

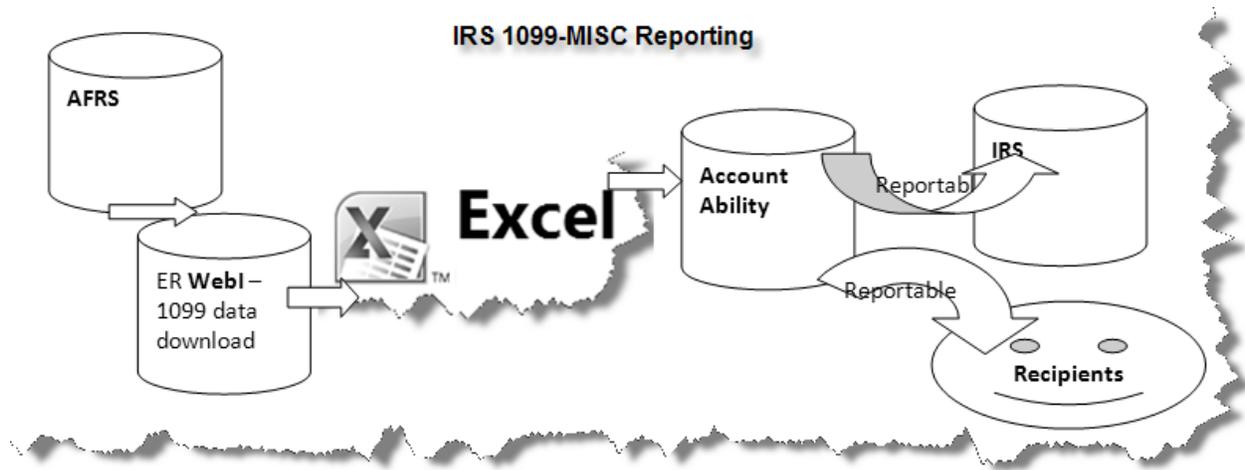


# IRS 1099-MISC Reporting

## Training Guide

# WaTech TRAINING - IRS 1099-MISC Reporting

## Class Objectives



# WaTech TRAINING - IRS 1099-MISC Reporting

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# WaTech TRAINING - IRS 1099-MISC Reporting

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# WaTech TRAINING - IRS 1099-MISC Reporting

## Review of Agencies/WaTech Responsibilities

### Review of Agencies/WaTech Responsibilities

#### **Agencies' Responsibilities**

- Accurate & Timely Preparation of the 1099-MISC forms.
- Accuracy of the 1099-MISC data imported into Account Ability
- Accuracy of 1099-MISC data submitted to IRS

#### **WaTech Responsibilities**

- Maintenance of processes to support agency – WebI & Account Ability – in preparation of the 1099-MISC forms.
- Printing and mailing of the 1099-MISC forms to recipients by DES
- TIN Matching of recipient profile information on the 1099-MISC forms with the IRS database
- Timely Transmission of the 1099-MISC information to the IRS

# WaTech TRAINING - IRS 1099-MISC Reporting

What is 1099-MISC Reporting?

## What is 1099-MISC Reporting?

**This is your Agency ID**

1099-MISC - INSTRUCT

File is empty     VOID     CORR (G)     CORR (C)     Efile     1096     Printed

PAYER'S name, street address, city, state, ZIP code, and telephone number

AGENCY NAME  
AGENCY NAME LINE 2  
ADDRESS LINE 1  
ADDRESS LINE 2  
CITY WA 98504

Telephone: 360-407-8011

PAYER'S Federal ID Number: 01-2345679    TIN Type: [dropdown]    RECIPIENT'S ID Number: [redacted]

RECIPIENT'S name: [redacted]    NAME CTRL: [redacted]

Street address: [redacted]    APT.: [redacted]

City: [redacted]    State: [redacted]    Zip Code: [redacted]    Zip Ext.: [redacted]

Account number: [redacted]    FATCA:     Foreign:     CFSP: [redacted]    USPS DP: [redacted]    2nd TIN:

15a Section 409A deferrals: [redacted]    15b Section 409A income: [redacted]

17 State #1 ID number: [redacted]    17 State #2 ID number: [redacted]

16 State 1 tax withheld: [redacted]    16 State 2 tax withheld: [redacted]

18 State 1 income: [redacted]    18 State 2 income: [redacted]

E-Mail: [redacted]    Browsing

Miscellaneous Income

OMB No. 1545-0115

1 Rents

2 Royalties

3 Other income

4 Federal income tax withheld

5 Fishing boat proceeds

6 Medical and health care

7 Nonemployee compensation

8 Substitute payments...

9 Payer made direct sales of \$5000 or more of consumer products to a buyer (recipient) for resale =>

10 Crop insurance proceeds

11 Excess golden parachute

12 Gross proceeds to attorney

13 Excess golden parachute

14 Gross proceeds to attorney

B-Notices

### What is 1099-MISC form?

This form is used to **report \$600 or more per year payments** for rent, prizes and awards, deceased employee's wages paid to an estate or beneficiary, medical and health cares, services, gross proceeds paid to attorneys, and other types of payments not covered by another information reporting document.

This form is also used to **report \$10 or more per year payments** for broker payments in lieu of dividends or tax exempt interest, and royalties.

# WaTech TRAINING - IRS 1099-MISC Reporting

## When is Form 1099-MISC's required?

### Required reporting to the:

- The Internal Revenue Service (IRS)
- If the recipient of the payment is not a corporation -- for example, when the recipient is an individual, partnership, a limited liability company treated as a partnership or sole proprietorship.
- If the payment type is medical and health care payments or gross proceeds payment to attorneys.

## Deadlines to issue a 1099-MISC Form?

- Agencies must submit the 1099-MISC to the recipient by January 31 of the following year.
- All reportable payments (1099-MISC) must be e-filed to the Internal Revenue Services (IRS) by March 31; however, starting with tax reporting year 2016, any Form 1099-MISC that has nonemployee compensation payments in box 7, these returns must be filed on or before **January 31**.

## The importance of accurate 1099 data

- The IRS 1099-MISC form is required by the IRS; and as the payer (agency) to the recipient you are responsible for the accuracy of the data on the form.
- This information will be sent to the IRS and if there are any issues with the data the payer (agency) is responsible for any fines associated with the misinformation.
- Recipient expects accurate IRS 1099-MISC data on their form so that they can report properly on their Tax Returns.

# WaTech TRAINING - IRS 1099-MISC Reporting

## 2 - Which forms are required?

### Which forms are required?

<b>Copy B</b>	<b>Copy B is for the recipient (payee/taxpayer)</b>
Washington Technology Solutions (WaTech) will request the Department of Enterprise Services (DES) to <b>print</b> and <b>mail</b> the <b>Copy B</b> 1099-MISC and Instructions to your recipients.	
Copy C	Payer (Agency) keep – but it is not required - Databases will be preserved for reprinting.
Agencies can access Account Ability to generate Copy C for your file.	

# WaTech TRAINING - IRS 1099-MISC Reporting

## 3 - Understand 1099-MISC terminology

### Understand 1099 terminology

<b>IRS</b>	<b>Internal Revenue Service</b> – The federal agency that requires that qualifying payment activity be reported.
<b>SAAM</b>	<b>State Administrative &amp; Accounting Manual</b> – These are guidelines that are maintained by the Office of Financial Management.  The SAAM manual 1) provides control and accountability over financial and administrative affairs of Washington State Government, and 2) assist agencies in gathering and maintaining information needed for the preparation of financial statements. The policies and procedures in this manual are the minimum requirements that agencies must meet.
<b>1099-MISC</b>	<b>This is the Miscellaneous Income form</b> – This form is used to report payments for rent, payments for services, other income payments, gross proceeds paid to attorneys, and deceased employee's wages paid to an estate or beneficiary.

