPDT). This program changes the 1099-MISC flags of payments already made to vendors. You need to know the warrant number with which the payment was made. You can get the warrant number from the prelist report.

The change in the 1099-MISC flag does *not* show up in the accounts payable payment programs; instead, the 1099-MISC Inspection/Maintenance program changes the flags only to have that transaction included in the 1099 process.

An example illustrates this point. Suppose that earlier in the year, a pay voucher was made out to a lawyer for consultation services. In the pay voucher, the 1099-MISC flag is incorrectly set to N. After the warrant is sent to the lawyer, a clerk notices the error and uses the 1099-MISC Inspection/Maintenance program to correct it. The pay voucher will still have an N in the 1099-MISC flag; however, the file that keeps track of warrant payments will have a Y in the 1099-MISC flag. Therefore, the payment will be included on the lawyer's 1099-MISC.



If all 1099 flags are incorrect for a vendor because the 1099 flag in the Vendor Master File is incorrectly set, use the Vendor Master File program (VEUPDT) to change the 1099 flag setting (see "Task 6-AP: Adjusting Vendor Information with VEUPDT" on page 3-27). However, if the Vendor Master File flag is correct and you only want to change individual warrant payments, use the 1099 Inspection/Maintenance (AAUPDT) program as described in the remainder of this step.

District: 82		1099 Inspection/Maintenance				QSS/OASIS	
		Option (H for help): C					
AAUPDT H.00.05 compiled 11/12/04 11:07 Option/0002							
Start Over							Exit Program

**Figure 3-7: 1099 Inspection/Maintenance (AAUPDT)—First Screen**

To change the 1099-MISC flag, type C in the option box and press <ENTER>.

District: 82		1099 Inspection/Maintenance				QSS/OASIS	
		Warrant Number: 00688812					
AAUPDT H.00.05 compiled 11/12/04 11:07 Option/0002							
Start Over							Exit Program

**Figure 3-8: 1099 Inspection/Maintenance (AAUPDT)—Second Screen**

The warrant numbers are found on the prelist report, as displayed on [page 3-11](#). Type the desired warrant number and press <ENTER>.

**Warrant Number (R)** Type the number of the warrant that contains the transaction you want to change and press <ENTER>.

<ENTER> After you press <ENTER>, the computer checks to see whether the warrant number is on file. If the warrant exists in the system, the following fields are displayed.

District: 12	1099 Inspection/Maintenance	QSS/OASIS
Warrant Status: 0	Warrant Number: 00688812	
Date Paid: 05/21/2012	District: 12	QSS DEMONSTRATION DISTRICT
	Vendor: 004779	EDUCATIONAL BUSINESS
Reference Invoice/Account	Lb Ut	Amount
PV-022164 102.051502	N	6,975.00
01-0000-073-7250-5800.00-72-0-0000-7200		1099 Y
Press <Enter> or <Function Key> to Continue		
Start Over		
	Prev Page	Next Page
	Update	Exit Program

Figure 3-9: 1099 Inspection/Maintenance (AAUPDT)—Third Screen

**Warrant Status (D)** The program displays one of the status codes below.

CODE	MEANING	EXAMPLE
O	Outstanding	Warrant issued; not cleared from reconciliation.
C	Cancelled	Issued in error; cancelled.
S	Stopped	Stop-payment placed on warrant.
V	Voided	Warrant not issued; damaged or destroyed.
X	Outlawed	Warrant expired-stale date or unauthorized.
R	Redeemed*	Warrant paid by bank and accepted by issuing agency as redeemed.
*Only for clients doing warrant reconciliation.		

**District [number] (D)** The number and name of the district displays on the top portion of the screen.  
**[District name] (D)**

**Date Paid (D)** The payment date displays in MMDDYY format.

**Vendor** [number] (D) The number and name of the vendor displays on the top portion of the screen.  
 [Vendor name] (D)

**Reference** (D) The screen displays the reference number for the transaction.

[Transaction type] (D) The two-letter prefix to the reference number indicates the type of transaction. For example, if the warrant includes a payment on 'pay voucher #10001', this reference number is displayed as 'PV-10001.'

Types of transactions include:.

