PSFIN V8.9 Training

1099 Processing
User's Guide 2014

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1099 Processing User's Guide

This User's Guide is designed to provide an overview of the tasks involved with 1099 Processing. Within this guide, we will provide you with how to process 1099's for a calendar year, as well as how to complete tasks throughout the year for smooth 1099 Processing. Due to the possibility of changes from the IRS each year, always verify that you are working from the most recent version of this manual and the business processes.

This User's Guide does not provide legal tax advice on what is and is not reportable. This guide only provides guidance on how to process 1099's. For more information regarding tax laws, please see http://www.irs.gov/.

Topics in the guide include:
- What is 1099 Reporting
- 1099 Process Flow
- How to perform setup tasks for 1099 Processing
- Entering Vendors marked for 1099 processing
- Entering Vouchers for 1099 Vendors
- Posting 1099 Vouchers
- How to Post Withholdings
- Inquiries, Queries, and Reports to be used to review 1099 Item
- How to make adjustments and update the Withholdings
- Running the Withhold 1099 Report Post process
- Producing the IRSTAX.001 File
- Producing the 1099 Copy B reports
- Running the Withholding Sent File process

Chapter 1: Introduction to 1099 Processing

1099 Reportable items are those items that are payable to unincorporated entities (individuals, sole proprietors, or partnerships) for services, non-employee compensation, rents, royalties, or prizes and awards. Each institution is responsible for tracking their 1099 reportable items, sending reports to the individual vendors, and sending a file to the IRS noting the 1099 reportable items and vendors.

What Is 1099 Income and Who Receives It?

Typically, employees of a business receive a W-2 form that lists the income they received throughout the year. This W-2 form also contains deductions taken from that income in the form of federal and state taxes, deferred compensation, social security contributions, etc.

1099 Forms are used for a number of reasons. Typically, they are given to independent contractors, also known as freelancers, as a record of the income they received from an organization (if TIN is provided). On a 1099 MISC Form, the income earned will be noted, but there will not be any deductions for federal or state income taxes, nor will any deferred compensation, social security, or medical deductions be taken. Since the 1099 recipient is not an employee of the institution, the institution is obligated only to tender the income to the contractor without any deductions.

This 1099 income is also reported to the Internal Revenue Service so it has the opportunity to track income from freelance workers. The freelancer is obligated to make his or her own tax deductions and forward payments to the IRS.

USG Institutions produce 1099-MISC forms to report miscellaneous income to the IRS for the following:
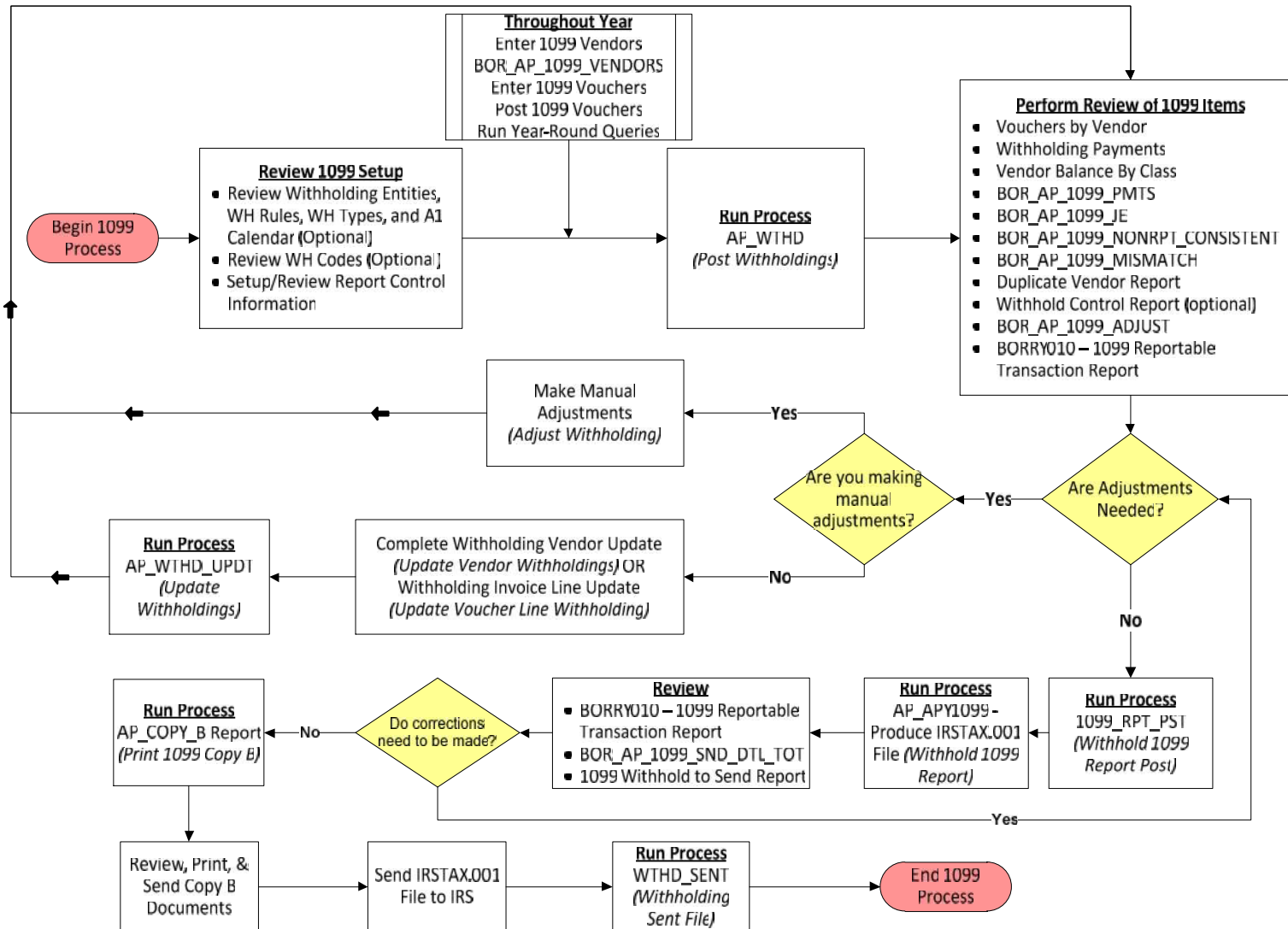- Income earned by an independent contractor, but not an employee (also known as non-employee compensation)
- Fees, commissions, rents, or royalties paid
- Payment for prizes, awards, or legal services
- Excess golden parachute payments
- Medical and health care payments

The most common type of miscellaneous income is non-employee compensation.

What Is the Overall 1099 Reporting Process?

The overall 1099 Reporting Process includes steps involving set up for the 1099 year, entering 1099 Vendors and Vouchers throughout the year, and processing 1099 reportable items. The flow chart provides a visual path of how the 1099 Reporting Process progresses.

1099 Process Flow Chart

Throughout Year
Enter 1099 Vendors
BOR_AP_1099_VENDORS
Enter 1099 Vouchers
Post 1099 Vouchers
Run Year-Round Queries

Review 1099 Setup
- Review Withholding Entities, WH Rules, WH Types, and A1 Calendar (Optional)
- Review WH Codes (Optional)
- Setup/Review Report Control Information

Begin 1099 Process

Run Process
AP_WTHD
(Post Withholdings)

Perform Review of 1099 Items
- Vouchers by Vendor
- Withholding Payments
- Vendor Balance By Class
- BOR_AP_1099_PMTS
- BOR_AP_1099_JE
- BOR_AP_1099_NONRPT_CONSISTENT
- BOR_AP_1099_MISMATCH
- Duplicate Vendor Report
- Withhold Control Report (optional)
- BOR_AP_1099_ADJUST
- BORRY010 – 1099 Reportable Transaction Report

Make Manual Adjustments
(Adjust Withholding)

Are you making manual adjustments? — Yes

Are Adjustments Needed? — Yes

Run Process
AP_WTHD_UPDT
(Update Withholdings)

Complete Withholding Vendor Update
(Update Vendor Withholdings) OR
Withholding Invoice Line Update
(Update Voucher Line Withholding)

No

No

Run Process
AP_COPY_B Report
(Print 1099 Copy B)

Do corrections need to be made? — No

Review
- BORRY010 – 1099 Reportable Transaction Report
- BOR_AP_1099_SND_DTL_TOT
- 1099 Withhold to Send Report

Run Process
AP_APY1099 –
Produce IRSTAX.001
File (Withhold 1099
Report)

Run Process
1099_RPT_PST
(Withhold 1099
Report Post)

Yes

Review, Print, & Send Copy B Documents

Send IRSTAX.001 File to IRS

Run Process
WTHD_SENT
(Withholding Sent File)

End 1099 Process

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Introduction

1099 Process Checklist

Note: Before beginning these 1099 steps for calendar year 2012, be sure that step 33 was completed for the previous calendar year 2011.

1. _____ *(Optional)* Review A1 Annual Calendar
2. _____ *(Optional)* Review Withholding Entities Report; AP.070.180
3. _____ *(Optional)* Review Withholding Rules Report; AP.070.170
4. _____ *(Optional)* Review Withholding Types Report; AP.070.175
5. _____ *(Optional)* Review Withholding Codes Report; AP.070.185
6. _____ Setup/Review Report Control Information; AP.080.012
7. _____ Post 1099 Withholding Transactions (AP_WTHD); AP.080.020

Review
8. _____ Review 1099 Vouchers by Vendor; AP.080.070
9. _____ Review Payments to Withholding Vendors; AP.080.080
10. _____ Review 1099 Vendor Balances by Class; AP.080.060
11. _____ Run BOR_AP_1099_PMTS Query; AP.075.110
12. _____ Run BOR_AP_1099_JE Query; AP.075.020
13. _____ Run BOR_AP_1099_NONRPT_CONSISTENT Query; AP.075.030
14. _____ Run BOR_AP_1099_MISMATCH Query; AP.075.115
15. _____ Run Duplicate Vendor Report; AP.070.125
16. _____ (Optional) Run Withholding Control Report (Optional); AP.070.115
17. _____ Run BOR_AP_1099_ADJUST Query; AP.075.005
18. _____ (Optional) Run BORRY010 1099 Reportable Transactions Report; AP.070.300

(If any corrections or adjustments need to be made, complete steps 19-23. Otherwise, skip to step 24.)