# WaTech TRAINING - IRS 1099-MISC Reporting

## 3 - Understand 1099-MISC terminology (Continued...)

### Client

- Agency
- Payer
- You

1099-MISC - INSTRUCT

File is empty     VOID     CORR (G)     CORR (C)     Efile     1096     Printed

PAYER'S name, street address, city, state, ZIP code, and telephone number

AGENCY NAME  
AGENCY NAME LINE 2  
ADDRESS LINE 1  
ADDRESS LINE 2  
CITY WA 98504  
Telephone: 360-407-8011

PAYER'S Federal ID Number: 01-2345679

TIN Type: [dropdown]

RECIPIENT'S ID Number: [redacted]

RECIPIENT'S name: [redacted]

Street address: [redacted]

City: [redacted] State: [redacted] Zip Code: [redacted] Zip Ext.: [redacted]

Account number: [redacted]    FATCA:     Foreign:     CFSP: [redacted]    USPS DP: [redacted]    2nd TIN:

15a Section 409A deferrals: [redacted]    15b Section 409A income: [redacted]

State 1: [redacted]    17 State #1 ID number: [redacted]    18 State 1 tax withheld: [redacted]    18 State 1 income: [redacted]

State 2: [redacted]    17 State #2 ID number: [redacted]    18 State 2 tax withheld: [redacted]    18 State 2 income: [redacted]

E-Mail: [redacted]

Browsing

Miscellaneous Income

1099-MISC

B-Notices

- ✓ Recipients and IRS will use this information to contact the Agency for questions.
- ✓ Please **verify** Agency's profiles and inform WATECH of any corrections.
  1. Agency Name
  2. Agency **Address**
  3. Agency **Zip code**
  4. Agency Payer **Federal ID Number**

# WaTech TRAINING - IRS 1099-MISC Reporting

## 3 - Understand 1099-MISC terminology (Continued...)

- Taxpayer

### Recipient

- Payee
- Your Vendor

1099-MISC - INSTRUCT

File is empty     VOID     CORR (G)     CORR (C)     Efile     1096     Printed

PAYER'S name, street address, city, state, ZIP code, and telephone number

AGENCY NAME  
AGENCY NAME LINE 2  
ADDRESS LINE 1  
ADDRESS LINE 2  
CITY WA 98504

Telephone: 360-407-8011

PAYER'S Federal ID Number: 01-2345679    TIN Type: [dropdown]    RECIPIENT'S ID Number: [redacted]

RECIPIENT'S name: [redacted]    NAME CTRL: [redacted]

Street address: [redacted]    APT.: [redacted]

City: [redacted]    State: [redacted]    Zip Code: [redacted]    Zip Ext.: [redacted]

Account number: [redacted]    FATCA:     Foreign:     CFSP: [redacted]    USPS DP: [redacted]    2nd TIN:

15a Section 409A deferrals: [redacted]    15b Section 409A income: [redacted]

State 1: [redacted]    State 2: [redacted]

17 State #1 ID number: [redacted]    17 State #2 ID number: [redacted]

18 State 1 tax withheld: [redacted]    18 State 2 tax withheld: [redacted]

18 State 1 income: [redacted]    18 State 2 income: [redacted]

E-Mail: [redacted]    Browsing

1 Rents  
2 Royalties  
3 Other income  
4 Federal income tax withheld  
5 Fishing boat proceeds  
6 Medical and health care  
7 Nonemployee compensation  
8 Substitute payments...  
9 Payer made direct sales of \$5000 or more of consumer products to a buyer (recipient) for resale =>   
10 Crop insurance proceeds  
11  
12  
13 Excess golden parachute  
14 Gross proceeds to attorney

OMB No. 1545-0115  
YYYY  
1099-MISC  
Miscellaneous Income

B-Notices

✓ Please **verify** the recipient information.

1. For TIN matching purposes

Recipient **Name**

Recipient **TIN Type**

Recipient **ID Number** -the IRS will not allow an electronic filing of an agency 1099-misc file that has a record with missing TIN. Please ensure that all your 1099-misc form has a TIN.

2. For correct mailing purposes

Address

Zip code

# WaTech TRAINING - IRS 1099-MISC Reporting

3 - Understand 1099-MISC terminology  
(Continued...)

**TIN**                    **Taxpayer Identification Number** – TIN is the umbrella term for the three TIN designators: EIN, SSN, and ITIN.

**EIN**                    **Employer Identification Number** – This number is assigned by IRS to companies that register to do business. This is not the Unified Business Identifier (UBI) number.

**SSN**                    **Social Security Number** – This number is assigned by the Social Security Administration but is commonly used for registered sole proprietor businesses to report to the IRS.

**ITIN**                    **Individual Taxpayer Identification Number** – This number is assigned for tax processing by the IRS to certain resident and nonresident aliens, their spouses, and their dependents. (Looks similar to the SSN.)

# WaTech TRAINING - IRS 1099-MISC Reporting

## 3 - Understand 1099-MISC terminology

(Continued...)

1099-MISC - INSTRUCT

File is empty     VOID     CORR (C)     CORR (C)     Efile     1096     Printed

PAYER'S name, street address, city, state, ZIP code, and telephone number

AGENCY NAME  
AGENCY NAME LINE 2  
ADDRESS LINE 1  
ADDRESS LINE 2  
CITY WA 98504

Telephone: 360-407-8011

PAYER'S Federal ID Number: 01-2345679

TIN Type

RECIPIENT'S ID Number

1 Rents  
2 Royalties  
3 Other income  
4 Federal income tax withheld  
5 Fishing boat proceeds  
6 Medical and health care  
7 Nonemployee compensation  
8 Substitute payments...  
9 Payer made direct sales of \$5000 or more of consumer products to a buyer (recipient) for resale =>   
10 Crop insurance proceeds  
11  
12  
13 Excess golden parachute  
14 Gross proceeds to attorney

OMB No. 1545-0115  
YYYY  
1099-MISC  
Miscellaneous Income

RECIPIENT'S name  
NAME CTRL  
Street address  
APT.  
City  
State  
Zip Code  
Zip Ext.

Account number  
FATCA   
Foreign   
CFSP  
USPS DP  
2nd TIN

15a Section 409A deferrals  
15b Section 409A income  
State 1  
State 2

16 State 1 tax withheld  
16 State 2 tax withheld  
18 State 1 income  
18 State 2 income

E-Mail:

Browsing

B-Notices

✓ Reminder to please **verify** the recipient information.

1. For TIN matching purposes  
Recipient **Name**  
Recipient **TIN Type**  
Recipient **ID Number**

# WaTech TRAINING - IRS 1099-MISC Reporting

Understand 1099 terminology – IRS Boxes

## What are IRS Boxes?

This is a WATECH term. IRS Boxes are reportable payment type on 1099-MISC form. The value in the IRS Boxes correlates to the boxes on the 1099-MISC form. For example, in AFRS data warehouse, if the IRS box value is “1”. This “1” represents “Rents” on the 1099-MISC form.

## 1099-MISC

The screenshot shows the '1099-MISC - INSTRUCT' software interface. At the top, there are checkboxes for 'VOID', 'CORR (G)', 'CORR (C)', 'Efile', '1096', and 'Printed'. Below this, the 'PAYER'S' information is entered, including 'AGENCY NAME', 'ADDRESS LINE 1', 'ADDRESS LINE 2', 'CITY WA 98504', and 'Telephone: 360-407-8011'. The 'RECIPIENT'S' information includes 'RECIPIENT'S ID Number' (partially obscured), 'RECIPIENT'S name', 'Street address', 'City', 'State', 'Zip Code', and 'Zip Ext.'. There are also checkboxes for 'FATCA', 'Foreign', 'CFSP', 'USPS DP', and '2nd TIN'. The main area is a grid of IRS boxes, with a red box highlighting boxes 1 through 14. Box 1 is 'Rents', Box 2 is 'Royalties', Box 3 is 'Other income', Box 4 is 'Federal income tax withheld', Box 5 is 'Fishing boat proceeds', Box 6 is 'Medical and health care', Box 7 is 'Nonemployee compensation', Box 8 is 'Substitute payments...', Box 9 is 'Payer made direct sales of \$5000 or more of consumer products to a buyer (recipient) for resale =>', Box 10 is 'Crop insurance proceeds', Box 11 is 'State #1 ID number', Box 12 is 'State #2 ID number', Box 13 is 'Excess golden parachute', and Box 14 is 'Gross proceeds to attorney'. To the right of the grid, there is a 'Miscellaneous Income' section with 'YYYY' and '1099-MISC' text, and a 'B-Notices' section with a magnifying glass icon. At the bottom, there is an 'E-Mail:' field and a 'Browsing' button.

# WaTech TRAINING - IRS 1099-MISC Reporting

## Understand 1099 terminology – IRS Boxes

(G)    CORR (C)    Efile    1096

Number	1 Rents	OMB
	2 Royalties	
	3 Other income	4 Fed

### Box 1

Box 1 is used to record rent payments received such as rental paid for office space, machine rentals, and for farmers paying for a pasture. Additionally, anyone receiving public housing payments will be issued a 1099-MISC showing the amount of assistance received.

(G)    CORR (C)    Efile    1096

Number	1 Rents	OMB
	2 Royalties	
	3 Other income	4 Fed

### Box 2

Royalties are reported for any amount of \$10 or more. Royalties are paid by a publisher to an author. Gross royalties are all fees paid before any reduction of expenses or fees.

		10
	3 Other income	4 Fed
5 ID Number	6 Fishing boat proceeds	8 Me

### Box 3

Other income covers winnings from prizes or award money from which no service was performed. If the winning is due to a wager, that income will be reported on a Form W-2G, which is used for gambling winnings. If punitive damages are received, those amounts are included in Box 3.

2011

1099-MISC

	4 Federal income tax withheld
Is	6 Medical and health care

### Box 4

If federal income tax was withheld, that amount will be entered in Box 4. Unless the person furnished you with his taxpayer identification number (such as a Social Security number), you will withhold 28 percent of the gross payment.