CODE	TRANSACTION TYPE
PO	Purchase Order
PV	Pay Voucher
TC	Travel Claim
CM	Credit Memo
RC	Revolving Cash
LB	Liability
CL	Current Liabilities
EP	Estimated Payable
HW	Hand Warrant

**Invoice/Account** (D) The invoice number or description displays on the top line. The second line displays the account number against which this transaction was charged.

**Lb** (D) A Y (Yes) or an N (No) indicates whether or not this transaction is charged as a liability for the next fiscal year.

CODE	DESCRIPTION
Y	This transaction is charged as a liability for the next fiscal year.
N or Blank	This transaction is <b>not</b> charged as a liability for the next fiscal year.

**UT (D)**

This field contains the use tax code. Codes include:.

CODE	DESCRIPTION
<b>N or Blank</b>	No use tax.
<b>Y</b>	Use tax due based on sales tax rate.
<b>1</b>	Use tax due based on rate #1 for vendor.
<b>2</b>	Use tax due based on rate #2 for vendor.

**Amount (D)**

The amount of the transaction.

**1099 (R)**

For each account line, the 1099 flag is displayed (this is the only field you can change for each line). Leave as is, or type one of the following 1099 codes:

CODE	EXPLANATION
<b>1</b>	Rent.
<b>2</b>	Royalties.
<b>3</b>	Other Income.
<b>4</b>	Federal Income Tax withheld
<b>6</b>	Medical and health care payments.
<b>D</b>	Golden parachute (box 13).
<b>E</b>	Gross proceeds paid to an attorney (box 14)
<b>G</b>	State tax withheld (box 16)
<b>H</b>	State income (box 17).
<b>Y or 7</b>	Nonemployee compensation.
<b>N or Blank</b>	Not subject to 1099 reporting.

**<ENTER>**

Press the <ENTER> key if you changed any 1099 flags. The program examines the data. If any 1099 codes fail the edit check, a message displays at the bottom of the screen.

If you changed any 1099 flags, you must press <ENTER> and receive no error messages before the program will allow you to update the changes.

**<Start Over>**

Press <Start Over> to return to the option screen, as shown in Figure 3-7.



<Prev Page> <Next Page>	If there are more than 8 transactions on a warrant, use <Prev Page> and <Next Page> to scroll through the transactions. When making changes, press <ENTER> before changing pages.
<Update>	Press <Update> to save any changes and select another warrant.
<Exit Program>	Return to the Menu System to choose another action.

## Task 6-AP: Adjusting Vendor Information with VEUPDT

If a *vendor's 1099-MISC-flag, Tax ID Number, or 1099-MISC reporting name or address* is not set correctly, use the Vendor Maintenance program (VEUPDT) to correct the information.



These instructions focus on the following:

- ◆ Instructions for the QCC Version
- ◆ Instructions for Traditional Software

### Instructions for the QCC Version

These instructions tell how to change the default 1099 flag for a vendor from the *Vendor Maintenance* window. The **Preset** box defines the default 1099 flag for transactions for a vendor.



To set the default 1099 flag for a vendor:

1. Log on to QCC as described on [page A-2](#).
2. From the *QSS ControlCenter* window, open a *Vendor Maintenance* window in either of the following ways:
  - > Click the **Go** menu, point to **Finance**, and click **Vendor Maintenance**.
  - > From the tree view, click the **Finance** branch, click **AP / Purchasing**, then click **Vendor Maintenance**.
3. In the *Vendor Maintenance* window, bring up a vendor record in either of the following ways:
  - > In the **Number** box, type the vendor number and press the  (Process [F2]) icon.
  - > Click the  (Search for Vendors [F3]) icon to search for vendors.

The screenshot shows the 'Vendor Maintenance' window with the following data entered:

- District: 65
- Number: 020009
- Name: ATTORNEYS R US
- Address: 123 ANY MAIN STREET
- City: ANY TOWN
- State: CA
- Zip: 09999
- 1099: Y - Yes
- Name: (empty)
- Preset: E
- Tax ID: 999999999
- SSN: (empty)
- Use Tax Preset: N - No
- Use Tax 1: 0.750 % 9508
- Use Tax 2: 0.125 % 9508
- Acct Number: (empty)
- Rating: (empty)
- Msg Flag: (empty)
- Type: (empty)
- Category: (empty)
- Terms: 01.50 %
- Shipping %: (empty)
- Comments: (empty)
- Last edit: 01/08/2007 at 09:30:15 by SERN
- Last paid: 00/00/0000