19. _____ Withholding Vendor Update if needed; AP.080.040
20. _____ Withholding Invoice Line Update if needed; AP.080.030
21. _____ Run Withholding Update Process if adjustments were made in Step 19 or 20; AP.080.050
22. _____ Adjust Withholding Manually if needed; AP.080.090
23. _____ Complete review steps 8 through 18 after all adjustments are made to review your changes.

(If any adjustments need to be made, repeat steps 19-23. Otherwise, proceed to step 24.)

24. _____ Run Withholding Report Post (1099_RPT_PST); AP.080.100
25. _____ Generate Withholding Reports (AP_APY1099); AP.080.110
26. _____ Run BORRY010 1099 Reportable Transactions Report; AP.070.300

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27. _____ Run BOR_AP_1099_SND_DTL_TOT Query; AP.075.035
28. _____ Run 1099 Withholding to Send Detail Report; AP.070.195
29. _____ Review reports and query from steps 26 – 28; if adjustments are needed, go back to step 19.

If any adjustments need to be made, repeat steps 19-29. Otherwise, proceed to step 30.

30. _____ Produce Copy B Reports (AP_COPY_B); AP.070.040
31. _____ Review, Print and Send Copy B Reports
32. _____ Send IRSTAX.001 file to IRS
33. _____ After the IRS accepts your IRSTAX.001 file, run Withholding Sent File Process (WTHD_SENT); AP.080.12

Chapter 2: Reviewing 1099 Setup

The first step in 1099 Processing each year is completing the setup. Some of the setup steps are optional, but they do give you insight into the 1099 Processing rules. In this chapter, we are going to cover the following:

- Reviewing the A1 Calendar
- Reviewing Withholding Entities
- Reviewing Withholding Rules
- Reviewing Withholding Types
- Reviewing Withholding Codes
- Setting Up/Reviewing Report Control Information

Reviewing the A1 Annual Calendar *(Optional)*

The A1 Calendar is the calendar the PeopleSoft Financials System uses when running the Withholding Report Post application engine process to obtain the correct 1099 data. This calendar is created and maintained by Shared Services, and is located under the SHARE SetID. You will not be able to make any changes to the A1 Calendar, and this review step is optional.

To review the A1 Annual Calendar, use the following navigation: ***Set Up Financials/Supply Chain > Common Definitions > Calendars/Schedules > Detail Calendar > Find an Existing Value***

To locate the appropriate A1 calendar, use the following parameters:
- SetID = SHARE
- Calendar ID = A1
- Fiscal Year = the 1099 Calendar Year (i.e., 2012)
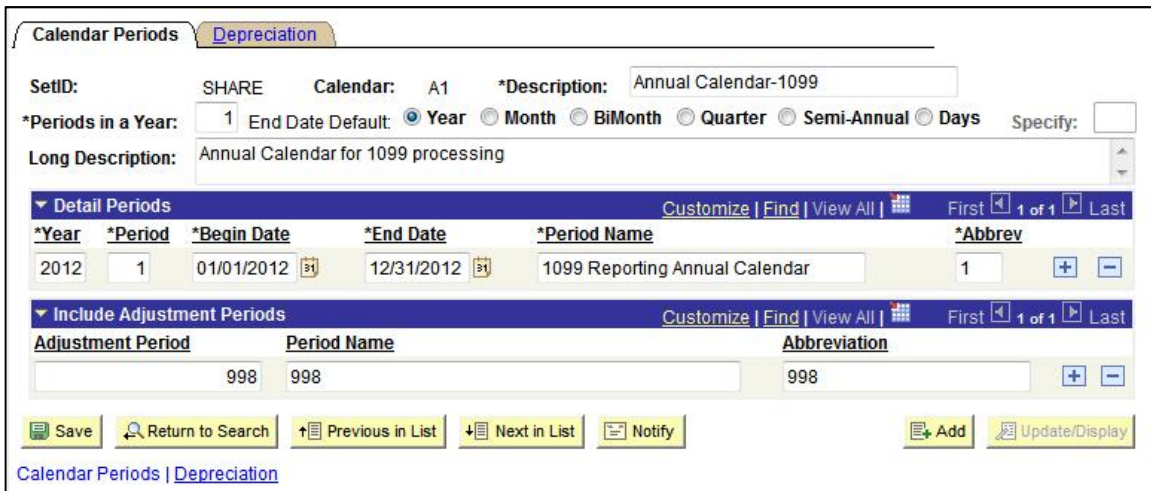
Figure 1 - A1 Annual Calendar

On the Calendar Builder page, you can see what 1099 Year is covered by looking at the Detail Periods. In the picture above, this calendar is for the 1099 Reporting Period of January 1, 2012 through December 31, 2012.

Reviewing Withholding Entities *(Optional)*

Withholding Entities are used in the system to configure the Withholding vendor, file layout, currency options, and applicable withholding rules and types. Like the A1 Calendar, the Withholding entities are created under the SHARE SetID and cannot be modified by the institutions. Reviewing Withholding Entities is optional.

To review the Withholding Entities, you will run the Entities Report (Business Process AP.070.180). To run this report, follow the navigation: ***Set Up Financials/Supply Chain > Product Related > Procurement Options > Withholding > Entities Report***. The only parameter for this report is the 'As of Date'.

Figure 2 - Withholding Entities

This picture is that of the Withholding Entity page. Notice that the entity is "IRS". The File Layout for the IRS is the "US 1099 Misc" form. For the IRS entity, each Withholding Class is listed. This picture is only showing the first class of "01", which is for Rents. Each class will specify the minimum payment amount required for each vendor to result in a 1099 report. The Withholding Entities Report will list each Withholding Class.

Reviewing Withholding Rules *(Optional)*

The Withholding Rules correlate to a standard amount or percentage that should be withheld based on transaction amounts. Multiple minimum and maximum amounts can be entered to define a range of values that are attached to particular percentages. Withholding Rules are created and maintained under the SHARE SetID. Reviewing the Withholding Rules is optional.

To review the Withholding Rules, you will run the Rules Report (Business Process AP.070.170). To run this report, follow the navigation: **Set Up Financials/Supply Chain > Product Related > Procurement Options > Withholding > Rules Report.** The only parameter for this report is the 'As of Date'.

Here's an example of a Rule:

Figure 3 - Withholding Rule 0

Pictured is RULE0. The details of the rule include From and To Basis amount, the percentage to be withheld from the payment, and any additional amount to be withheld.

There are four Withholding Rules:
- RULE0: Zero Percent Withholding Rule
- RULE1: 1099 Standard Rule
- RULE2: 1099 Rule for Royalties
- RULE3: 1099 Rule w/o Minimum

The most commonly used rule is RULE0, which is tied into each Withholding Class and Vendor Category. Vendor Categories indicate whether the institution holds payment, only reports the 1099 income, or actually withholds a percentage of the payment.

Figure 4 - Vendor Category

USG institutions only report 1099 income (RPT). You can see how the rules are applied by looking at the Withholding Entities Report.

Reviewing Withholding Types *(Optional)*

Withholding Types allow withholding transactions to be categorized by classes. The Withholding Types Report lists the Class and Description for each Withholding Type. Withholding Types are created and maintained under the SHARE SetID. Reviewing the Withholding Types is optional.

To review the Withholding Types, you will run the Rules Report (Business Process AP.070.170). To run this report, follow the navigation: **Set Up Financials/Supply Chain > Product Related > Procurement Options > Withholding > Types Report.** There are no parameters for this report.

In the system, there are three Withholding Types:
- 1099: 1099 Withholding
- 1099G: Certain Government Payments
- 1099I: Interest Income

We are primarily concerned with the type "1099 Withholding."

Withhold Type

Withholding Type: 1099

Description: 1099 Withholding

Withholding Class				
*Class	Description	Contract Reference		
01	Rents	☐	+	−
02	Royalties	☐	+	−
03	Prizes, Awards, etc.	☐	+	−
04	Federal Income Tax Withheld	☐	+	−
05	Fishing Boat Proceeds	☐	+	−
06	Medical and Health Care Pymnts	☐	+	−
07	Non-Employee Compensation	☐	+	−
08	Substitute Payments	☐	+	−
10	Crop Insurance Proceeds	☐	+	−
13	Excess Golden Parachute Pymnts	☐	+	−
14	Gross Attorney Proceeds	☐	+	−

Customize | Find | View 4 | First ◄ 1-11 of 11 ► Last

Figure 5 - Withholding Type

As you can see, there are 11 different Withholding Classes for the 1099 Withholding Type. The most commonly used class is "07" for non-employee compensation. However, when setting up a 1099 Vendor, you can assign any class as appropriate.

Reviewing Withholding Codes *(Optional)*

Withholding Codes are used to group together entities, types, and jurisdictions. You can use Withholding Codes when creating withholding-applicable vouchers. By doing so, you speed up data entry and minimize data entry errors. Withholding Codes are created and maintained under the individual institutions' SetIDs. Therefore, the number of Withholding Codes available to you is dependent on each institution. Using the Withholding Codes is optional.

To review the Withholding Codes, you will run the Rules Report (Business Process AP.070.185). To run this report, follow the navigation: ***Set Up Financials/Supply Chain > Product Related > Procurement Options > Withholding > Codes Report***. The parameter for this report is your institution's SetID.

Figure 6 - Withholding Codes

As you can see, SetID 43000 has five Withholding Codes set up. The number of Withholding Codes may be different for each institution.

Figure 7 - Withholding Code 07

Withholding Code "07" for SetID 43000 has been setup for the following:
- Withholding Entity = IRS
- Withholding Type = 1099
- Jurisdiction = Federal
- Withholding Class = 07

You will see the withholding Code in action when entering a 1099 Withholding Voucher. It can be used to override the defaults already setup.

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Chapter 2

Setting Up/Reviewing Report Control Information (Required)

1099 Withholding Report Control Information is used to set up transmitter and payer information, such as company address, phone numbers and payer numbers, vendors and business units that will be included in reports, and piggyback statues. This is something that should be done for each year's 1099 Processing, even if you ran 1099 Processing in PeopleSoft the previous year.

To set up 1099 Withholding Report Control Information (Business Process AP.080.012), follow the navigation: *Set Up Financials/Supply Chain > Product Related > Procurement Options > Withholding > Report Control Information*. To add a new Control ID, select the Add a New Value tab. You will need to enter your institution's SetID and provide a new Control ID. It is highly recommended that you use Control ID that includes your institution and reporting year, i.e., "GGC_2012."

The first page is the Payor Data page. Here, you will enter the information for the Transmitter and the Payer.