	3 Other income	4 F
5 ID Number	5 Fishing boat proceeds	
NAME	7 Nonemployee compensation	
CTRL		

### Box 5

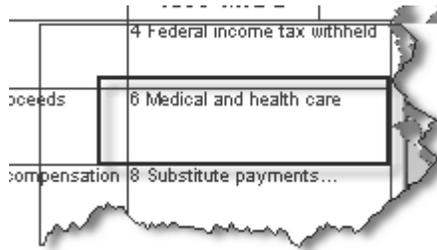
Fishing boat proceeds are those paid to any member on a boat whose total count is fewer than 10 members. Additionally, if a person is a cook, or has additional duties, those wages are reportable in Box 5.

### Box 6

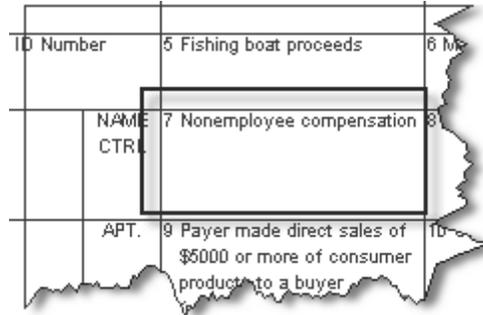
Health care and medical payments of \$600 or more made by a business to a health care provider is entered in Box 6. Generally, payments received from a

# WaTech TRAINING - IRS 1099-MISC Reporting

## Understand 1099 terminology – IRS Boxes



flexible spending plan are exempt from reporting requirements. These amounts will not be reported on the 1099-MISC.



### Box 7

This is one of the most widely used boxes on the 1099-MISC. If you are a non-employee receiving compensation of \$600 or more, that amount is entered in this box. Income received as a contract worker, for prizes or awards, services rendered as a non-employee, and oil and gas payments are entered in Box 7. This income is generally subject to self-employment tax.

### Other Boxes

- The remaining boxes are used for various items such as **crop insurance proceeds**, excess payment made under a golden parachute plan, **attorney's fees**, 409A deferrals, state tax withheld and income considered as state income.

PAYER'S Federal ID Number 01-2345678		TIN type	RECIPIENT'S ID Number		5 Fishing boat proceeds	6 Medical and health care	
RECIPIENT'S name				NAME CTRL	7 Nonemployee compensation	8 Substitute payments...	
Street address				APT.	9 Payer made direct sales of \$5000 or more of consumer products to a buyer (recipient) for resale => <input checked="" type="checkbox"/>	10 Crop insurance proceeds	
City		State	Zip Code	Zip Ext.	11	12	
Account number		Foreign <input checked="" type="checkbox"/>	CFSP	USPS DP	2nd TIN <input checked="" type="checkbox"/>	13 Excess golden parachute	14 Gross proceeds paid to...
15a Section 409A deferrals		15b Section 409A income		State 1	16 State 1 tax withheld	18 State 1 income	
				State 2	16 State 2 tax withheld	18 State 2 income	
E-Mail: <input type="text"/>							

# WaTech TRAINING - IRS 1099-MISC Reporting

Understand 1099 terminology – IRS Boxes

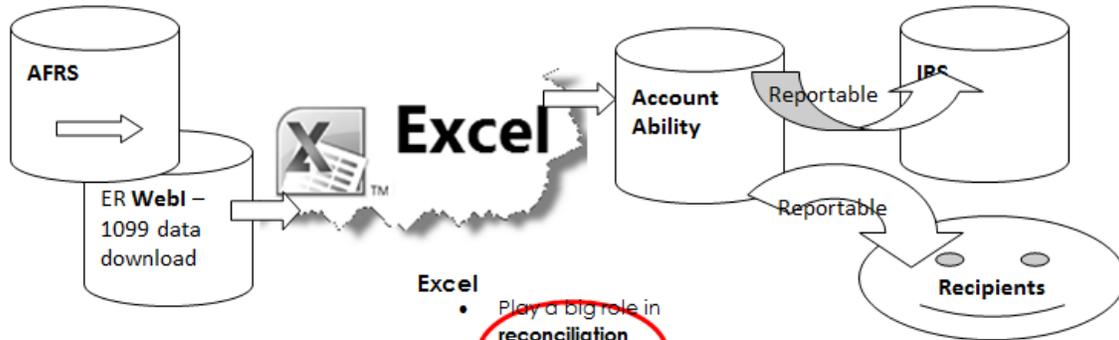
## What are common IRS Box Used in WA?

- Box 1 - Rent
- Box 3 – Other Income
- Box 6 – Medical & Health Care Payments
- Box 7 – Nonemployee Compensation

# WaTech TRAINING - IRS 1099-MISC Reporting

## 4 - Understand tools available for 1099-MISC reporting

### Understand tools available for 1099-MISC reporting



#### AFRS

- AFRS is where you creates the payments
- AFRS stands for Agency Financial Reports System
- This is the state's accounting system

#### Excel

- Play a big role in **reconciliation and making changes**
- Reformat for Account Ability
- Edit data
- Add records

#### 1099-MISC Reporting Application (Account Ability)

- Create forms – via **import**
- Print Forms for selected recipient

Data need adjusting entries? Create journal vouchers, correcting accounting data

#### 1099 Download Application (ER Web Intelligence)

- **Secure access** to your 1099-MISC data
- Where you download payments data with TIN information.
- Determine what's reportable, but does not have IRS 1099-MISC box value.
- Determine what's not reportable but does have IRS box assigned

Data ready for creation of 1099-MISC form?

It is a password control environment

- **Client data - Master password** needed to edit client (agency)'s profile. DES has this ability. Please contact DES if client's information in Account Ability needs correction
- **Form password** needed to prepare 1099-MISC form. DES will assign to agency a **distinct password** by agency.

# WaTech TRAINING - IRS 1099-MISC Reporting

5 - 1099-MISC workflow – AFRS creates the payments and populates the IRS Box Amount

## How Agency Financial Reporting System (AFRS) uses D78 IRS Type table to assign IRS type?

**AFRS D78** – How AFRS uses the D78 descriptor table to assign IRS type?

The AFRS D78 table review the **Payments** made to a particular Statewide Vendor Number (SWV #) (**vendor type**) and for a particular Subobject (**payment type**) used in the payment transaction to assign the appropriate IRS 1099-MISC reportable code or not IRS 1099-MISC reportable code.

### A. Payments

If the payment transaction was made against a **vendor type** that has been deemed to be an IRS 1099-misc reportable vendor type and using a Subobject that has been deemed to be an IRS 1099-misc reportable **payment type**, an IRS 1099-misc reportable code is assigned.

### B. Made To Whom?

Vendor Type (D77) - A table that defines the type of vendor	Some vendor types are IRS 1099-MISC <b>reportable</b> . Which <b>vendor types</b> are reportable vendor types, for examples?	Some vendor types are <b>not</b> IRS 1099-MISC reportable. Which vendor types are they, for example?
	(S) Sole Proprietor/Individual	(1) Employee
	(U) LLC Sole Proprietor	(2) Federal Agency
		(3) State Agency
		(4) Local Government
		(5) Volunteers
		(6) Boards/Councils/Commissions Members
		(7) Tax Exempt Organization
		(B) LLC S Corp
		(C) Corporation
		(D) S Corporation
		(N) Clients – Legal Resident
		(X) Non-Profit
		(Y) Clients – Non Resident Alien
		(Z) Clients – Resident Alien

# WaTech TRAINING - IRS 1099-MISC Reporting

5 - 1099-MISC workflow – AFRS creates the payments and populates the IRS Box Amount

## C. For What?

<b>Subobject</b> (D11) - A table that defines what you are paying	Some payment types are Form 1099-MISC <b>reportable</b> . Which <b>payment types</b> are reportable payment types, for example?	Some payment types are <b>not</b> IRS reportable. Which vendor types are they, for example?
	(CB) Legal/Expert Witness Services	(A*) Salaries and Wages
	(ED) Rentals and Leases	(B*) Employee Benefits
	(EH) Rental & Leases – Furn, Equip, Softw	

D. **Payments** made to a reportable payee using the Statewide Vendor Number (SWV #) (**Vendor type**) and for a reportable payment type (**Subobject**) => IRS 1099-MISC reportable

E. AFRS has matrix → **IRS Type (D78)** is a matrix that assign IRS Box value based on Vendor Type and Subobject combination used in payments.

How AFRS uses D78 to assign IRS type? Vendor Type + Subobject = default an IRS Type

F. The descriptor table (D76) provides description of the AFRS IRS Type.

Note: **D78 general rule of thumb:** Agencies has the ability to enter IRS type (when not using SWV number) or override the default value from the D78 table matrix at the time the payment is made to the specific SWV number.

The D78 defaults the IRS type code for the majority of the payment transactions. The **D78 is not a catch-all**. Please review the D78 information and override the IRS box assignment accordingly.