**Figure 3-10: Vendor Maintenance window**

4. Click the  (Change [Ctrl+F9]) icon to put the window in Change mode.
5. In the **Preset** box, select the default 1099 flag for the vendor from the list. The 1099 program option defines the items from which you can select.
6. Click the  (Save [F9]) icon to save the changes.
7. Do either of the following:
  - > Return to Step 3 to change the 1099 flag for additional vendors.
  - > Press F12 to close the *Vendor Maintenance* window.

*Instructions for Traditional Software*

District: 82	Update Vendor Master File	QSS/OASIS
Option (H for help): C		
VEUPDT H.00.08 compiled 12/06/99 Option= 100 1099:(1234 67 B )		
Start Over	Help	Exit To Menu

**Figure 3-11: Update Vendor Master File Screen (VEUPDT)***To change a vendor's information:*

1. Type C in the option box and press <ENTER>.
2. Type the vendor's number and press <ENTER>.
3. Type over any data that needs to be changed.
4. Set the **1099?** field to the appropriate value: Y means the vendor should receive a 1099-MISC; N means the vendor should not.
5. Press <ENTER>, then <Update Data>.

District: 82	Change Vendor Master File	QSS/OASIS					
Vendor: 003773	Name: EDUCATIONAL BUSINESS CONSULTAN	Address: 745 MOUNTAIN HIGH LANE					
City, St Zip: DENVER, CO 04080							
Remit name: JANET SMITH	Remit address: PO BOX 550						
City, St Zip: DENVER, CO 04011							
Contact: JANET SMITH	Phone: (555) 555-1212	Fax: (555) 555-2121					
1099? <input checked="" type="checkbox"/> Preset: <input checked="" type="checkbox"/> Tax ID: 000000000	Name: SMITH, JANET						
SSN(opt.): - -	Msg flg:	Rating:					
Comment:	Terms: - - %						
Category:							
Type: RC Ob:	Use tax 1: %	Use tax 2: %					
Start Over	Addl Address	Vendor Commodity	Comments Screen	eCommerc Screen	Optional Info	Update Data	Return To Menu

Figure 3-12: Change Vendor Master File Screen (VEUPDT)

In the example shown in Figure 3-12, notice that the **Remit name** and **Remit address** fields are filled in only because they are different than the company name and address shown in the **Name** and **Address** fields.

The tax ID number must correspond to the name of the vendor being reported on the 1099-MISC. If, for example, the tax ID is a social security number, but the vendor name is a company name, you must enter the name of the individual whose SSN is in the **Name** field following the **Tax ID** field. As with any vendor name, the tax name should be entered: last name, comma, first name.

### Task 7-AP: Adding and Adjusting Additional Data with TNFD13

The instructions for TNFD13 focus on the following areas:

- ◆ Overview
- ◆ Instructions for QCC
- ◆ Instructions for Traditional Software
- ◆ Posting Backup Withholding on the 1099 Form

#### Overview

The 1099-MISC Additional Data (TNFD13) program allows for making adjustments to 1099-MISCs. It creates, changes, or cancels one adjustment record per vendor in the vendor master file. It allows you to create 1099-MISC adjustment records for vendors who had reportable transactions that were not processed through the accounts payable system.

This optional step can do two things:

- ◆ Adjust existing amounts of 1099-MISC reportable payments to vendors.
- ◆ Add new 1099-MISC reportable payment amounts that were not made within the AP system.

For example, if student councils or parent organizations are working under the district or county's EIN, but they have their own checking accounts, their payments to vendors that are 1099-eligible should be entered into the system. You do this through the Additional Data program.