Enter your tax id number as shown (no dashes)

Figure 8 - Withholding Report Control Info: Payor Data

Transmitter Information:

- The Vendor Software Indicator checkbox must be selected for all USG institutions using PeopleSoft Financials to produce their 1099 IRS file and Copy B forms.
- You must include the Tax ID and the Transmitter Control Code. The Tax ID should be numbers only with no spaces or hyphens. ThTransmittercode is provided by the IRS upon submission of your Form 4419 (you can also use the code used in the previous year).
- You must enter a contact name along with their address and phone numbers. When entering names, use the PeopleSoft Format (LastName,FirstName), using no space in between the names. To enter the addresses, click on the envelope icon (⌨). To enter phone and fax numbers, click on the telephone icon (☎).

Payer Information:

- When entering the Payer Data, the Control ID is the 1099 Calendar Year being processed.
- You must enter a Payer name along with the address and phone numbers. To enter the addresses, click on the envelope icon (⌨). To enter phone and fax numbers, click on the telephone icon (☎).

Vendors and Business Units
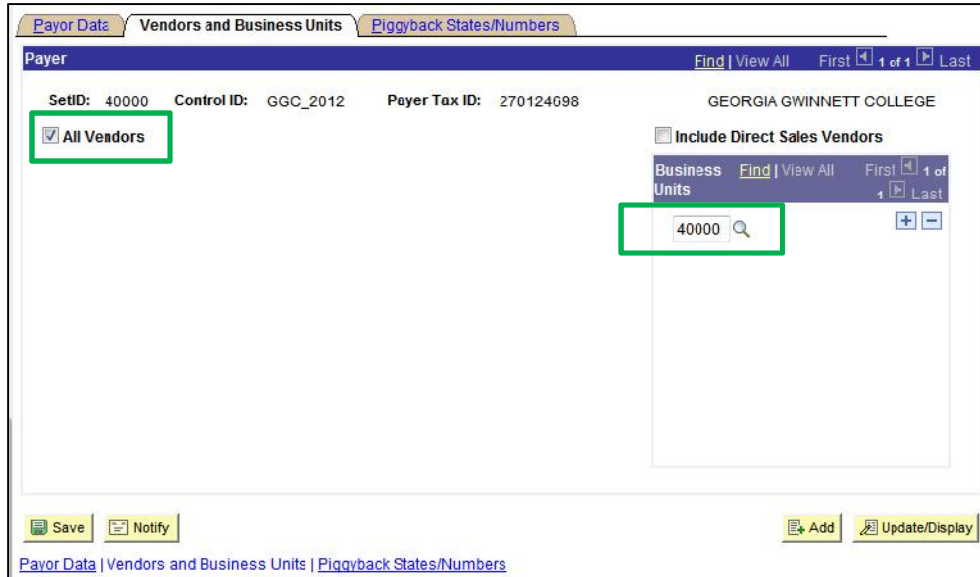
Figure 9 - Withholding Report Control Information: Vendors and Business Units

On the Vendors and Business Units tab enter the following:
- Select "All Vendors" so that you will process all withholding vendors that are consistent with the business unit you specify.
- Enter your institution's business unit into the business unit field.

Piggyback States/Numbers:
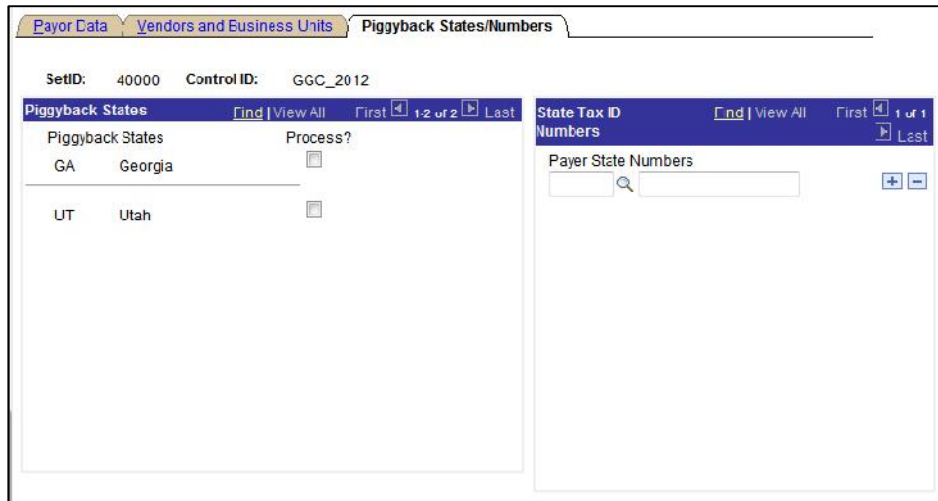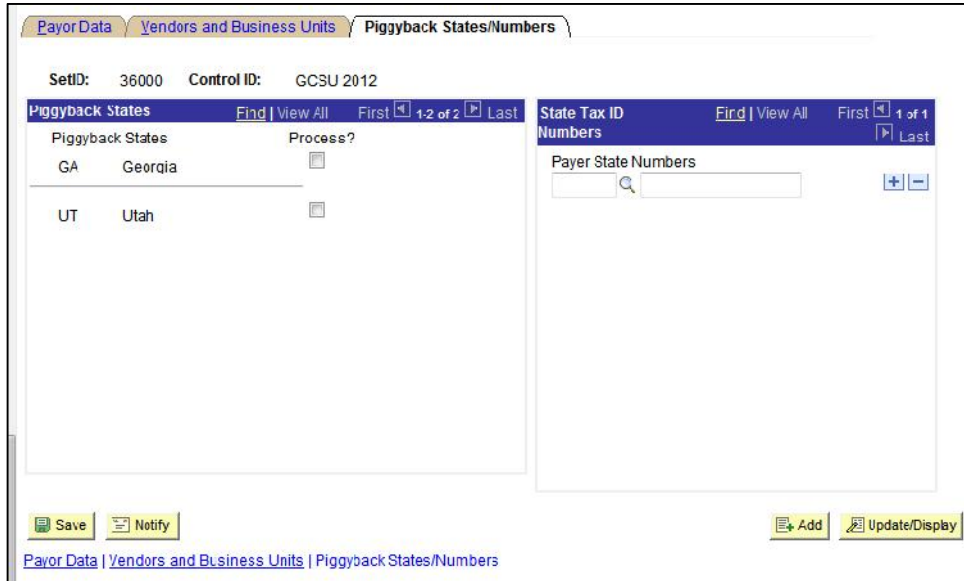
Figure 10 - Withholding Report Control Information: Piggyback States/Numbers

On the Piggyback States/Numbers tab, you want to deselect the "Process?" checkbox for Piggyback States. The GeorgiaFIRST model does not use the Piggyback States functionality.

When done, select the save button (Save) to save your new Withhold Control Information for the current year 1099's.

This concludes the setup you need to complete for 1099 Processing. In the next chapter, we will review what you need to do throughout the year regarding 1099 Vendors and Vouchers.

Chapter 3: 1099 Tasks Throughout the Year

Though 1099 Processing is typically completed in January for the previous calendar year, there are things that you must do throughout the year. This includes entering 1099 Withholding Vendors, creating 1099 Withholding Vouchers, and posting those 1099 Withholding Vouchers. There are also different queries that you can run year-round to keep track of your 1099 processing.

Entering 1099 Withholding Vendors

In order to report Withholding on individuals, they must be set up in the system as a 1099 Withholding Vendor. Withholding information can be added to vendor information at any time, but it is recommended that you add the information when adding the vendor to the system. By identifying the vendor as a 1099 Withholding Vendor, all vouchers that you enter for that vendor will be automatically flagged for withholding reporting.

To add a 1099 Withholding Vendor (Business Process PO.020.030), follow the navigation: **Vendors > Vendor Information > Add/Update > Vendor**. To add a new vendor into the system, select the "Add a New Value" tab. When adding a new 1099 Withholding Vendor, you need to select your primary SetID (i.e., 27000), and not the one for your Banner processing. Also, the persistence for a 1099 Withholding Vendor is "Regular".

As you enter the vendor into the system, most of the steps will be the same as entering any other vendor. Here's a review of what you should enter for Identifying Information:
- Vendor Short Name
- Vendor Name 1
- Vendor Name 2
- Status: the status here will depend on your User Preferences. For some users, the status may already be set to "Approved". For other users, the status will be "To be approved", and another user will have to approve the vendor.
- Persistence: This status should be "Regular" for a 1099 Withholding Vendor.
- Classification: Here, you would choose "Federal" for corporate vendors. For individuals, choose "SSN".

The biggest change on the Identifying Information tab when entering a 1099 Vendor, is that you must select the Withholding checkbox. This turns on the Withholding flag in the system.

Figure 11 - Vendor Page: Identifying Information

Under the Additional ID numbers group box, you must enter the Tax Identification Number (TIN). At this point, it is helpful to check the system to see if there is a duplicate vendor in the system. The system checks to see if there is another vendor in the system with the same name or TIN. If there is, you will receive a warning indicating that there is a potential duplicate. It is recommended that you investigate to see if the vendor already exists, or if there is an incorrect name or TIN in the system. However, this warning will not prevent you from adding this vendor into the system.

On the Address tab, you will enter the vendor's main address. You can also enter the vendor's email address and phone information. Also on the Address tab is the Payment/Withholding Alt Names group box. You can use this section to enter an alternate vendor name for payment and withholding purposes. If this information is entered in this

group box, the system will generate payments for the location that uses this address and will use the alternate name information on the payment forms. Also, if you specify an alternate withholding name, the system uses this name on withholding reports instead of the name specified on the Identifying Information page.

On the Location tab, you need to enter a MAIN location as the default location. The Withholding rules that you eventually associate with this vendor are stored under the Location. However, before entering the 1099 Withholding information, you should first save the Vendor. Upon saving the vendor, you will receive a couple of warnings indicating that you have not entered the withholding information. You will just click OK to clear those warnings. After saving the vendor, your next step is to add the withholding information for this vendor by selecting the 1099 link.

On the Withholding Vendor Information page, you will set up the following for the vendor under 1099 Information:
- Entity = IRS
- Type = 1099
- Jurisdiction = FED
- Default Jurisdiction = checked; this determines whether the Vendor Withholding information defaults to the voucher
- Default Class = this is most often 07, however, you can select the appropriate class as needed
- 1099 Status = This status should be "RPT". GeorgiaFIRST institutions are only to report 1099 Withholdings.