# WaTech TRAINING - IRS 1099-MISC Reporting

5 - 1099-MISC workflow – AFRS creates the payments and populates the IRS Box Amount

Examples of Vendor Types (AFRS D77 table)

**Vendor Type (D77) Table**

**1099-Misc Reportable Vendor Type**

A	Corp-Legal (Attorneys)
E	Partnership-Medical
F	Partnership-Legal
G	Llc Corp-Medical
H	Llc Corp-Legal
I	Llc Partnership-Medical
J	Llc Partnership-Legal
K	Llc S Corp-Medical
L	Llc S Corp-Legal
M	Corp From W/C Medical Services Are Purchas
P	Partnership
Q	S Corporation-Medical
R	S Corporation-Legal
S	Sole Proprietor/Individual
T	Trust/Estate
U	Llc Sole Proprietor
V	Llc Partnership

# WaTech TRAINING - IRS 1099-MISC Reporting

5 - 1099-MISC workflow – AFRS creates the payments and populates the IRS Box Amount

Examples of **Payment Types** (AFRS D11 table)

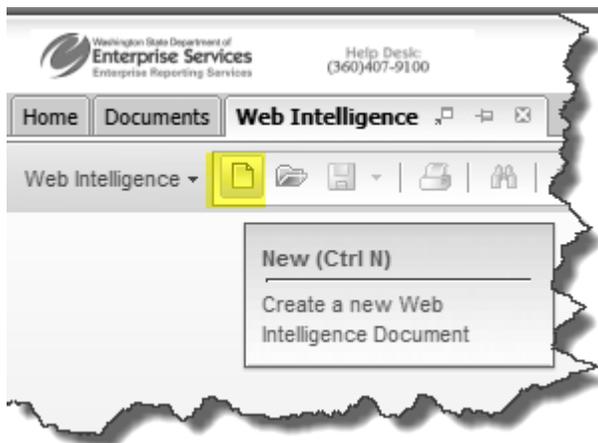
<b>1099-Misc Reportable Subobjects</b>	
SO	Title
CA	Management/Organizational Services
CB	Legal/Expert Witness Services
CC	Financial Services
CD	Computer/Information Services
CE	Social Research Services
CF	Technical Research Services
CG	Marketing Services
CH	Communications Services
CJ	Employee Training Services
CK	Recruiting Services
CZ	Other Personal Services
ED	Rentals and Leases - Land & Buildings
EE	Repairs, Alterations & Maintenance
EF	Printing and Reproduction
EG	Employee Prof Dev & Training
EH	Rental & Leases - Furn & Equipment
EI	Retailer Commissions
EK	Facilities and Services
EL	Data Processing Services (Interagency)
EM	Attorney General Services
EN	Personnel Services
EP	Insurance
ER	Other Purchased Services
ES	Vehicle Maintenance & Operating Cst
ET	Audit Services
EV	Administrative Hearings Services
EW	Archives & Records Management Svcs
EX	Owmbe Services
EY	Software Licenses and Maintenance
EZ	Other Goods and Services
JG	Highway Construction
JH	Improvements Other Than Buildings
JJ	Grounds Development
JK	Architectural & Engineering Service
JL	Capital Planning
JM	Art/Library Resv/Museum/Hist Collections
JN	Relocation Costs
JZ	Other Capital Outlays
NB	Pymts to Prvdrs for Direct Client Svcs
NZ	Other Grants/Benefits/Client Svcs

# WaTech TRAINING - IRS 1099-MISC Reporting

How to print the D78 table in Enterprise Reporting (ER) Web Intelligence (WebI)?

## How to print the D78 table in Enterprise Reporting (ER) Web Intelligence (WebI)?

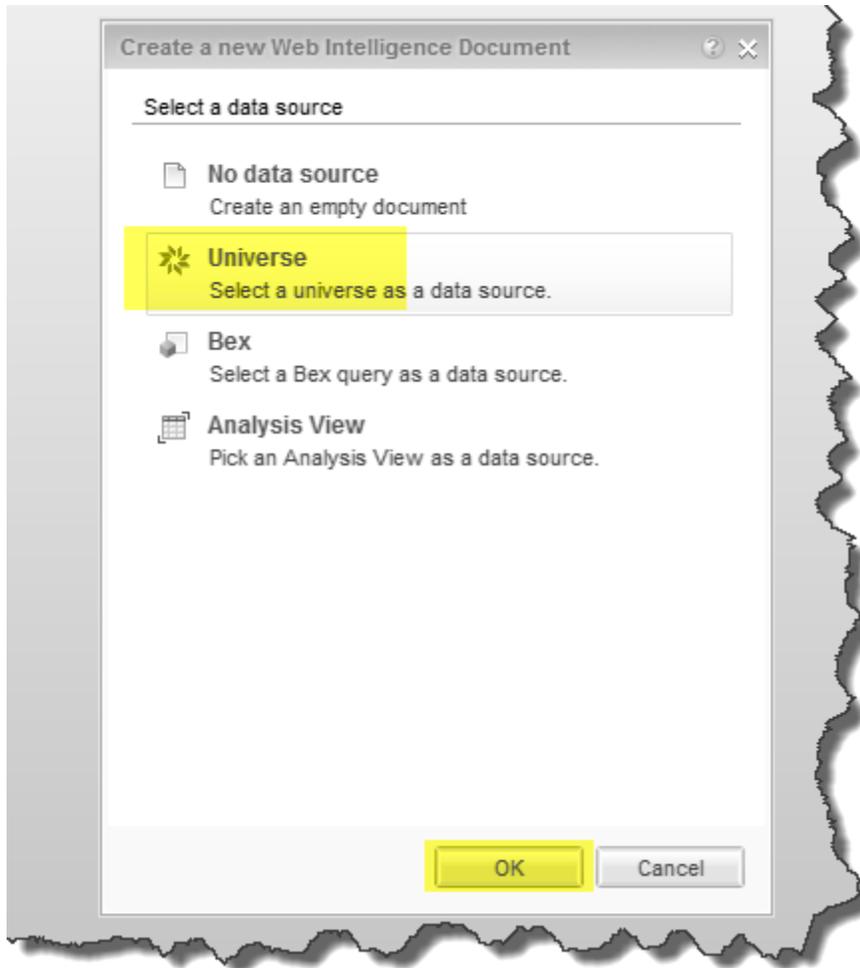
1. Log into Enterprise Reporting (ER) Web Intelligence (**WebI**) (<https://reporting.des.wa.gov>)
2. Click on “**Applications**” and “**Web Intelligence**”
3. Click on new Web Intelligence **Document**



# WaTech TRAINING - IRS 1099-MISC Reporting

How to print the D78 table in Enterprise Reporting (ER) Web Intelligence (WebI)?

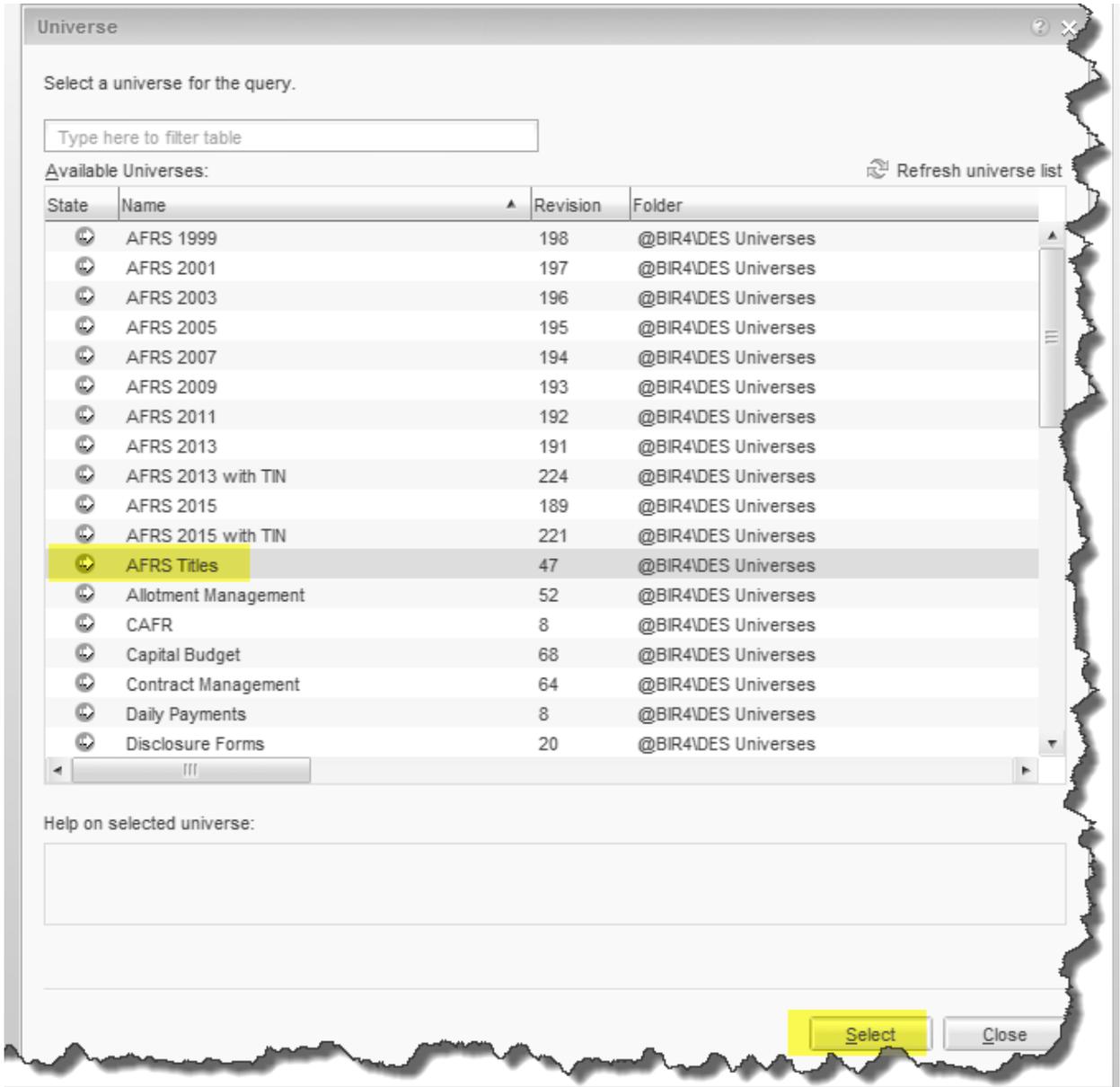
4. Select **“Universe”** and click **“OK”**



# WaTech TRAINING - IRS 1099-MISC Reporting

How to print the D78 table in Enterprise Reporting (ER) Web Intelligence (WebI)?