The adjustment records created with this program show up on the 1099-MISC prelist report with a reference type of 'FD' (meaning Foreign Data). On that prelist, the date displayed in the Date Paid column is the audit date of additional data items. Each vendor can have an adjustment record. ***This record can add to or subtract from amounts reported in the following boxes of the 1099-MISC form:***

Box 1: Rents  
Box 2: Royalties  
Box 3: Other Income  
Box 4: FIT withheld  
Box 6: Medical  
Box 7: Non-employee compensation  
Box 13: Excess Golden Parachute Payments  
Box 14: Gross Paid to Attorney  
Box 16: State tax withheld  
Box 18: State income  
Box 17: State

Two limitations should be kept in mind:

- ◆ Adjustments are reflected ***only in the 1099-MISC forms***, the media sent to the IRS, and the history files saved after 1099-MISC production. The Additional Data step ***does not update accounts payable records***.
- ◆ Adjustments can be made, or new 1099-MISCs created, only for vendors in the Vendor Master File.

***Before you can run this program, the additional data file must have already been created, as discussed in "Task 2-T: Creating the 1099-MISC Additional Data File (KSAM File)" on page 2-9.***

### Instructions for QCC

The instructions for using QCC focus on the following:

- ◆ Opening the Launch Window from QCC
- ◆ Filling in the Window

#### Opening the Launch Window from QCC

1. Log on to QCC. For instructions, see [page A-2](#).
2. Do either of the following to open the *W2/1099 Processing* window from the *QSS ControlCenter* window.

On the tree view, click the **W2/1099** folder, then **W2/1099 Processing**.

3. In the *W2/1099 Processing* window, click the **Tax Year 2013** branch, then click **1099 Processing**. Double-click **1099-Misc Additional Data (TNFD13)** to open a *1099 Additional Data (TNFD13)* window.

#### Filling in the Window

Box / Index	Amount	Description (optional)
1 / 1		Rents
2 / 2		Royalties
3 / 3		Other Income
4 / 4		FIT Withheld
5 / 5		Fishing Proceeds
6 / 6		Medical
7 / 7	400.00	Payment outside of QSS/OASIS
8 / 8		Subs. Payments
9 / 9		Direct Sales Flag
11 / 11		Crop Insurance
11 / 11		N/A
12 / 12		N/A
13 / 13		Excess Golden Parachute
14 / 14		Gross Paid to Attorney
15 / 15		N/A
16 / 16		State Income Tax Withheld
18 / 17		State Income
17.		State


Figure 3-13: 1099-Misc Additional Data (TNFD13)

To add or change the adjustment record for a vendor:

1. If the **District** list is available, select the district for which to process adjustment

records.


2. Select the vendor in either of the following ways:


- > Click the  icon to open a *Vendor Lookup* window and select the vendor.
- > Type a vendor number, then press the TAB key.

If a vendor already has an adjustment record, the adjustment amounts display.

3. Type the adjustment **Amount** and an optional **Description**.




Type a positive number to add to the amount reported on the 1099-MISC form and a negative amount to subtract from that total.

4. Click the  (Validate Entered Data [F7]) icon to verify that you have filled in the window correctly.

To return the window to the way it was when you opened it, click the  (Undo Changes [Ctrl+U]) icon.

To clear everything but the **Vendor No.** box, click the  (Clear Screen [Shift+F1]) icon.

5. Do any of the following:

- > Click the  (Save [F9]) icon to save the adjustment record and leave the window open so you can select other vendors and enter additional adjustment records.
- > Click the  (Save and Close [F2]) icon to save the adjustment record and close the window.
- > Click the  (Close [F12]) icon to close the window without saving the adjustment record.

*Instructions for Traditional Software*

```

District: 12      1099-MISC Additional Data - Tax Year 20Y1      QSS/OASIS
                  Tax year: 20Y1

                  District: 12  QSS DEMONSTRATION DISTRICT
                  Vendor #: 4779

Additional Data file last updated: TUE, JAN 7, 20Y1, 4:15 PM  Entries: 0

Vendor  Help  Return
Lookup  to Menu
    
```

**Figure 3-14: 1099-MISC Additional Data (TNFD13)—First Screen**

Type the vendor's number and press <ENTER>. The screen will display the Vendor Name and TIN so you can verify that you've selected the correct vendor.

```

District: 12      1099-MISC Additional Data - Tax Year 20Y1      QSS/OASIS
                  District: 12  QSS DEMONSTRATION DISTRICT
                  Vendor #: 004779  EDUCATIONAL BUSINESS
                  Vendor Id: 999999999  SSN: N

Box      Amount      Desc. (optional)
1. Rents
2. Royalties
3. Other income
4. FIT withheld
5. Fishing proceeds
6. Medical
7. Nonemployee comp.      300.00      PAID OUTSIDE OF QSS SYSTEM
8. Subs. payments
9. Direct sales flag
10. Crop insurance
11. N/A
12. N/A
13. Excess Gldn Para
14. Gross pd to Attny
15. N/A
16. State tax withheld
17. State income
17. State      2nd TIN Notice:

Start  Start  Update  Return
Over   Over
    
```

**Figure 3-15: 1099-MISC Additional Data (TNFD13)—Second Screen**

If the vendor does not have an adjustment record, the amounts on the screen are all blank.



