

Setting Up Vendors to Print 1099 Forms, Tracking Calendar Disbursements, and Creating Magnetic Media

Set Up/File Maintenance:

Accounts Payable > File Maintenance > Vendors – After verifying that the vendor name and address are correct, there are 4 fields that control the printing of 1099 forms.

“1099 Box No” specifies in which box on the 1099 form to print the vendor’s annual balance. For most 1099 vendors, the 1099 box number is 7, which is “Non Employee Compensations”.

“Tax ID No” holds the vendor’s Federal Tax Identification Number.

“1099 Name” is used where it is required to print the Sole Proprietor’s name, in addition to the Vendor’s name on the 1099 form.

“1099 Type” is used to specify what type of 1099 form is to be used for this Vendor. Valid choices are: 1099-MISC (MISC) or 1099-INT (INT).

Example Vendor File:

Update		Accounts Payable Vendors				
Vendor No	22 Alpha	DATAPLUS	Status	Active	I&TA No	
Name	Data Plus Inc.			Comm %	0.000	
Address	77 Powdermill Road			Misc Vendor	no	
City	Acton	State	MA	Postal Code	01720	
Country						
Phone	978-897-3700	Fax	978-897-4939			
Contact	Trudy Holmes	Tax ID No	7-78784878	W-9?	no	
1099 Box No	14	1099 Name				
1099 Type	MISC					
Terms	30	Net 30 Days				
Type	fb	Food and Beverage				
Property						
Auto Dist	OS	Office Supplies			Post Liab	
Liab Acct	2000001	Accounts Payable			yes	
Use Tax Acct						
FC Inv						
FC Pay						
added: 09/27/2002 tlc			changed: 09/27/2002 tlc			

1099 Audit Report:

Accounts Payable > Vendor Reports > 1099 Audit Report.

This report displays information that will appear on the 1099 forms. It is printed for a single *Calendar Year* and defaults to the current IRS *Minimum Amount Disbursed* of \$600.00. Printing the 1099 audit report will allow you to see who is eligible to receive a 1099 form based on the minimum amount disbursed and for a particular calendar year. Only vendors that have a non-zero “1099 Box No” will appear on this report. You may choose to run this for only those Vendors set to print on a 1099-MISC form, 1099-INT form, or all Vendors, using the radio button. Remember the “1099 Box No,” which is usually set to “7 for Non Employee Compensation,” is maintained in the vendor master file. This report will display warning messages if the tax identification numbers are missing or if an invalid 1099 box number was entered in the vendor master file.

The 1099 audit report can be used to track designated vendors and their calendar year disbursements.

The screenshot shows a web-based form titled "1099 Audit Report" with an "Update" button. The form contains the following fields and options:

- Calendar Year: 2002
- Minimum Amount Disbursed: 600.00
- 1099 Type: Radio buttons for MISC (selected), INT, and ALL.
- Payer's Federal Tax ID
- or (Only Enter Federal Tax Id or Property Id, Not Both)
- Property ID

A callout box on the left side of the form points to the "1099 Type" radio buttons and contains the following text:

You may choose to run this report for only those Vendors set to print on a 1099-MISC form, 1099-INT form, or all vendors.

1099 Disbursements:

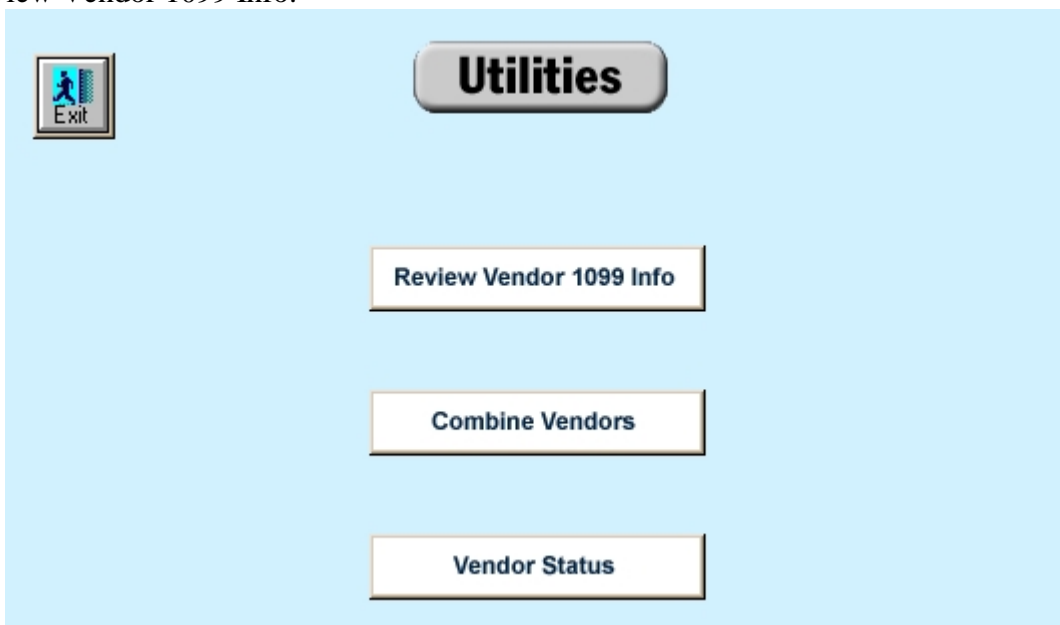
There may be situations where vendor disbursements need to be changed to correctly reflect the true 1099 calendar disbursements.