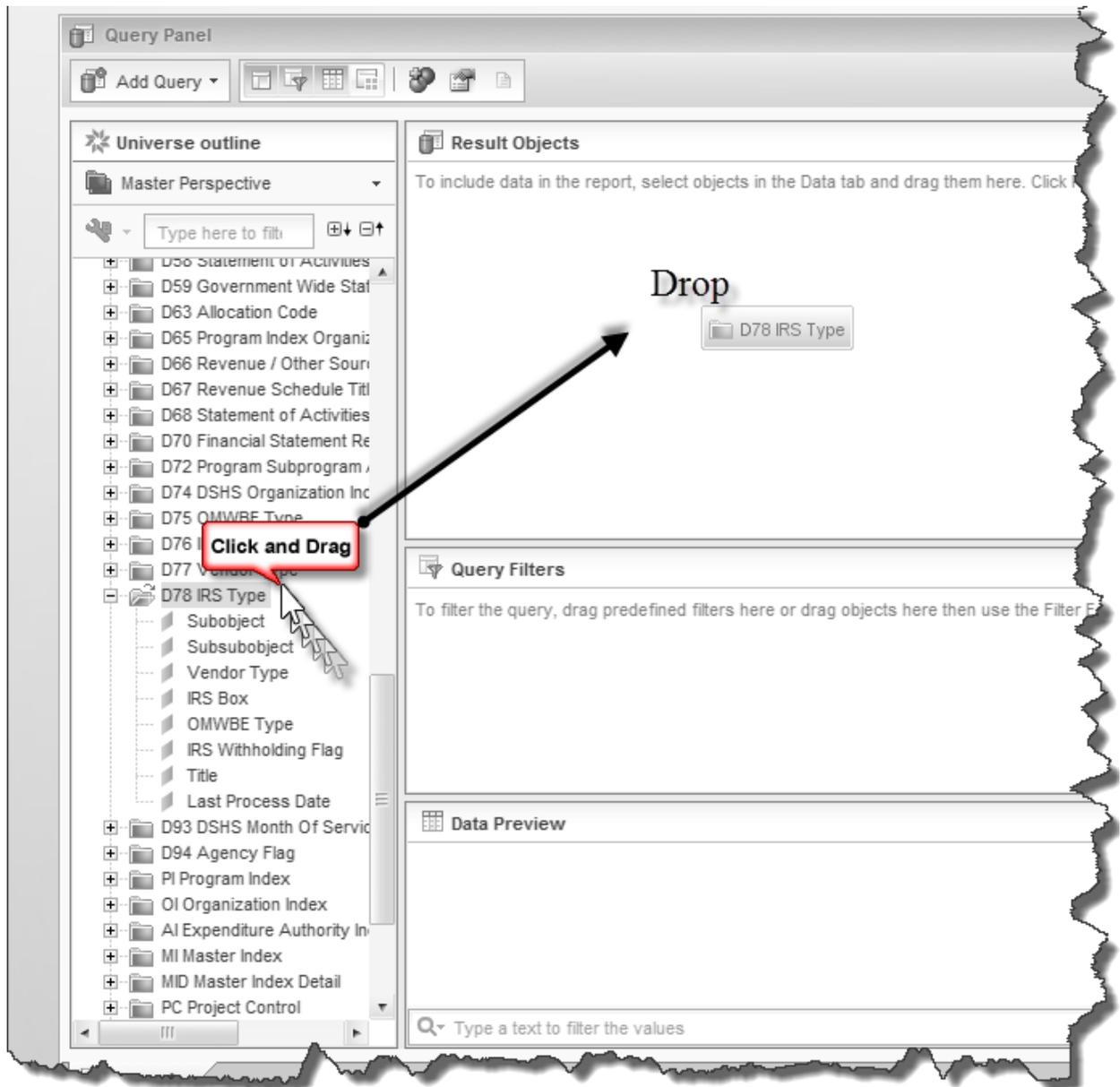
5. Select **“AFRS Titles”** and click **“Select”**



# WaTech TRAINING - IRS 1099-MISC Reporting

How to print the D78 table in Enterprise Reporting (ER) Web Intelligence (WebI)?

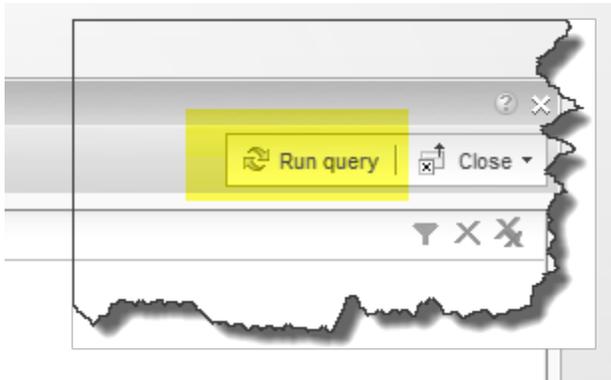
6. In the “**AFRS Titles**” universe, locate the **D78 IRS Type** table and select the table to drag and drop into the [Result Objects] section



# WaTech TRAINING - IRS 1099-MISC Reporting

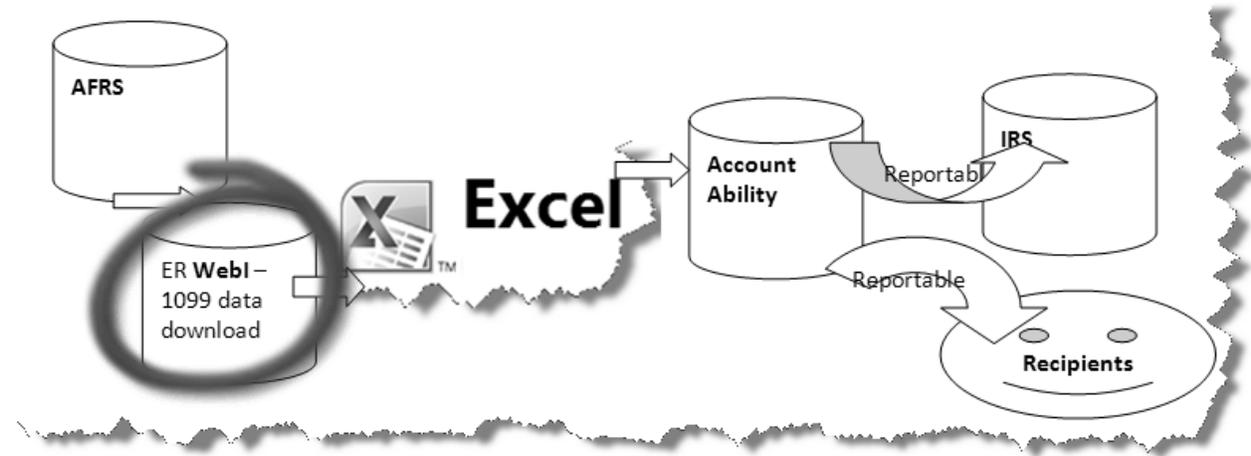
How to print the D78 table in Enterprise Reporting (ER) Web Intelligence (WebI)?

7. Click **“Run query”**



# WaTech TRAINING - IRS 1099-MISC Reporting

6 - 1099-MISC workflow - **1099 Download Application** in ER Web Intelligence (details in training package 5A)



## 1099 Download Application

A. [1099 Download Application – What is it? \(see details in training package 5A\)](#)

<b>1099 Download Application</b>	Environment that includes the secure 1099 universe, secure 1099 public folder, and secure 1099 data extract (s).
<b>AFRS XXXX with TIN</b>	This is the name of the <b>universe</b> that houses your AFRS transaction history with a secure access to the tax identification number (TIN).  The “XXXX” represents the biennium.
<b>AFRS 1099 Report Template</b>	This is the name of the folder in ER Web Intelligence’s public <b>folder</b> that houses the baseline 1099 data extract (s).
<b>1099 Data Extract – XXXX</b>	Formerly known as “Agency AFRS Transaction Detail Report”, the 1099 Data Extract – XXXX is the secure baseline <b>1099 extract</b> where users will have the ability to query and filter their AFRS transaction history details, which includes the secure TIN information.  The “XXXX” represents the biennium.