For each Withholding class that applies to the vendor, you will need an additional row inserted here. For example, if the vendor will have a Withholding Voucher in which "non-employee compensation" applies and another Withholding Voucher in which "Prizes and Awards" applies, then you must have each class set up for that vendor.

Under 1099 Reporting Information, you will indicate the following:
- Entity = IRS
- Address = Vendor Address
- Taxpayer Identification Number = this is the same number you entered on the Identifying Information page

Figure 12 - Withholding Vendor Information

Once you have finished entering the withholding information for the vendor, save the vendor again. You are now able to create withholding vouchers for the 1099 Withholding Vendor.

Running the BOR_AP_1099_VENDORS Query

To help you monitor your 1099 Vendors, there is a new query that you can run anytime throughout the year. The name of this query is BOR_AP_1099_VENDORS, and it will show 1099 applicable vendors for a selected SetID (Business Unit) and Vendor Status.

To run the BOR_AP_1099_VENDORS query, follow the navigation: ***Reporting Tools > Query > Query Manager > Find an Existing Query***. In the "Search by" field, enter "**BOR_AP_1099_VENDORS**" and then press the Search button. You can choose to run this query to either HTML or to MS Excel. Both formats will open in a new window.

To run the query, enter the following parameters:SetID (Business Unit) and Vendor Status.

Figure 13 - BOR_AP_1099_VENDORS Query

Entering 1099 Withholding Vouchers

Entering 1099 Withholding Vouchers is something that you will do throughout the year. When doing so, you want to ensure that your vendor is properly set up in the system as a 1099 Withholding Vendor. The withholding vouchers are the primary means of how the system keeps track of the amounts that are to be reported to the IRS each calendar year.

To add a 1099 Withholding Voucher (Business Process AP.020.040), follow the navigation: ***Accounts Payable > Vouchers > Add/Update > Regular Entry***. To add a new voucher, select the "Add a New Value" tab. On the Add a New Value tab, you can enter the Vendor ID and Vendor Location, along with the other fields if you prefer. Once you click the "Add" button, the system will take you to the Invoice Information tab.

On the Invoice Information tab, you will enter all information that you would normally enter for a voucher. When you are ready to verify or edit the withholding information for the voucher, you will select the Withholding link in the header. If you do not see the Withholding link, then your vendor has not been properly set up in the system as a Withholding Vendor. Remember, the vendor needs to be flagged as a withholding vendor and have the withholding information setup for them.

Figure 14 - Withholding Voucher

Once you select the Withholding link, the system takes you to the Withholding Information page. Much of this information comes from the Vendor. For each voucher line, you can edit the withholding information.

First, if your institution has set up withholding codes, you may select the appropriate code to override the default values. However, this is not necessary. Next, you can select whether the voucher line is withholding applicable or not. The "Withholding Applicable" checkbox indicates that the payment for the voucher line will be included on the 1099 report that is issued for the vendor. If you deselect this checkbox, the amount on that line will not be included on the 1099 report.

Under Withholding Details, the Entity, Type and Jurisdiction should default to IRS, 1099, and FED, respectively. You can change the Class if needed to match the purpose of the voucher. However, the class must be added to the 1099 vendor if it is not there. You can use the

"Applicable" checkbox to deselect the corresponding Entity/Type/Class combination if needed.

Figure 15 - Withholding Information for Voucher

Once you have finished verifying and editing the Withholding information on the voucher, you can then save it. You will still need to perform the regular processing that must be performed on all vouchers, including budget checking, document tolerance checking, matching, and posting.
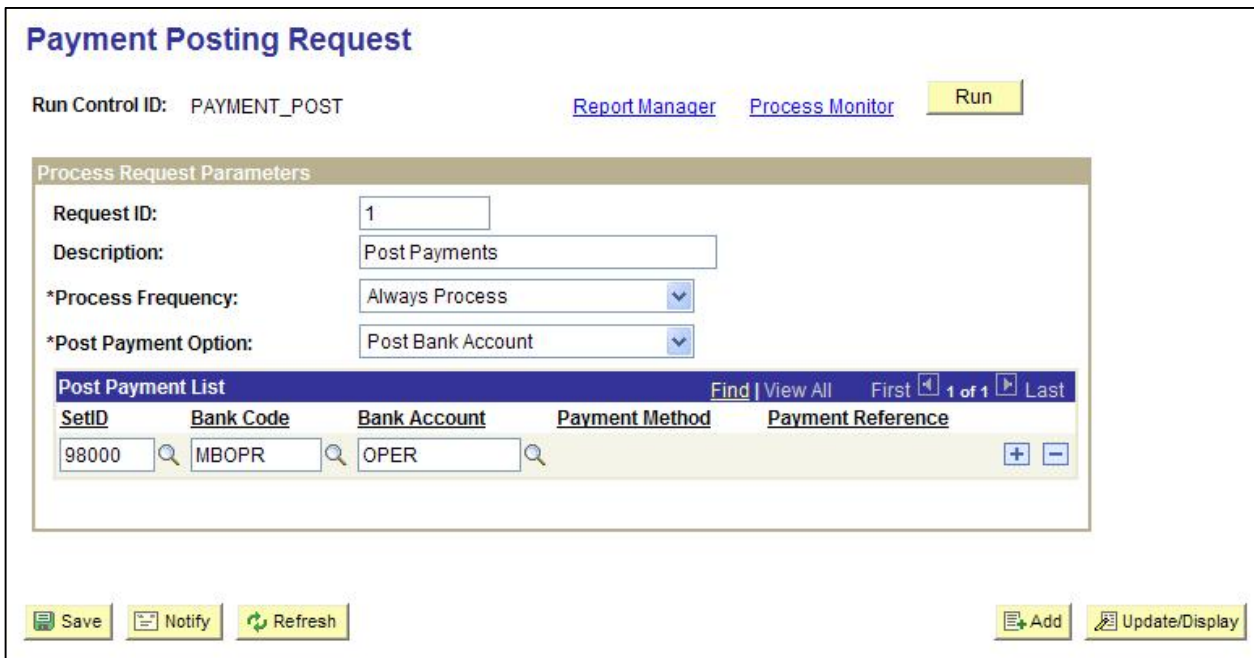
Posting Payments from 1099 Vouchers

After creating and processing the vouchers with 1099 Withholding amounts, it is also necessary for you to post the payments from these vouchers before completing any additional 1099 processing. By posting the payments, the system updates vendor account balances and creates balanced accounting entries for all payment-related transactions.

To post payments (Business Process AP.030.050), follow the navigation: ***Accounts Payable > Batch Processes > Payment > Payment Posting***. When posting payments, you have different options on what you want to process:
- Post Bank Account
- Post Payment
- Post Payment Method

You should not select "Post All Banks", and you will receive an error message in the event you inadvertently select that option. If you want to select all payments at your institution for posting, select "Post Bank Account."

Figure 16 - Posting Payments Request

After completing the payment posting process, the accounting entries from these payments are available for General Ledger journal generation.

Year-Round Queries

There are four queries that you can run throughout the year to help you keep track of your 1099s. They are:
- BOR_AP_1099_PMTS
- BOR_AP_1099_JE
- BOR_AP_1099_NONRPT_CONSISTENT
- BOR_AP_1099_MISMATCH
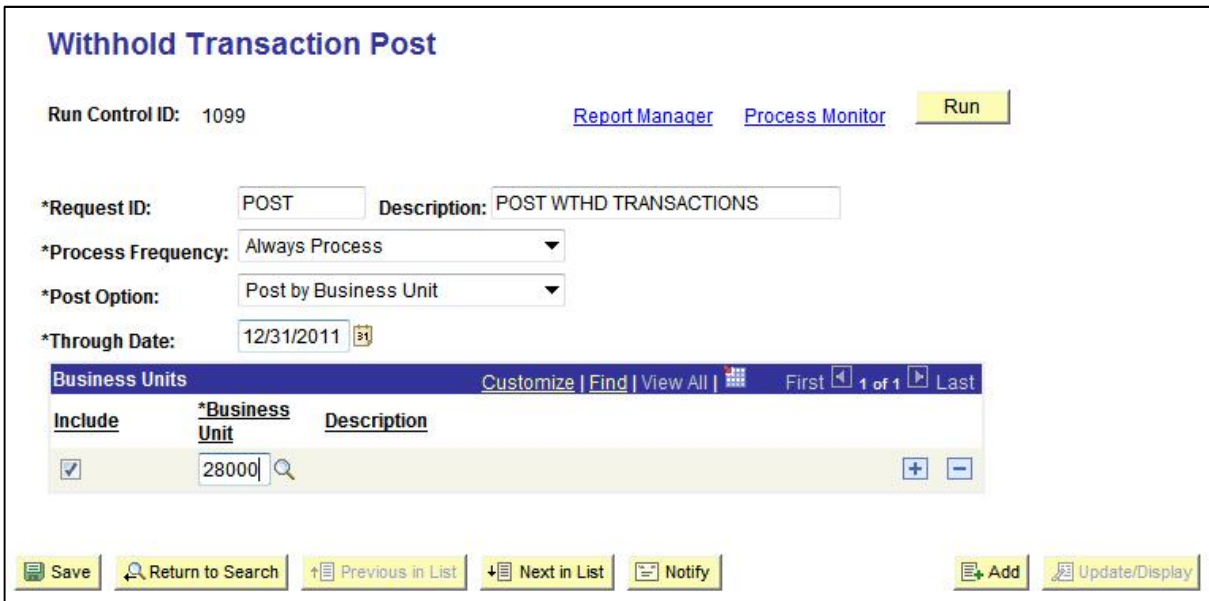
We will review how to run these queries and what results they produce in Chapter 5 of this User Guide.

Chapter 4: Post Withholdings

Here, we are going to discuss the process "AP_WTHD", which is the process to post withholdings. This process combines the voucher and payment information in the withholding transaction tables. The system then uses these tables to generate the Withholding reports. Before running this process, all payments must be posted (see Chapter 3 – Posting Payments from 1099 Vouchers).

To run the post withholding process (Business Process AP.080.020), follow the navigation: ***Vendors > 1099/Global Withholding > Maintain > Post Withholding***. When running this process, you want to select a post option of "Post by Business Unit." The actual process name that will be listed on the Process List and in the Process Monitor is "AP_WTHD".

Figure 17 - Posting Withholdings

Once you have finished running "AP_WTHD", you can proceed to the next step in processing 1099s.

Chapter 5: Review 1099 Items

After posting withholdings, there are many tools available to you to review 1099 items. While you may not use all of these review tools, we will discuss how to use each of these tools and what information they provide.