This is an example:

A hotel paid a vendor a total of \$70,217.00. When they ran the 1099 audit report they saw that this would be the amount that would be printed on the vendors 1099 form.

The hotel only wants \$70,000 to appear on the 1099 as the \$217 was for expenses.

You can edit the vendor's 1099 disbursements from the main Accounts Payable menu by choosing Utilities > Review Vendor 1099 Info.



Choosing ***Review Vendor 1099 Info*** will bring you to the following screen:

Run Selected Procedure _ □ X

Vendor 1099 Information Review

Calendar Year: 2000

Vendor Number:

Sole Proprietor Name: **Box:**

Leave blank or enter zero to search for vendor.

Enter the appropriate “*Calendar Year*” and “*Vendor Number*”, and then press F2. If you leave the vendor number blank the system will display a list of vendors where you can choose a vendor one at a time. Here is an example of the vendor list.

Vendor Selection					
Alpha	Vendr	Tax Identifying No	Vendor Name	City	St
12345	20010		12345	ACTON	MA
AAATRAV	61	12345678933	mmm travel	Concord	MA
ACME	9	058-52-8666	ACME	Phoenix	AZ
ash	20001		ash		
ASTRO	51		Fake Grass Co.	Sycamore	MA
BARFLY	44	11-23568777	Barfly Bar Supply Products	Margaritaville	FL
BARNEY'S	6		Barney's Brontosaurus Burgers	Bedrock	MA
BEERESS	46	012-85-8888	The Beer Essentials	Hop-kington	MA
BENCHES	48		Hard Benches, Inc.	L	
BestBuy	20006		Best Buy	Chatham	MA
BIGG	22		Big G's Flour, Etc.	Winslow	ME
BILL&TED	8		Bill & Ted's Excellent Travel	Athens	GA
BLUE	36		Blue Cross Insurance	Boston	MA
BOXTHREE	52	333-33-3333	Box3, Inc.	Threattle	vWA
BRADY	7		Brady Bellbottoms and Beads	Tiedye	IL
BUTTERWO	11	000-00-5858	Mrs. Butterworths	Stowe	VT

Use the mouse or arrow key to select one vendor at a time. This will display the vendor's 1099 information. The monthly disbursements can be edited and an annual total is kept at the bottom. This total is the amount that will print on the vendor's 1099 form for the specified year.

Run Selected Procedure

Vendor 1099 Information Review

Calendar Year: 2000

Vendor Number: 9 ACME

38902 Canyon Boulevard

Phoenix AZ

Sole Proprietor Name: ACME SPECIALTY PRODUCTS Box: 7

1099 Disbursements for 2000	
Jan	0.00
Feb	44.00
Mar	23.19
Apr	0.00
May	0.00
Jun	502.00
Jul	0.00
Aug	90.96
Sep	0.00
Oct	0.00
Nov	0.00
Dec	100.00
Total:	760.15

Press F2 to save changes, Esc to exit without saving

After making the necessary changes press F2 to save these changes. You can now search for another vendor or escape back to the Data Plus main menu.

To verify the correct 1099 calendar disbursements are recorded in Data Plus, go to Vendor Reports and print the 1099 Audit Report.

The 1099 Audit Report will show the balances that will appear on the 1099 form.

Printing 1099 Forms:

The 1099 form program is designed to print on pre-printed 1099 forms. This can be done on dot matrix or laser printers. The format for the 1099 forms are defined by the government. The number of copies of each to be printed varies by State. Some states require additional copies for city and local taxes. Each customer should know how many copies they will need. The number will vary between 3 and 6 copies.