To add to the vendor's 1099-MISC, *type the amount to be added*. To subtract an amount, *type the amount to be subtracted, preceded by a minus sign*. If you type a description, it is printed on the 1099-MISC Prelist.

Box 17 defines for which state the **State** fields apply. The only way to get something into the **State** fields is via the additional data screen. If an amount is entered into Box 16 or 18, the screen requires that Box 17 be filled with the 2-character state code. Type the state code, which is the 2-character code on the IRS list of states.

Some variations of the 1099-MISC form contain a box labeled '**2nd TIN not.**' as shown in Figure 3-16 on page 3-38. If the IRS has notified you twice that the vendor's Tax Identification Number is incorrect, type an x in the **2nd TIN Notice** field on the screen. This will print on the a 1099-MISC form that includes the box labeled '**2nd TIN not.**'

To update the adjustment record, press <ENTER> and <Update>.

### *Posting Backup Withholding on the 1099 Form*

Presently there is no backup withholding program but there is a workaround to deal with this. The following is offered as one way.

When paying a vendor for whom backup withholding is required, do the following:

1. Flag the pay voucher on which this vendor is being paid as a 1099-MISC payment. Request payment of the full amount owed to the vendor.
2. Create an offsetting credit memo for the amount of the taxes to be withheld. Do *not* flag this credit memo as a 1099-MISC payment. The resulting warrant will be for the net amount owed to the vendor.
3. Create a Journal Entry (JE) to move the tax withheld amount (the credit memo created above) from the expenditure account to which it was posted into the appropriate liability account.
4. Remit the tax amount from the liability account to the appropriate government agency.

To generate the correct information on the 1099-MISC for this vendor, you will have to manually add the additional/foreign data to Boxes 4, 16, 17 and 18 by using the 1099-MISC Additional Data program (TNFD13) discussed in "Task 7-AP: Adding and Adjusting Additional Data with TNFD13" on page 3-30.

To make such vendors more visible, you can use the **Msg Flg** for vendor master file. You can use the default code of Y for "Withhold order on file." Your site can also use a custom-defined message flag of 0 through 9 for a different message.

## *Rechecking the Preliminary Prelist*

After you have made the necessary changes, rerun the prelist and recheck it. You can cycle through Tasks 4-AP through 7-AP as many times as necessary to ensure the information is accurate, before returning the 1099 process to the technical staff for continuation.

## *Rechecking the Final Prelist*

After the technical staff performs the extract, merge, and filter steps, as described in Tasks 8-T through 10-T, they will print another prelist. You should examine it for accuracy also, and re-cycle through earlier steps if necessary, before the 1099 forms are finally printed by the technical staff.

*The remainder of the 1099 process is largely done by the technical staff.* Only if adjustments need to be made to the 1099 forms will the accounts payable staff get involved again.

## *Task 8-T: Creating 1099-MISC Extract File from AP Transactions*

This step, done by the technical staff, reads the accounts payable payments for the calendar year and creates an extract file to be used in the subsequent steps. See "Task 8-T: Creating 1099-MISC Extract File from AP Transactions" on page 2-17 for complete instructions.

## *Task 9-T: Merging Additional Data File with AP Extract File*

This step, done by the technical staff, merges the 1099-MISC extract file with any data entered via the Additional Data screen (TNFD13) and creates a consolidated extract file. This file will be used in the subsequent steps for printing the 1099-MISC forms and creating the transmittal files. See "Task 9-T: Merging Additional Data File with AP Extract File" on page 2-23 for complete instructions.