Vouchers by Vendor

You can use the "Vouchers by Vendor" business process to view all of the vendor withholding transactions by Voucher. For example, imagine that you want to review all vouchers that were marked as "Withholding" for Vendor 'ABC.' You could use this review tool to accomplish this.

To review Vouchers by Vendor (Business Process AP.080.070), follow the navigation: ***Vendors > 1099/Global Withholding > Review > Vouchers by Vendor***. You can search using a variety of criteria, but it is most efficient to search by business unit and Vendor ID.

Once you get to the Vouchers By Vendor page, you may need to adjust the Payment start and end dates. They default to the previous calendar year. After adjusting the dates if needed, simply click the Search button.

Figure 18 - Reviewing Vouchers by Vendor: Basic Information

On the Basic Information in the search results, you should see a line for each voucher with 1099 withholding that was paid to that particular vendor. Included on this tab are the Business Unit, Voucher ID, Invoice Number, Invoice Date, Entity, Type, and Jurisdiction. On the More Information tab, you will also see the Withholding Class, payment number, Withholding basis amount, and bank information.

Figure 19 - Reviewing Vouchers by Vendor: More Information

If there are withholding transactions that are missing, you will need to make some adjustments. In addition, if there is a transaction listed that was not supposed to be a withholding transaction, you will need to adjust that as well. Adjustments are covered in the next chapter.

Withholding Payments

Another review page you can use is the "Withhold Payment Inquiry" page. This page enables you to review all payments, and the associated vouchers, made to withholding entities by vendor. Unlike using the Vouchers by Vendor review, the Withholding Payments review allows you to search for a range of vendors at one time.

To review Withholding Payments (Business Process AP.080.080), follow the navigation: **_Vendors > 1099/Global Withholding > Review > Withhold Payment_**. On the Search page, you can search for a range of vendors by Vendor ID or Vendor Name. In addition, you must include the range of payment dates.

Figure 20 - Withholding Payment Inquiry

In the Payment Details, you will see one row for each payment. The information listed includes the payment method, reference and amount, voucher number and remittance information. In order to see additional rows, simply use the page forward button. If you want to search a different set of criteria, it is best to reset all of your search criteria and reenter it by using the "Reset Criteria" button.

Vendor Balance by Class

Another review tool is reviewing 1099 Vendor Balances by Class. This allows you to review vendor total withholding transactions by class over a specified period of time. Based on the payment start and end dates, the system will total the payments per Withholding Class for the vendor selected. Remember, withholding class indicates the reason for 1099 withholding, such as "Non-Employee Compensation."

To review Vendor Balances by Class (Business Process AP.080.060), follow the navigation: *Vendors > 1099/Global Withholding > Review > Vendor Balance by Class*. On the search page, it is easiest to search by SetID and Vendor ID. For results to be populated in this review, you must have already run the Post Withholding process.

Figure 21 - Review Vendor Balance by Class

BOR_AP_1099_PMTS

You can use the BOR_AP_1099_PMTS query for a list of all 1099 Reportable payments. This query lists all payments where both the Vendor and Voucher have been marked as "Reportable." The results include the Vendor, Voucher, and Payment IDs. When running this query, you should run it for both your primary and "B" Business Units. However, there should be NO results returned when running it for the "B" Business Unit.

To run the BOR_AP_1099_PMTS query (Business Process AP.075.110), follow the navigation: *Reporting Tools > Query > Query Manager > Find an Existing Query*. In the "Search by" field, enter "**BOR_AP_1099_PMTS**" and then press the Search button. You can choose to run this query to either HTML or to MS Excel. Both formats will open in a new window.

To run the query, enter the following parameters: Start Date, End Date, and Business Unit.

Figure 22 - BOR_AP_1099_PMTS Query

BOR_AP_1099_JE

Since 1099s only reflect transactions entered normally through the Accounts Payable module, transactions entered through any other module or as an online journal entry are not automatically included in 1099 Reporting. You can use the query "BOR_AP_1099_JE" to list the journal entries posted during the selected calendar year to the "typically" reportable accounts. These accounts include 719xxx, 7278xx, 7481xx, and 751xxx.

To run the BOR_AP_1099_JE query (Business Process AP.075.020), follow the navigation: *Reporting Tools > Query > Query Manager > Find an Existing Query*. In the "Search by" field, enter "**BOR_AP_1099_JE**" and then press the Search button. You can choose to run this query to either HTML or to MS Excel. Both formats will open in a new window.

To run the query, enter the following parameters: Calendar Year and Business Unit.

Figure 23 - BOR_AP_1099_JE Query

From the results of this query, you will then determine if any of these items need to be reflected in 1099 reporting. If they do, you will need to adjust the withholding manually. This is covered in Business Process AP.080.090, and on page 44 of this User's Guide.

BOR_AP_1099_NONRPT_CONSISTENT

In order for a transaction to be included in 1099 Reporting, both the Vendor and Voucher must be marked as "Withholding." The BOR_AP_1099_NONRPT_CONSISTENT query provides a list of transactions that are charged to typically reportable accounts (719xxx, 7278xx, 7481xx, and 751xxx) and will not be reported, because:

- The Vendor is marked as Withholding, but the associated Vouchers are not, or
- The Vouchers are marked as Withholding, but the associated Vendor is not, or
- Neither the Vendor nor Voucher is marked as Withholding.

To run the BOR_AP_1099_NONRPT_CONSISTENT query (Business Process AP.075.030), follow the navigation: ***Reporting Tools > Query > Query Manager > Find an Existing Query***. In the "Search by" field, enter "**BOR_AP_1099_NONRPT_CONSISTENT**" and then press the Search button. You can choose to run this query to either HTML or to MS Excel. Both formats will open in a new window.

To run the query, enter the following parameters:
- From Date
- To Date
- SetID

Figure 24 - BOR_AP_1099_NONRPT_CONSISTENT Query

In the query results, the transactions that appear will not be reported unless both the Vendor and Vouchers are marked as Withholding. As you review the query results, you will need to determine if any of these items need to be reflected in 1099 reporting. If they do, you will need to adjust the withholding using either Vendor or Voucher Line Updates.

BOR_AP_1099_MISMATCHED

The BOR_AP_1099_MISMATCHED query lists those transactions charged to ANY account where either the Vendor is marked as Withholding, but the associated Vouchers are not, or where the Vouchers are marked as Withholding, but the associated Vendor is not. This query is different from the BOR_AP_1099_NONRPT_CONSISTENT query in that it is not limited to only typically reportable accounts.

To run the BOR_AP_1099_MISMATCHED query (Business Process AP.075.115), follow the navigation: ***Reporting Tools > Query > Query Manager > Find an Existing Query***. In the "Search by" field, enter "BOR_AP_1099_MISMATCHED" and then press the Search button. You can choose to run this query to either HTML or to MS Excel. Both formats will open in a new window.

To run the query, enter the following parameters:
- From Date
- To Date
- SetID

Figure 25 - BOR_AP_1099_MISMATCHED Query

In the query results, the transactions that appear will not be reported unless both the Vendor and Vouchers are marked as Withholding. As you review the query results, you will need to determine if any of these items need to be reflected in 1099 reporting. If they do, you will need to adjust the withholding using either the Vendor or Voucher Line Update.

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Duplicate Vendor Report

It is recommended that you run the Duplicate Vendor Report. This report identifies duplicate vendors that may require adjustments to combine Withholding totals for vendors with duplicate Tax Identification Numbers (TINs). If these adjustments are not made, multiple 1099s may be issued to the vendor.

To run the Duplicate Vendor Report (Business Process AP.070.125), follow the navigation: ***Vendors > Vendor Information > Maintain > Duplicate Vendor Report***. After entering a Run Control ID, ensure that your Process Frequency is set to "Always Process." In the Report Request Parameters, make sure that the "Search in all SetIDs" selection is deselected. You need to run this report only for your institution's SetID.

In the Withholding group box, the most common selection is TIN. This "TIN" option searches for vendors with duplicate TINs. If you choose to search using a selection in the Vendor group box, you will not be able to use a selection in the Withholding group box.

In the Voucher Payment group box, select "All vendors have vouchers paid." This will search all of the duplicate vendors that had a voucher paid within the specified date range. You will need to input the specific date range as well.

Figure 26 - Duplicate Vendor Report Request

This process generates an application engine process, and then a Crystal report. Go to the Report Manager to retrieve the APY3215 Crystal Report.

Figure 27 - Duplicate Vendor Report

Withholding Balances Control Report

The Withholding Control Report is an optional report that lists detailed information for each vendor with withholding activity.

To run the Withholding Balances Control Report (Business Process AP.070.115), follow the navigation: *Vendors > 1099/Global Withholding > General Reports > Withhold Control Report*. The parameters for this report include your SetID, Control ID, and the From/To Dates. Remember, your Control ID should have been set up at the beginning of your 1099 Processing and should include your institution and reporting year (i.e., CSU_2012).

Figure 28 - Withholding Balances Control Report Request

The report will list the Withholding Vendors that have Withholding amounts during that time frame specified in the parameters. The report lists the amounts according to Class.
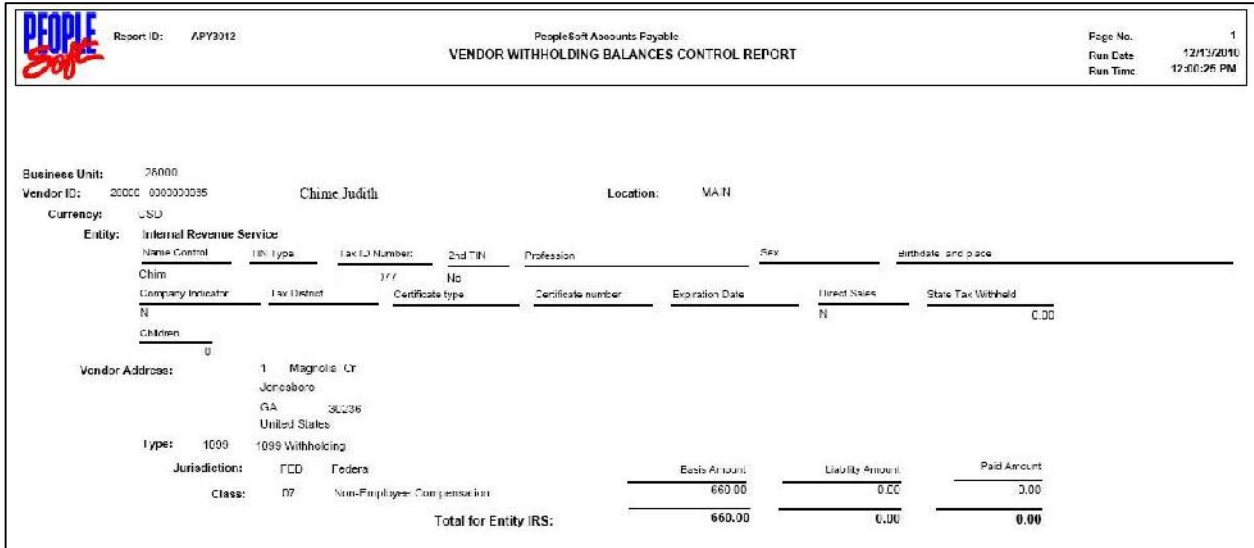
Figure 29 - Withholding Balances Control Report

BOR_AP_1099_ADJUST

The BOR_AP_1099_ADJUST query is one that you can run as needed. It lists all manual adjustments entered for the selected calendar year. When you begin making adjustments for the current 1099 processing year, we recommend that you run this query before and after making the adjustments so that you can compare the results and verify the adjustments were made correctly.