For example, if you need to print 3 copies of each 1099, it would make sense to print all of your Copy A's, then Copy B's, and then your Copy C's.

Check with your office supply store or with the IRS to order the forms that are compatible with your specific printer.

Data Plus supports laser printer and continuous (matrix or impact) printer formats. Data Plus also support two 1099 formats: 1099-MISC (2-up) and 1099-INT (3-up).

Printing 1099 forms is done thru Accounts Payable > Vendor Reports > 1099 Forms – the following screen appears.

1099 Forms

Calendar Year

Minimum Amount Disbursed

Payer's Federal Tax ID Data Plus, Inc.

or

Property ID All

Print Forms on Laser? Yes 1099 Type to Print

Select up to 10 Vendors

or

Leave Blank For All

You may print on a 1099-MISC (2 up)form, or a 1099-INT form (3 up).

You can run the 1099 print task as many times as you would like.
If you encounter any errors or printing issues please contact Data Plus.

Creating a 1099 Magnetic Media File:

This task creates the ASCII file for the annual 1099 Magnetic Media reporting. The IRS supports this file placed on a 3.5" DOS formatted floppy disk.

The data for each vendor is taken from the Vendor Records. You must make sure that this data is correct prior to running this task. As well, information is retrieved from the company record and in multi-property systems it is also taken from the owners records. These records must be accurate as well. For the Vendor/Company/Owner records it is critical that the Name, Address, Phone Number, and Tax-id numbers are correctly entered. It is also critical in multi-property systems for each property to have the correct Federal tax-id for its owner.

It is recommended that the 1099 Audit Report be run prior to creating the Magnetic Media file to verify that there are no errors or warnings. Missing information may cause a vendor to not be selected for the Magnetic Media file.

The IRS **STRONGLY RECOMMENDS** that first time Magnetic Media filers submit a test file for verification. To create a test file run the procedure as usual with the test file flag set to yes.

You may access this function in Vendor Reports > 1099 Magnetic Media. Upon selecting this button the following screen will appear:

Update		1099 Magnetic Media	
Calendar Year	<input type="text" value="2002"/>	Include 1099 Type?	<input type="text" value="no"/>
Minimum MISC amount	<input type="text" value="600.00"/>	<input checked="" type="checkbox"/>	
Minimum INT amount	<input type="text" value="10.00"/>	<input checked="" type="checkbox"/>	
Payer's Federal Tax ID or Property ID	<input type="text"/>		
Transmitter Control Code	<input type="text" value="46546"/>		
Directory to place file	<input type="text" value="c:/"/>		
Transmitter Name	<input type="text" value="TLC"/>		
Contact Name	<input type="text" value="John Doe"/>		
Contact Phone	<input type="text" value="9785553333215"/>		
	(ex. 978-555-3333 x215 is 9785553333215)		

You must enter in the following fields.

Calendar Year

Enter the year for which 1099's are to be printed.

Run as a Test File? (Yes/No)

If you wish to run this as a test file for the IRS, enter YES, otherwise if you would like to generate a valid file to submit to the IRS for reporting purposes, leave as No.

Minimum Misc amount

This provides a threshold on the annual disbursement amount for the vendors. Only vendors who reach this limit will have a 1099-INT record included in the magnetic media file. The Internal Revenue Service requires that this criterion be at least this amount.

Include 1099 Type

If you wish this magnetic media file to include 1099-MISC records, enter a check mark in this box.

Minimum INT amount

This provides a threshold on the annual disbursement amount for the vendors. Only vendors who reach this limit will have a 1099-INT record included in the magnetic media file. The Internal Revenue Service requires that this criterion be at least this amount.

Include 1099 Type

If you wish this magnetic media file to include 1099-INT records, enter a check mark in this box.

Payers Federal ID Number/Property ID (multi property only)

Enter this company's Federal ID number (or Property ID for multi-property installations) for printing 1099 forms; this number appears on all of the 1099's.

Transmitter Control Code

Enter in your Transmitter Control Code that was assigned to you from the IRS.

Directory to Place File

Enter in the path where you would like this file to be exported. For example, if you would like it to be written to your floppy disk, enter A:/.

Transmitter Name

Enter in the name of the Transmitter, required by the IRS.

Contact Name

Enter in your Contact name.

Contact Phone

Enter in your contact phone, with no punctuation. (ex. 978-897-3777 x 20 is 978897377720)

Once you have entered in the required fields press F2 to run. Once the process is complete, you will receive the following message, which includes the file path where the IRSTAX file was created.