# WaTech TRAINING - IRS 1099-MISC Reporting

## 6 - 1099-MISC workflow - 1099 Download Application in ER Web Intelligence (details in training package 5A)

The 1099 Download Application is where we'll do the following...

- **Extract** Payments data (1099 baseline template) –  
Refer to **SAAM 50.10.65** - Agency's Responsibility in securing dataset
- **Pull only** 1099-MISC data (1099-MISC form)
- **Create** an Excel file by IRS Box Type
- **Convert** Excel format to text tab delimited

### B. Baseline 1099 Report Template

- Using prompts to pull payment data
- Agency
- Calendar
- Transaction Type
- General Ledger Code

Agency asked for these data to facilitate reconciliation. Please note that the 1099 baseline template only pull payments.

### C. Account Ability Input Template

For 1099-MISC Reporting purposes, the following are data needed for the 1099-MISC form:

**IRS Box** – This data is not needed for the 1099-MISC form; However, since the amount in the AFRS data warehouse does not tell us which box the amount goes on the 1099-MISC form without knowing the IRS Type, we need to pull the IRS box for the purpose of mapping the amount in the AFRS data warehouse (data source) to the appropriate IRS box on the 1099-MISC form (data destination).

- 1) Taxpayer ID
- 2) Tax Type
- 3) Vendor Name
- 4) Vendor Address 1
- 5) Vendor Address 2
- 6) Vendor Address 3
- 7) Vendor City
- 8) Vendor State
- 9) Vendor Zip code
- 10) Amount

# WaTech TRAINING - IRS 1099-MISC Reporting

6 - 1099-MISC workflow - **1099 Download Application** in ER Web Intelligence (details in training package 5A)

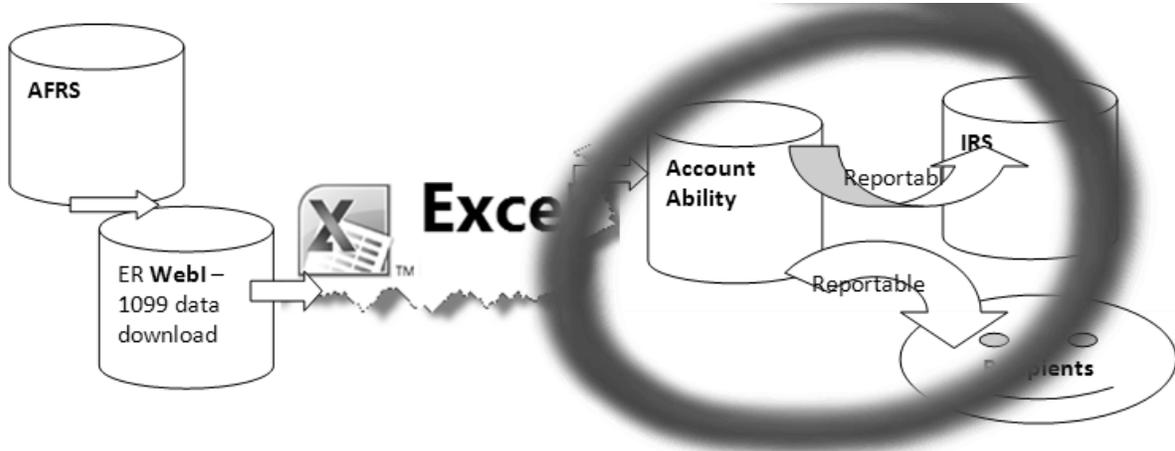
## D. WebI IRS Box and 1099-MISC form IRS box

IRS box value in AFRS/ER WebI	Description	IRS box value on the 1099-MISC form	Description
0 or blank	NON-IRS REPORTABLE		
1	RENTS	1	RENTS
2	ROYALTIES	2	ROYALTIES
3	OTHER INCOME	3	OTHER INCOME
4	FEDERAL INCOME TAX WITHHELD	4	FEDERAL INCOME TAX WITHHELD
5	FISHING BOAT PROCEEDS	5	FISHING BOAT PROCEEDS
6	MEDICAL AND HEALTH CARE PAYMENTS	6	MEDICAL AND HEALTH CARE PAYMENTS
7	NON-EMPLOYEE COMPENSATION	7	NONEMPLOYEE COMPENSATION
8	SUBSTITUTE PAYMENTS IN LIEU OF DIV/INT	8	SUBSTITUTE PAYMENTS IN LIEU OF DIV/INT
A	CROP INSURANCE PROCEEDS	10	CROP INSURANCE PROCEEDS
C	GROSS PROCEEDS PAID TO AN ATTORNEY	14	GROSS PROCEEDS PAID TO AN ATTORNEY

# WaTech TRAINING - IRS 1099-MISC Reporting

## 7 - 1099-MISC Reporting (Account Ability) – (details in training package 6)

### 1099-MISC Reporting (Account Ability)



1099-MISC - INSTRUCT

File is empty     VOID     CORR (G)     CORR (C)     Efile     1096     Printed

PAYER'S name, street address, city, state, ZIP code, and telephone number

AGENCY NAME  
AGENCY NAME LINE 2  
ADDRESS LINE 1  
ADDRESS LINE 2  
CITY WA 98504  
Telephone: 360-407-8011

1 Rents  
2 Royalties  
3 Other income  
4 Federal income tax withheld  
5 Fishing boat proceeds  
6 Medical and health care  
7 Nonemployee compensation  
8 Substitute payments...

OMB No. 1545-0115  
YYYY  
1099-MISC  
Miscellaneous Income

PAYER'S Federal ID Number: 01-2345679    TIN Type: [dropdown]    RECIPIENT'S ID Number: [redacted]

RECIPIENT'S name: [redacted]    NAME CTRL: [redacted]

Street address: [redacted]    APT.: [redacted]

City: [redacted]    State: [redacted]    Zip Code: [redacted]    Zip Ext.: [redacted]

Account number: [redacted]    FATCA:     Foreign:     CFSP: [redacted]    USPS DP: [redacted]    2nd TIN:

9 Payer made direct sales of \$5000 or more of consumer products to a buyer (recipient) for resale =>

10 Crop insurance proceeds  
11 Excess golden parachute  
12 Gross proceeds to attorney

B-Notices

15a Section 409A deferrals    15b Section 409A income    State 1: 17 State #1 ID number    18 State 1 tax withheld    18 State 1 income  
State 2: 17 State #2 ID number    18 State 2 tax withheld    18 State 2 income

E-Mail: [input]    Browsing

# WaTech TRAINING - IRS 1099-MISC Reporting

## 7 - 1099-MISC Reporting (Account Ability) – (details in training package 6)

- **Map** Web Intelligence data (your source file) to Account Ability 1099-MISC form

	<b>WebI</b>	<b>Account Ability</b>	<b>1099-MISC form</b>
	<b>IRS Box</b>	Not applicable	Not applicable
	The IRS value tells where the Amount in the AFRS data warehouse (the data source) should be mapped to on the 1099-MISC form (the data destination)		
1.	<b>Taxpayer ID</b>	<b>Taxpayer ID</b>	<b>RECIPIENT's identification number</b>
2.	<b>Tax Type</b>	<b>TIN Type</b>	
3.	<b>Vendor Name</b>	<b>Name line 1</b>	<b>RECIPIENT's NAME</b>
4.	<b>Vendor Address 1</b>	<b>Street address line 1</b>	<b>Street address (including apt. no.)</b>
5.	<b>Vendor Address 2</b>	<b>Street address line 2</b>	
6.	<b>Vendor Address 3</b>		
7.	<b>Vendor City</b>	<b>City</b>	<b>City</b>
8.	<b>Vendor State</b>	<b>State</b>	<b>State</b>
9.	<b>Vendor Zip code</b>	<b>Zip code</b>	<b>ZIP code</b>
10.	<b>Amount</b>	See IRS Box value in the Source field, IRS Box, to determine which IRS box to map to on the 1099-MISC Form.  For example, if Source IRS box value is 1, this "1" means that the Amount is for Rents on the 1099-MISC form.	

- **Import** data from source file to create the 1099-Misc form (destination)

# WaTech TRAINING - IRS 1099-MISC Reporting

## 8 – How to enter data on the IRS 1099-MISC form



### Client (Filer) Management



### Active Forms



### Add a new recipient [Ins] (with automatic insert)



[1099-MISC] **Save Changes [F8] – Recipient Database is updated – Please [Delete].** If you have accidentally saved a manually created return in the RECIPIENT's databases, please position cursor in the return's RECIPIENT'S ID Number field and double-click. This will access the Shared Recipient database (aka centralized list of taxpayer). You can **DELETE** the taxpayer information from the Shared Recipient database.