To run the BOR_AP_1099_ADJUST query (Business Process AP.075.005), follow the navigation: *Reporting Tools > Query > Query Manager > Find an Existing Query*. In the "Search by" field, enter "BOR_AP_1099_ADJUST" and then press the Search button. You can choose to run this query to either HTML or to MS Excel. Both formats will open in a new window.

To run the query, you will need to input the Calendar year you want to view the adjustments for. In the query results, you will see the TIN, Vendor ID, and Vendor Name along with the Payment Number, 1099 Amount, Adjustment Date, Withholding Class, and the Date the adjustment was posted.

Figure 30 - BOR_AP_1099_ADJUST Query

BORRY010

The 1099 Reportable Transactions Report is known as the BORRY010. This is a report you can run to show all 1099 reportable transactions, including adjustments. When running this report, the data available is dependent on when you run it. Until you run the processes "Withhold 1099 Report Post" and "Withhold 1099 Report", not all columns on the report will be populated. Only the "Amount", "Amt Under Minimum", and "Calculated Reportable Amount" columns will be populated. The "Reported Amount" and "Difference" columns will not be populated until the other processes are run.

To run the BORRY010 report (Business Process AP.070.300), follow the navigation: ***BOR Menus > BOR Accounts Payable > BOR AP Reports > 1099 Reportable Transactions***. The report parameters include Business Unit and Calendar Year. You can specify a range of Social Security Numbers if you wish. To run the report on all Social Security Numbers, leave those fields blank. And, you can choose to print the mailing addresses of the vendors on the report as well, if needed.

Figure 31 - BORRY010 Report Parameters

Figure 32 - BORRY010 Report

The completed report will list each reportable vendor, along with their TIN and vendor ID. For each vendor, a list of the payments and vouchers marked as withholding are displayed along with their amounts, and subtotaled by Withholding Class. The Minimum Amount to report is set according to Withholding Class and are:

- 01 – Rents: $600
- 02 – Royalties: $10
- 03 – Prizes, Awards, etc.: $600
- 04 – Federal Income Tax Withheld: $0.00
- 05 – Fishing Boat Proceeds: $0.00
- 06 – Medical and Health Care Payments: $600
- 07 – Non-Employee Compensation: $600
- 08 – Substitute Payments: $10
- 10 – Crop Insurance Proceeds: $600
- 13 – Excess Golden Parachute Payments: $0.00
- 14 – Gross Attorney Proceeds: $0.00

The calculated reportable amount must meet the minimum for that Withholding Class in order to be reported.

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Chapter 6: Corrections and Adjustments of 1099 Items

After completing a review of the 1099 items, you may have found that some items need adjusting. As we mentioned in the previous chapter, in order for transactions to be reported, both the vendor and voucher need to be marked as Withholding. There are a couple of different ways to make adjustments. You can adjust Withholding manually or through Withholding Vendor Update or Withholding Invoice Line Update. Before making any manual adjustments, it is a good idea to run the BOR_AP_1099_ADJUST query to use as a comparison tool after you finish making updates.

Withholding Vendor Update

The Withholding Vendor Update process is used to change Withholding applicability, entity, type, jurisdiction, and/or class. When you use this type of update, the system will apply the update to all vouchers for that particular vendor. After completing the update, you must run the Withholding Update Process.

An example of using this type of update is to change the Withholding class on a vendor. Imagine that when you originally setup the Vendor in the system, you only applied the Withholding Class of 02, which is Royalties, when they should have class 07 applied, which is Non-Employee Compensation. To correct this situation, you would first make sure this class is listed under this Vendor (see page 18), and then use this Update Procedure.

To perform Withholding Vendor Update (Business Process AP.080.040), follow the navigation: ***Vendors > 1099/Global Withholding > Maintain > Update Vendor Withholdings***. You will need to enter a Withholding Update ID. And you will also have to enter or verify your SetID and the Tax Reporting Year's Start and End Dates.

In the Details section, you enter the Vendor ID that needs adjusting. You will also need to select that vendor's location. Remember, when we originally set up vendors in the system, their 1099 Withholding information is housed under their Location. After choosing the vendor's location, you should see whether or not the vendor is currently set up as a withholding vendor. First, enter your business unit. Then, proceed to the New Withhold Details tab to update the information.

Please note: If there is a need to update a vendor's location and/or address for 1099's, make sure that the updates made in PeopleSoft are effective dated with a 2014 date (12/31/2014) or before.

Figure 33 - Withholding Vendor Update

On the New Withhold Details tab, you will enter the actual updated information for the vendor. You can change whether the vendor is withholding or not. You can also update the Withholding class. To update additional vendors, insert a new row and complete the same steps. When finished adding all vendors to be updated, save the page.

Figure 34 - Withholding Vendor Update: New Withhold Details

Withholding Invoice Line Update

The Withholding Invoice Line Update process can be used to update withholding information for a withholding vendor at an invoice line level. In other words, if you only need to change a particular voucher or voucher line, you can do so. You can change the withholding applicability, entity, type, and jurisdiction per voucher line. Just like the Withholding Vendor Update, when you are finished, you will need to run the Withholding Update Process.

To perform Withholding Invoice Line Update (Business Process AP.080.030), follow the navigation: ***Vendors > 1099/Global Withholding > Maintain > Update Voucher Line Withholding***. To complete the process, you can search by SetID and Vendor ID.

On the Withholding Invoice Line Update page, there are four group boxes along the top above the Details section. First, there is the Vendor group box. This is a summary of the Vendor you plan to update. The second group box is for Criteria. Here, you are going to enter your Business Unit and the Beginning and Ending Dates of the 1099 reporting year. Once you hit Search in this group box, all vouchers entered for this vendor during the same reporting year will be listed in the Details section.

You can use the Defaults group box if you are updating many lines to withholding (Set All Lines to Wthd) or not withholding (Set All Lines to No Wthd). You can enter the withholding class combination you want to apply to your updated voucher lines. And in the Tax Reporting Year group box, enter the beginning and ending dates of the tax reporting year. The selection "Clear Updated Withholding" in the Criteria group box can be used to delete all pending updates to voucher lines from the staging table upon save. This is for cleaning up previous update requests.

Figure 35 - Withholding Invoice Line Update

In the Details section are the voucher lines available for updating. The Current Withhold checkbox indicates whether the line is set for Withholding or not. Under "New Withhold", you can set the new Withholding status. If you change a line from Withholding to Not Withholding, you will see the Type, Jurisdiction, and Class fields empty. After saving the page, you can go to the New Withhold Details tab to show what the new withholding status is, as well as the status of the update. The status of the update will show "Pending" until the Withholding Update Process is run.

Running Withholding Update Process

The Update Withholdings process must be run after making changes using either the Withholding Vendor Update Process or the Withholding Invoice Line Update Process. The Update Withholdings process is also known as AP_WTHD_UPDT. By running this process, the system updates the withholding transactions that you adjusted and updates the underlying voucher tables as well.

To run the Withholding Update process (Business Process AP.080.050), follow the navigation: **Vendors > 1099/Global Withholding > Maintain > Update Withholdings**. On the Withhold Update Request page, you want to select a Process Option of "Process All Updates."

Figure 36 - Withholding Update Request

After the process completes successfully, you can return to the Update Vendor Withholdings or Update Vendor Line Withholdings pages to confirm that the updates were processed. On the New Withhold Details tab for both pages, the Criteria should show "Updated" for those items you changed.

Note – ITS recommended approach is to run this in small batches if you have a large number of changes. This will prevent the process from timing out and eventually failing.

Manual Adjustments (Adjusting Withholding)

You can adjust withholding manually if necessary. This process is for manually adjusting posted withholding transactions by vendor or adding withholding entries from a legacy or third party system. Manual adjustments are needed if the transaction to be adjusted was entered via a journal entry.

Whenever possible though, we advise that you make your adjustments through "Withholding Vendor Update' or "Withholding Invoice Line Update." These types of adjustments update the underlying Withholding tables, unlike the manual adjustments.

To adjust withholding manually (Business Process AP.080.090), follow the navigation: ***Vendors > 1099/Global Withholding > Maintain > Adjust Withholding***. You will make manual adjustments for specific vendors when needed. First, you will search for any adjustments previously made. To do this, enter the following in the Search Criteria:
- Business Unit
- Entity = IRS
- Type = 1099
- Jurisdiction = FED
- Start Date and End Date = beginning and ending of 1099 reporting year

After hitting the Search button, any adjustments already made will be listed. If there are none, you can begin entering adjustments on line 1. If adjustments are retrieved in the Search results, you want to make sure that there is no existing line for the 1099 Class/Code combination. If lines do exist with the same Class/code combination, you want to modify the existing line by the amount of the necessary adjustment rather than inserting a new adjustment line.

For example, imagine that an adjustment already exists for this vendor with a Class of "07" and a Rule of "Rule 0". If you need to make another adjustment for this vendor with the same Class and Rule, you should simply modify the existing line instead of adding a new one.

When entering a new adjustment, you will enter the following for each line on the Main Information tab:
- Business Unit
- Entity = IRS
- Type = 1099
- Jurisdiction = FED
- Class
- Rule

Figure 37 - Manual Withholding Adjustments: Main Information

On the Transaction Info tab, you will enter amounts and dates. Under "Basis Amt", you will enter the amount on which the Withholding is calculated. This is the basis amount that is reported to the Withholding entity for this payment. It includes the liability amount and is typically the gross amount of the voucher.