## *Task 10-T: Applying Cutoff Amount by TIN with Filter*

This step, done by the technical staff, applies the cutoff amounts by TIN (instead of by the vendor number in the Vendor Master File) across all the extracted vendors for all the extracted districts. See "Task 10-T: Applying Cutoff Amount by TIN with Filter" on page 2-24 for complete instructions.

## *Task 11-T: Printing Final 1099-MISC Prelist*

This step, done by the technical staff, prints a report using the consolidated extract file as the source of data. See "Task 11-T: Printing Final 1099-MISC Prelist" on page 2-27 for complete instructions.

## *Task 12-T: Printing 1099 Forms for Distribution*

This step, done by the technical staff, prints the 1099 forms for distribution to vendors. See "Task 12-T: Printing 1099 Forms for Distribution" on page 2-31 for complete instructions.

# Sample 1099-MISC Form

The sample form displayed in Figure 3-16 is only one of the possible layouts of 1099 forms. If you are using any of the **QSS**-supported forms, the software will print each field's information in its proper place.

The image shows two identical sample 1099-MISC forms for the year 2013. Each form is titled "Miscellaneous Income" and is labeled as "Copy A For Internal Revenue Service Center". The forms are for the year 2013 and are Form 1099-MISC. The top left of each form shows the number "9595" and checkboxes for "VOID" and "CORRECTED". The top right shows the OMB No. 1545-0115 and the year "2013". The forms are divided into several sections: PAYER'S name, street address, city or town, province or state, country, ZIP or foreign postal code, and telephone no.; PAYER'S federal identification number; RECIPENT'S identification number; RECIPENT'S name; Street address (including apt. no.); City or town, province or state, country, and Zip or foreign postal code; Account number (see instructions); and 2nd TIN rot. The main body of the form contains 18 numbered boxes for reporting various types of income and taxes: 1 Rents, 2 Royalties, 3 Other income, 4 Federal income tax withheld, 5 Fishing boat proceeds, 6 Medical and health care payments, 7 Nonemployee compensation, 8 Substitute payments in lieu of dividends or interest, 9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale, 10 Crop insurance proceeds, 11 Foreign tax paid, 12 Foreign country or U.S. possession, 13 Excess golden parachute payments, 14 Gross proceeds paid to an attorney, 15a Section 409A deferrals, 15b Section 409A income, 16 State tax withheld, 17 State/Payer's state no., and 18 State income. The bottom of each form includes the form number "Form 1099-MISC", the number "16-0331990", the website "www.irs.gov/form1099misc", and "Department of the Treasury - Internal Revenue Service". A warning "Do Not Cut or Separate Forms on This Page" is printed at the bottom of each form.

Figure 3-16: 1099-MISC Form

## *Allowing an Interval Between Distributing 1099s and Making 1099-MISC File for IRS*

After the technical staff has printed and distributed the 1099 forms, they should stop before taking the next step. Wait until late in March to make the 1099 file for the government.



**Figure 3-17: Allow Interval Before Making IRS File**

This will allow time for any adjustments to be made *before* the file is created that is sent to the government.

Adjustments can be made in either or both of two ways:

- ◆ By using the Additional Data program, as described in "Task 7-AP: Adding and Adjusting Additional Data with TNFD13" on page 3-30, *and/or*
- ◆ By adjusting the flags for payments to vendors, using the 1099 Inspection/Maintenance (AAUPDT) program, as described in "Task 5-AP: Adjusting Flags for Transactions with AAUPDT" on page 3-17.

### *Task 13-T: Creating 1099-MISC Electronic Transmittal File(s)*

This step, done by the technical staff, creates the electronic files for submission to the IRS and the state. See "Task 13-T: Creating 1099-MISC Electronic Transmittal File(s)" on page 2-55 for complete instructions.

## *Task 14-T: Transferring Transmittal File(s) to PC*

This step, done by the technical staff, transfers the transmittal file from the HP e3000 to your PC. This must be completed before the files can be transmitted to the IRS and the state. See "Task 14-T: Transferring Transmittal File(s) to PC" on page 2-60 for complete instructions.

## *Task 15-T: Saving Work Files in HISTORY Group*

This step, done by the technical staff, saves history files that provide an audit trail and the ability to rerun 1099-MISCs if necessary. See "Task 15-T: Saving Work Files in HISTORY Group" on page 2-65 for complete instructions.