Deleting a recipient from the Shared Recipient database the centralized list of taxpayers will not affect any existing returns for that recipient.



### [1099-MISC] Cancel Change (Ctrl+F8, Esc)



**Browsing Returns** within a Client (Agency) – Browse mode is indicated by the browse icon appearing next to the reporting year on the tax forms.



### Browse Buttons: Navigation first, back, forward, last



Moves to the first form in client's list of forms.



Moves to the previous form in client's list of forms.



Moves to the next form in client's list of forms.



Moves to the last form in client's list of forms.



[1099-MISC] **Locate a recipient [F5]** – This function will allow you access to the Shared Recipient Database.



[1099-MISC] **Delete recipient (Ctrl+Del)** (with confirmation)



[1099-MISC] **Compute totals [F9].**



[1099-MISC] **Control Report (Ctrl + P)** – This function will open up the Control Report for the client (Agency) selected. The Control Report provides a listing of all the forms

# WaTech TRAINING - IRS 1099-MISC Reporting

## 8 – How to enter data on the IRS 1099-MISC form

created for the selected client.



[1099-MISC] **Print Forms** (Ctrl + F) – This function will open up the GDI Print Options for the selected Client (Agency). You can print all the forms for your agency.



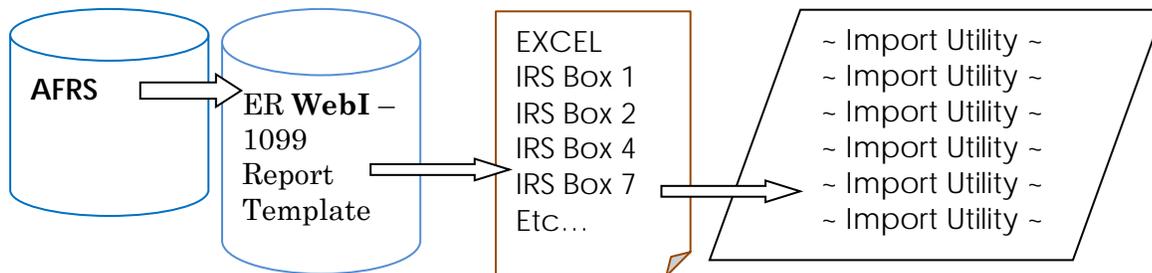
Electronic Reporting (1099-MISC) → Create (or append) the IRS transmittal file (Ctrl + E) – **WATECH Support Staff performs this function.**



Close 1099-MISC – for client ID [F10]

# WaTech TRAINING - IRS 1099-MISC Reporting

## 9 - How to make changes as necessary



### WebI

- Identify your 'payments' data by IRS box (reportable versus not reportable).
- Make changes in AFRS

### Excel

- Make changes to your Excel spreadsheet

### • Please only make changes via the IMPORT utility

- The earlier in the selection of tools to make your change, the less work is involved to finalize the preparation of your 1099-MISC forms.
- The earlier in the selection of tools to make your change, the more audit trail you have.
- Two types of correction – **recipient profile** and **IRS box amounts**
- **Recipient profile** – Records for the same tax ID with different address – you will need to clean the address in the Excel spreadsheet before the upload. If recipient profile is incorrect that first month, make sure to update that spreadsheet with the correct address. Keep a backup of the spreadsheet for each load.

Recipient profile – First instance that a recipient appeared, any correction to the recipient profiles should be updated in that spreadsheet. **Account Ability does not update profiles.**

The following are information relating to Recipient Profiles:

- TIN
  - NAME
  - TAX TYPE
  
  - Address
  - Zip code
- 
- **Amounts** –Use “Roll up” function in the Import process. If recipient ID exists, new amount is added to existing recipient form. If recipient ID did not exist, new 1099-MISC form is created. Keep a backup of the spreadsheet for each load.

The following are information relating to Amounts:

# WaTech TRAINING - IRS 1099-MISC Reporting

## 9 - How to make changes as necessary

- Correct Dollar Amount?
  - Appropriate IRS Box?
  
- **Keep a backup for each spreadsheet uploaded** – Make sure you know exactly the start date and end date of each file (It is suggested that Agencies add "process date" as additional filter to the baseline 1099 report template). If a mistake happened in FM03 upload (for example), you can start over with re-loading FM01, FM02, and FM03 from back up.
  
- Use **Criteria Filter** – to set reportable amounts versus not reportable amounts – Account Ability will void the form that has amount less than threshold. For example, if reportable rent is only \$500 for a particular recipient, Account Ability will void this recipient form because it did not meet the amount threshold.
  
- **Deleting a 1099-MISC Form** – You can delete a 1099-MISC form directly from Account Ability as long as it has not been mailed out. Deletion in Account Ability is the exception.

# WaTech TRAINING - IRS 1099-MISC Reporting

## 10 - WaTech and IRS Due Dates for reporting year 2016

### WATECH and IRS Due Dates

1. Throughout the calendar year, beginning April 1	Review and correct monthly 1099 records. Agencies can begin loading their 1099 data into Account Ability through the import process.
2. When access to Account Ability is available	Review 1099 Agency Profiles for accuracy before 1099's are printed (only the phone number will be printed on the 1099, names and extensions will not be shown).  Notify WATECH ( <a href="mailto:SolutionsCenter@WaTech.wa.gov">SolutionsCenter@WaTech.wa.gov</a> ) of any discrepancy
<b>3. December 2016</b>	<b>Account Ability upgrades to 2016 IRS 1099-MISC forms</b>
4. December 31, 2016	The 2016 tax year reporting cycle ends
<b>5. January 6, 2017</b>	<b>Agencies finalize all imports into Account Ability</b>
<b>6. January 9 - 11, 2017</b>	WaTech will request DES to begin the Printing & mailing of the IRS 1099-MISC forms. <b>AGENCIES WILL NOT BE ALLOWED TO WORK IN ACCOUNT ABILITY UNTIL January 16, 2017.</b>
<b>7. January 12 - 13, 2017</b>	WATECH will get the IRS 1099-MISC file ready for submission of TIN matching to the IRS.
8. January 16 – January 27, 2017	Agencies will have this time to make corrections to 1099-MISC's before submission to the IRS. Correction must be done using the import process.
<b>9. January 27, 2017</b>	<b>Agencies finalize all updates into Account Ability in preparation for IRS electronic filing.</b>
<b>10. January 30, 2017</b>	WATECH will prepare the IRS 1099-MISC form for submission to the IRS through the electronic filing process. <b>AGENCIES WILL NOT BE ALLOWED TO WORK IN ACCOUNT ABILITY.</b>
11. January 31	This is the due date for issuing 1099-MISC forms to recipients
12. January 31	This is the due date for filing electronically to the IRS

# WaTech TRAINING - IRS 1099-MISC Reporting

## 11 – Printing and Mailing

### Printing and Mailing

#### **A. Bulk Printing and Mailing Deadlines – Mail to Recipients By January 31**

- WaTech is responsible for printing and mailing of your 1099-MISC forms.
- Check the “**WaTech and IRS Due Date for 1099-MISC Reporting Year 2016**” calendar - Pay attention to when is the last day to make changes to 1099-MISC data in Account Ability.
- Prior to cut-off date, Agency needs to make sure that the forms are ready for printing and mailing.
- How does Agency ensure that forms are ready for printing by cut-off date? **Uncheck Printed” checkbox** is the key – these forms are ready for printing and mailing.
- Agency can uncheck one by one through navigation of each form.
- Agency can also use the **Tools\Clear Print Indicators** option.
- WaTech will have DES prepare for printing and mailing of recipients’ 1099 (**January 9 – 11, 2017**).
- After DES completes the printing and mailing of agencies 1099-MISC forms, any corrected or reprinting will be done by the agencies.
- Please verify the following information:

<p>The following are information relating to <b>Recipient Profiles</b>:</p> <ul style="list-style-type: none"><li>○ TIN</li><li>○ NAME</li><li>○ TAX TYPE</li><li>○ Address</li><li>○ Zip code</li></ul>	<p>The following are information relating to <b>Amounts</b>:</p> <ul style="list-style-type: none"><li>○ Correct Dollar Amount?</li><li>○ Appropriate IRS Box?</li></ul>
--	--

# WaTech TRAINING - IRS 1099-MISC Reporting

## 11 – Printing and Mailing

### B. Request for Re-Print of IRS 1099-MISC

What if agency needs to print a selected form? Use **File\Print Forms** for selected record

Follow these steps to create an individual copy:

- Open up your Client Agency
- Open the 1099-MISC forms for your agency
- Locate the 1099-MISC that you wish to print
- *Click* on “File” to open up the dropdown menu
- *Click* on **Print Forms** from Selected Record and you will receive the following message:
  - You are requesting to print forms for the selected recipient only. Okay to Proceed?
    - Yes – allows you to proceed
    - No – returns you to the 1099-MISC forms
- The Print Setup screen will be visible. From this screen you will need to **locate your printer** in the NAME dropdown and select it. *Press OK.*
- You now have the GDI Print Options screen at this screen you will need to click the box next to the type of form you wish to print under the “Designated Forms” section. The required form for recipient would be COPY B FOR RECIPIENT. Click Print. (Agency has the option to choose Copy C for Payer to keep on file.) **Note: Do not select any of the other form types for this process as they have other requirements.**
- *Click* the close button to complete the process.