The Liability Amount displays the amount of backup withholding that is retained to remit to the withholding entity. And the Paid Amount displays the amount of the withholding liability that has been paid to the withholding entity. These two fields should always be zero, since the GeorgiaFIRST model is not currently using actual withholding from 1099 payments.

For Payment Date, all adjustments should have a Payment date of December 31st of the 1099 reporting year. In addition, the Declaration Date displays the date on which the withholding is declared and is used for withholding entities who use a date other than payment date (accounting date for example) to report withholding transactions. Since we use Payment Date, it should be the same date that we entered for Payment Date, which is December 31st of the 1099 reporting year.

On the Adjustment Reason tab, there is space available for you to indicate why the adjustment was made. The Creation Date is the date you are entering the adjustment, and the User ID is the person making the adjustment. For the Description, you should include a reference as to why the adjustment was made.

Figure 39 - Manual Withholding Adjustments: Adjustment Reason

Each transaction row that you enter is then added to the Withholding Transaction table (WTDH_TRXN_TBL). And it is added to or subtracted from the totals already in the Withholding Transaction table. Again, it is a good idea to run the BOR_AP_1099_ADJUST query before and after performing manual adjustments so that you can ensure the adjustments were entered correctly.

After Making Adjustments

After you have finished making all necessary adjustments, you need to again review your 1099 items, as you did in Chapter 5. You will review, make corrections, and then re-review until all necessary updates and corrections have been made.

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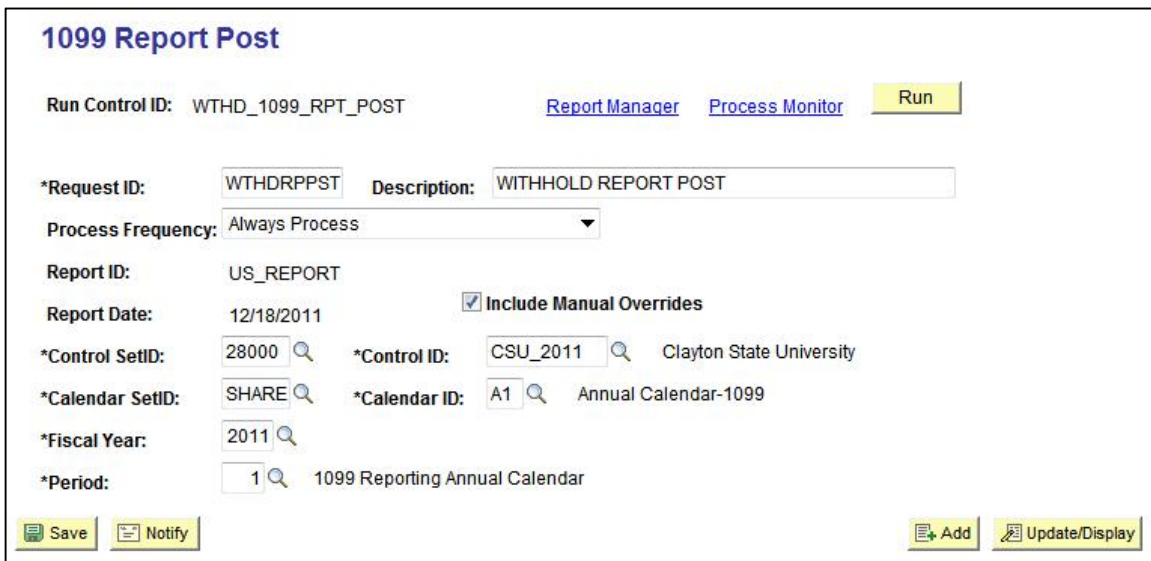
Chapter 7

Chapter 7: Running Withholding Report Post

After all adjustments have been made and you have reviewed your 1099 items again to ensure no more corrections are needed, you can proceed with running the process "1099_RPT_PST", which is the Withhold 1099 Report Post. The 1099 Report Post application engine process populates the Withholding 1099 Table by extracting data from the Withhold Transaction table and inserting it into the Withholding 1099 Table, if it exceeds the reporting threshold.

The system then uses the data to create a file for the tax entity, or IRS, and forms for the vendors. The system also uses the data to process corrections. You must run this process prior generating withholding reports.

To run the Withhold 1099 Report Post process (Business Process AP.080.100), follow the navigation: ***Vendors > 1099/Global Withholding > 1099 Reports > Withhold 1099 Report Post***. On the 1099 Report Post page, you will enter the following:
- Request ID and Description: Enter an ID and description
- Process Frequency: Select "Always Process"
- Control SetID: This is your institution's SetID
- Control ID: This is the Control ID your institution set up for the 1099 reporting year (i.e., CSU_2012)
- Calendar SetID: This is the SHARE SetID
- Calendar ID: This is "A1"
- Fiscal Year: This is the calendar year for 1099 reporting
- Period: This is always "1"

<div align="center">**Figure 40 - Withhold 1099 Report Post**</div>

After entering all process parameters, you can save the page and run the process. When the process runs to success and is posted, you are then ready to move onto the next step, which is generating Withholding Reports.

Chapter 8: Generating Withholding Reports

After running the Withholding Report Post in order to populate the Withholding 1099 table, you can then generate the Withholding Reports. The Generate Withholding Reports process (AP_APY1099) creates a flat file for the IRS and populates the "Withholding to Send" and the "Copy B" tables.

To run the Generate Withholding Reports process (Business Process AP.080.110), follow the navigation: ***Vendors > 1099/Global Withholding > 1099 Reports > Withhold 1099 Report***. On the Withholding 1099 Report page, you will need to enter the following parameters:

- SetID
- Control ID: This is the Control ID your institution setup at the beginning of the year (i.e., CSU_2012)
- Type of File/Return: There are three choices here – Original/Correction, Replacement, Test. You will most often choose "O."
    - O – Original/Correction generates the IRSTAX.001 File and populates the following tables:
        - PS_WTHD_1099_COPYB
        - PS_WTHD_TO_SND_HDR
        - PS_WTHD_TO_SND_DTL
        - PS_WTHD_TO_SND_PAY
    - T – Test generates the IRSTAX.001 File and populates only the PS_WTHD_1099_COPYB table.
    - R – Replacement generates the IRSTAX.001 File, deletes data from the Withholding Sent Tables, and re-populates the following tables:
        - PS_WTHD_1099_COPYB
        - PS_WTHD_TO_SND_HDR
        - PS_WTHD_TO_SND_DTL
        - PS_WTHD_TO_SND_PAY
- Replacement Character: Leave this field blank.

After the process runs to success and is posted, you can retrieve the IRSTAX.001 file through the View Log/Trace link.

Figure 42 - Resulting IRSTAX.001 File from Withhold 1099 Report Process

To retrieve the IRS tax file IRSTAX.001

1. Do not left click to open the file
2. Right-click on the file and select "save file as"
3. Save the file to your computer
    a. Do NOT Change the file name
    b. Do NOT open the file in Excel

In the next chapter, you will learn of the tools available to you to confirm your IRS tax file is correct.

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Chapter 9: Review 1099 Reportable Transactions

Once you have generated Withholding Reports, you can then review all 1099 reportable transactions before producing the final reports. Once you have produced your IRSTAX.001 file, you should review the appropriate queries and reports prior to producing the 1099 Copy B forms.

BORRY010

The BORRY010 1099 Reportable Transactions Report is the same report you ran in Chapter 5 (page xx). Previously when you ran this report, not all columns were completed because the Withholding 1099 Report Post process and the Generating Withholding Reports process yet. Now that you have completed these two processes, the report will show all columns as complete.

The BORRY010 report shows all 1099 reportable transactions, including adjustments. And the report compares the calculated reported amounts (before minimum applied) to the actual reported amounts (after minimums) as compiled by 1099_RPT_PST and AP_APY1099 processes in the PS_WTHD_TO_SND_DTL table.

To run the BORRY010 report (Business Process AP.070.300), follow the navigation: ***BOR Menus > BOR Accounts Payable > BOR AP Reports > 1099 Reportable Transactions***. The report parameters include Business Unit and Calendar Year. You can specify a range of Social Security Numbers if you wish, or you can leave these fields blank to return all Social Security Numbers. And, you can choose to print the mailing addresses of the vendors on the report as well, if needed.

Figure 43 - BORRY010 Report

1099 Withhold to Send Detail Report

The 1099 Withhold to Send Detail Report lists all the information created by the 1099 reporting process and is a replica of the data in the file that you are sending to the IRS. You can use this report to review a summary of the data stored in the Withholding Detail table. You can also run the delivered query "BOR_AP_1099_SND_DTL_TOT" after running this report to obtain the totals which are not provided in the report.

To run the 1099 Withholding to Send Detail report (Business Process AP.070.195), follow the navigation: **Vendors > 1099/Global Withholding > 1099 Reports > 1099 to Send Detail**. The parameters for this report include:
- SetID
- Control ID (i.e., CSU_2012)
- Fiscal Year: This is the 1099 reporting year

Figure 44 - Withhold to Send Detail Report

The resulting report is produced in PDF format, and is a replica of the data included in the IRSTAX.001 file.

At this point, you should review the file and make sure that everything is correct. If it is not, you will need to go back to Chapter 5 and make the adjustments. After making adjustments, complete your review and re-run the 1099_RPT_PST and AP_APY1099 processes.

BOR_AP_1099_SND_DTL_TOT

You can run the BOR_AP_1099_SND_DTL_TOT query to obtain reportable totals grouped by class. These reportable totals should match both the total on the BORRY010 report and the 1099 Withholding to Send Detail Report. Once you have obtained the totals for the 1099 Withholding to Send Detail Report, you are then ready to balance and finalize the 1099's.

To run the BOR_AP_1099_SND_DTL_TOT query (Business Process AP.075.035), follow the navigation: **Reporting Tools > Query > Query Manager > Find an Existing Query**. In the "Search by" field, enter "**BOR_AP_1099_SND_DTL_TOT**" and then press the Search button. You can choose to run this query to either HTML or to MS Excel. Both formats will open in a new window.

To run the query, enter the following parameters:
- 1099 Year
- Business Unit

From the query results, you will need to compare the "Sum Basis Amount" with the Grand Totals on the BORRY010 – 1099 Reportable Transactions Report to confirm these totals are the same for each Withholding code. You can also compare the "Sum Basis Amount" and

the "Count Setid" from the query with the totals in your IRSTAX.001 file. You can locate the count and totals in "Record Type C" (Payor End of Data Record).

Figure 45 - BOR_AP_1099_SND_DTL_TOT Query

Differences in the count may be a result of vendors with multiple address sequences in the 1099 Withholding to Send Detail Report. The system will combine these vendors in the IRSTAX.001 file, causing the IRSTAX.001 file to show a lower count.

The count provided in the "Count SetId" column is the number of 1099s to be produced for that particular withholding code. Since the same 1099 may include multiple withholding codes, a 1099 may be included in counts for more than one withholding code.

Once you have balanced and finalized your 1099's, you can move onto the next step in the process, which is producing the 1099 Copy B Reports for your vendors.

Chapter 10: Producing 1099 Copy B Reports

The 1099 Copy B Reports are the reports that you print out and mail to the vendors. You will complete this step after you have made all of your adjustments, and balanced your 1099's as instructed in Chapter 9.

Run Process AP_COPY_B

To produce your 1099 Copy B Reports, you are going to run the **Print 1099 Copy B** PSJobs.

To produce your 1099 Copy B reports (Business Process AP.070.040), follow the navigation: **Vendors > 1099/Global Withholding > 1099 Reports > Print 1099 Copy B**. The parameters that you must specify for this process include:
- SetID
- Control ID (i.e., CSU_2012)
- Withhold Type: Select "1099M"
- Vendor Select: You can choose to run the report for a specific vendor or all vendors (Select All)
- Sort Option: You can choose how you want your Copy B Reports sorted – by Name, by TIN, or by Vendor ID
- **New for 2012**: Mask Tin selection
  Check this box to mask all but the last 4 digits of the recipients taxpayer identification number. This is optional.

Figure 46 - Run 1099 CopyB Report Parameters

When you run the process and the system takes you to the Process Scheduler Request page, you need to select the correct PSJob, which will update the table used to print the 1099 Copy B reports and then produce the reports. The correct selection for this is "**Print 1099 CopyB**" (APCOPYB – PSJob). After clicking OK, you need to proceed to the Process Monitor to wait for the PSJob to successfully finish and post.

Figure 47 – Print 1099 Copy B PS Job

Reviewing and Printing 1099 Copy B Reports

Once the PS Job has run to success and is posted, you can select the **APCOPYB** link in the Process Monitor.

Figure 48 - Select APCOPYB Process Link

After selecting the **APCOPYB** link, select the **APY1099- Success** link (3rd one in the list).
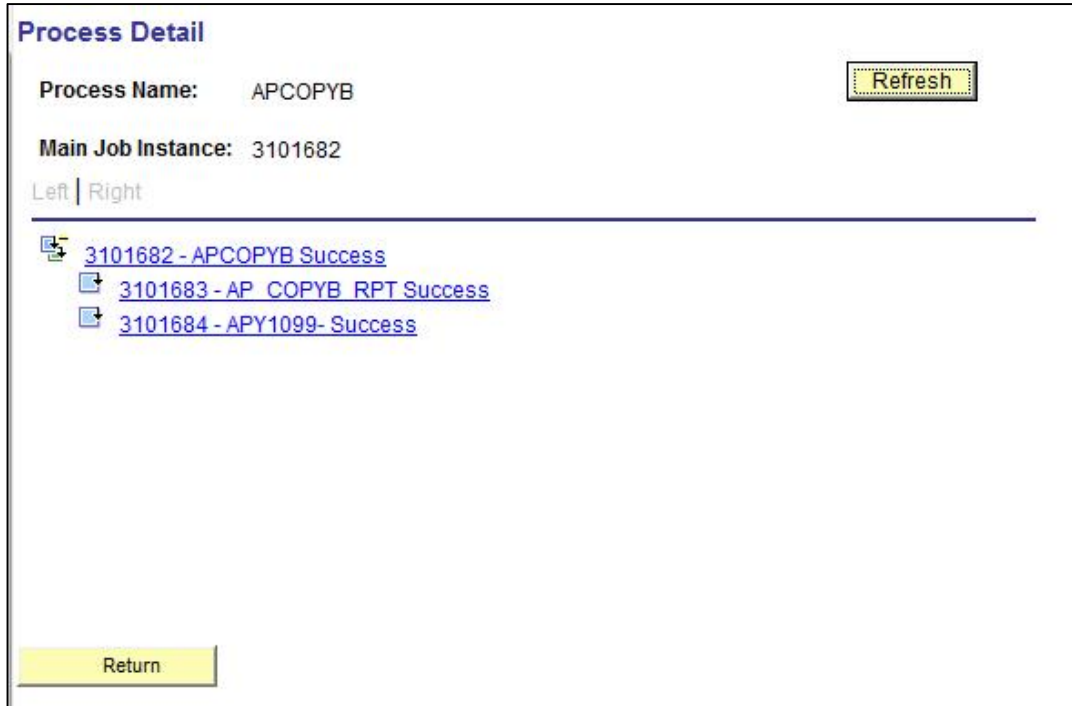

Figure 49 - Select APY1099 - Success Link

After selecting the **APY1099- Success** link, go through the "**View Log/Trace**" link. From there, you can display the Copy B reports by selecting the **PDF** link.

View Log/Trace

Report

Report ID: 2592494   Process Instance: 3101684   Message Log

Name: APY1099-   Process Type: Crystal

Run Status: Success

1099-MISC Copy B

Distribution Details

Distribution Node: DNODE   Expiration Date: 01/14/2012

File List

Name	File Size (bytes)	Datetime Created
APY1099- 3101684.PDF	731,156	11/30/2011 3:27:15.000000PM EST
Message Log	0	11/30/2011 3:27:15.000000PM EST
pssqltrace.trc	497	11/30/2011 3:27:15.000000PM EST

Distribute To

Distribution ID Type	*Distribution ID
User	OIITCOX

Return

Figure 50 - APY1099 PDF Link

It is highly recommended that you review the 1099 Copy B forms prior to printing them. You can compare the Copy B forms with the BORRY010 – Reportable Transactions report, which prints in TIN order. And you can also compare the forms to the 1099 Withholding to Send Detail Report, which prints in Vendor ID order. You also need to compare the number of 1099 Copy B forms printed with the number shown in the IRSTAX.001 file as part of the finalization process. After you have reviewed and printed the 1099 Copy B forms, you can then mail them to the vendors.

Chapter 11: Completing 1099 Processing for the Year

Once you have mailed your Copy B reports, you can then send your IRSTAX.001 file to the IRS. In addition, you will need to run the Withholding Sent File process.

Sending the IRSTAX.001 File

When you are ready to send your IRSTAX.001 file, you will need to send it electronically to the IRS. For detailed instructions on sending this file, refer to IRS Publication 1220. You can find this publication on the IRS website: http://www.irs.gov/pub/irs-pdf/p1220.pdf. You can also find more detailed information from the IRS at http://www.irs.gov/instructions/i1099gi/index.html.

The due date for IRS Electronic Filing is March 31.
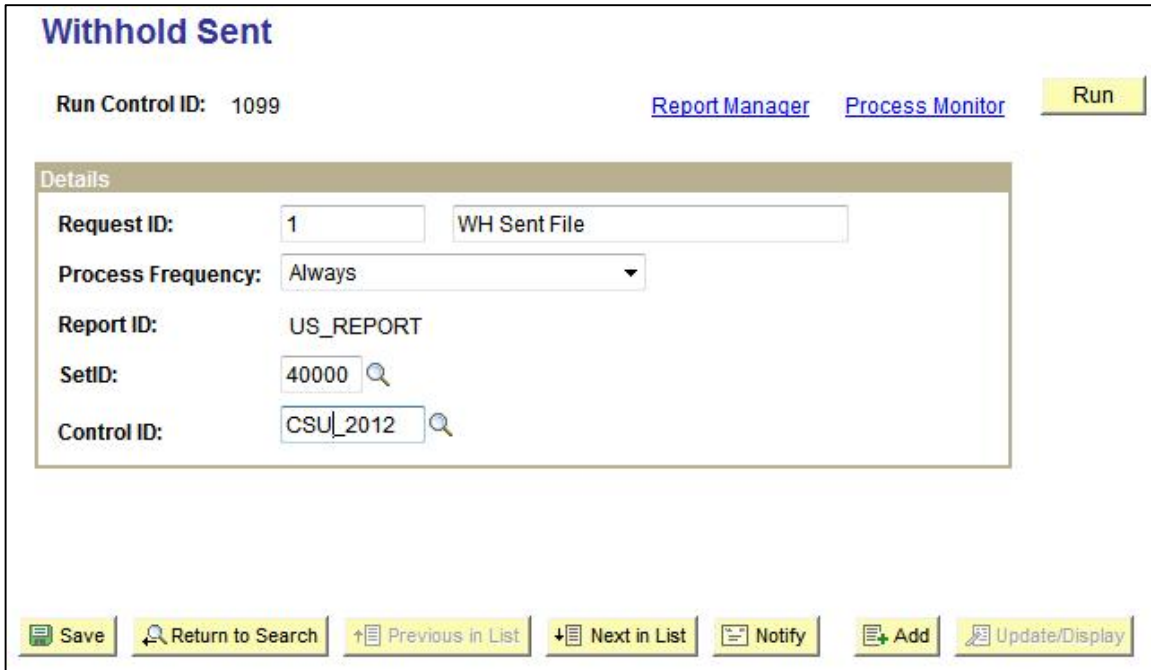
Running the WTHD_SENT Process

The final step in the entire 1099 process is to run the WTHD_SENT Process, which is the Withholding Sent File. This application engine process finalizes the 1099 reporting and file creation process. This process records all the data in the file you have sent in the Withholding Sent tables (PS_WTHD_SENT_DTL and PS_WTHD_SENT_HDR), and deletes the data from the Withholding to Send tables (PS_WTHD_TO_SND_DTL and PS_WTHD_TO_SEND_HDR).

Please Note: Do not run this process until you have sent your file to the IRS and received confirmation of successful transmission. The system uses this information when creating correction or replacement files.

To run the WTHD_SENT process (Business Process AP.080.120), follow the navigation: **Vendors > 1099/Global Withholding > 1099 Reports > Withholding Sent File.** The parameters that you must include for this process are:
- Request ID and Description
- Process Frequency: Set to "Always"
- SetID
- Control ID: This is the Control ID that you have used through the current 1099 year's processing (i.e., CSU_2012).

Figure 51 - Withholding Sent File

Once your process has successfully completed and is posted, you have officially completed your 1099 processing for the year.