# WaTech TRAINING - IRS 1099-MISC Reporting

## 12 - Understand TIN matching process

### Understand TIN matching process

#### **TIN Matching and Report to 1099-MISC Forms to IRS – by January 31**

- WATECH performs **TIN-matching** on behalf of Agencies
- When there are TIN mismatches, WaTech will communicate with Agency of mismatches.
- Agency has until **January 27, 2017** to finalize all updates into Account Ability in preparation for IRS electronic filing by January 31.

# WaTech TRAINING - IRS 1099-MISC Reporting

## 13 - Completing 1099-MISC Processing for the year - Reporting to the IRS

### Completing 1099-MISC Processing for the year – Reporting to the IRS

- WATECH will produce 1099-MISC electronic file for filing with IRS.
- WATECH will set due date – so Agencies will know when to have all 1099-MISC's ready.
- Be on a look out for due date—(**January 27, 2017**) – Agencies finalize all updates into Account Ability in preparation for IRS electronic filing.
- **Single Transmitter Information** - The filing will be e-filed in a single transmittal file containing all Agencies' 1099-MISC.
  - Agencies need to verify that Payer Information and Contact is correct!
- **E-file Indicator:** This is how Agencies know that 1099-MISC's have been e-filed.
- Forms will be locked for review only after final submission to IRS.
- **January 31 and going forward** – If Agency needs report of corrected 1099-MISC form, please contact WaTech at [SolutionsCenter@watech.wa.gov](mailto:SolutionsCenter@watech.wa.gov) or 360.407.9100 for assistance with correction after the data has been reported to the IRS.

# WaTech TRAINING - IRS 1099-MISC Reporting

## 14 - Where to get tax information

### Internal Revenue Service – Where to get tax information

#### IMPORTANT WEBSITES & INFO AVAILABLE

- [www.irs.gov](http://www.irs.gov) to access Internal Revenue site
  - 2016 General Instructions for Forms 1099, 1098, 5498, and W-2G
  - 2016 Instructions for Form 1099-MISC
  - Publications 1281, 1586, and 1679
  - Vendors Call
    - Toll Free: 866-455-7438
    - TDD: 304-267-3367
    - FAX: 304-264-5602
    - **E-Mail: [mccirp@irs.gov](mailto:mccirp@irs.gov)**
  - Foreign Vendors call
    - IRS 1099 Hotline: 304-263-8700 or vendor toll free #
    - IRS International Tax Hotline: 215-516-2000

The screenshot shows the IRS website homepage. At the top left is the IRS logo. To the right are links for Subscriptions, Language, and Information For... Below these is a search bar and an 'Advanced' search option. A horizontal navigation menu includes: Filing, Payments, Refunds, Credits & Deductions, News & Events, Forms & Pubs, Help & Resources, and for Tax Pros. Below the navigation menu are four large tiles: 'File Your Tax Return', 'Get Your Refund Status', 'Pay Your Tax Bill', and 'IRS.gov En Español'. The main content area is divided into several sections: 'Forms and Pubs' with links to 1040, 1040EZ, W-4, W-9, 1099-MISC, 2290, 7004, Tax Table, Pub 15, and Pub 17; 'Hot Topics' with links to FATCA FFI List Search Tool, What to Do If You Receive a Notice, Form 2290: Don't Miss the Deadline, Apply for an Employer ID Number, and Affordable Care Act Tax Provisions; 'Tools' with links to Need More Time to Pay Your Taxes?, Check Status of Your Amended Return, Find Answers to Your Tax Questions, Get Transcript of Your Tax Records, and Request an Electronic Filing PIN; 'Filing & Payment' with logos for where's my refund?, freefile, e-file, and EFTPS; 'News' with links to IRS Repeats Warning About Telephone Scams, ID Theft and Your Tax Return, Payment Options for Taxpayers, and Penalty Relief Pilot for Small Retirement Plans; and 'Social Media' with a video player and social media icons. A 'New: Annual Filing Season Program' section is also visible, describing a voluntary program for unenrolled tax preparers to continue their education.

# WaTech TRAINING - IRS 1099-MISC Reporting

## Recap of Agencies/WaTech Responsibilities

### Agencies' Responsibilities

- Accurate & Timely Preparation of the 1099-MISC forms.
- Accuracy of the 1099-MISC data imported into Account Ability
- Accuracy of 1099-MISC data submitted to IRS

### WaTech' Responsibilities

- Maintenance of processes to support agency – WebI & Account Ability – in preparation of the 1099-MISC forms.
- Printing and mailing of the 1099-MISC forms to recipients by DES
- TIN Matching of recipient profile information on the 1099-MISC forms with the IRS database
- Timely Transmission of the 1099-MISC information to the IRS

# WaTech TRAINING - IRS 1099-MISC Reporting

## Recap of Class Objectives

- Class Description:** This is four-hour class that will provide **AFRS Users** with information on why we do **1099-MISC** and how to prepare them. It will give you an overview of the forms that are required, terms that are used, and instruction on using the Account Ability to create the IRS 1099-MISC forms.
- Target Group:** Fiscal and other agency personnel that will be involved with preparing 1099-MISC forms.
- Class Objectives:** At the conclusion of this class, participants should be able to:
1. Understand the importance of accurate 1099 data
  2. Understand which forms are required
  3. Understand 1099-MISC terminology
  4. Understand where to get tax information
  5. Understand tools available for 1099-MISC reporting
  6. **ER Web Intelligence** – 1099-MISC Download Application – How to get to your 1099-MISC data
  7. **Account Ability** – 1099-MISC reporting
  8. Understand how to import data on to the IRS 1099-MISC form
  9. Understand how to enter data on the IRS 1099-MISC form (outside of Account Ability)
  10. Understand how to make changes as necessary (outside of Account Ability)
  11. Understand the importance of WATECH and IRS deadlines
  12. Understand TIN matching process
  13. Understand 1099-MISC reporting to the IRS

**Did we meet these objectives?** Please fill out training evaluation form.

# WaTech TRAINING - IRS 1099-MISC Reporting

## Careful Considerations

### Careful Considerations

- **Account Ability Licenses** – Currently, there are only 99 user licenses in Account Ability.
- **New Year's 1099-MISC form** will be available sometime in December 2016.
- **Always use your computer's C drive.**
- **Shared Recipients Database** – ~~This is a shared database of all recipients' profile – please do not manually create forms or manually edit forms while logged in Account Ability.~~
- Last person out, **please say no** – If you are the last person logging out of Account Ability, you may be prompted to restore the database, say NO!
- **Be careful of printer chosen** – If you are printing forms or reports in Account Ability; please be careful to ensure that you select YOUR printer.
- **At the time of Web Intelligence data pull, the current address on the Statewide Vendor table is pulled for the Payee.**
- **A constructive receipt for EFT is 2 business days from release day.**

For example, activities to be taken out of Calendar Reporting Year 2016

Day 1 (Thursday, December 29, 2016) – release batch

Day 2 (Friday, December 30, 2016) – warrant cut

Day 3 (Tuesday, January 3, 2017) – EFT deposit (This EFT belongs to the new calendar reporting year!)

For example, activities to be added back to Calendar Reporting Year 2016

Day 1 (Wednesday, December 30, 2015) – release batch

Day 2 (Thursday, December 31, 2015) – warrant cut

Day 3 (Monday, January 4, 2016) – EFT deposit (This EFT belongs to the new calendar reporting year!)

# WaTech TRAINING - IRS 1099-MISC Reporting

## Careful Considerations

- **Account Ability treats all amount sign as absolute amount,**

For example - \$500 payment + \$100 adjustments ----- - \$400	Account Ability +500 +100 ----- \$600
---	---

- **EFT reversals need manual tracking.**

For example,

If you incorrectly paid vendor "A" \$5000 and later did an EFT reversal (within 3-4 business days from payment date) or EFT Returned of this \$5000, the 1099-MISC will show \$5000 paid to vendor "A".

You will need to remember that you did an EFT reversal or return and manually backed out this \$5000 EFT reversal/return from the 1099-MISC reportable amount.

- **1099-MISC Correction after returns has been electronically filed with the IRS (after January 31st).**

If Agency discovered an error with a return after WATECH has successfully filed that calendar year's information returns with the IRS, **Please contact WaTech Solutions center** for assistance.

[SolutionsCenter@watech.wa.gov](mailto:SolutionsCenter@watech.wa.gov) or 360.407.9100

Corrections should be filed as soon as possible to avoid IRS penalty.

# WaTech TRAINING - IRS 1099-MISC Reporting Questions?

Please contact the **WaTech Solutions Center** for questions/problems on the IRS 1099-MISC Reporting system.

Phone:

**360.407.9100**

E-mail:

[SolutionsCenter@watech.wa.gov](mailto:SolutionsCenter@watech.wa.gov)