

1099 Processing

This document details the steps to complete to process 1099s.

Important Notes:

✓ **Electronic File Due Date - January 31**

The 1099 file is due to the IRS by **January 31** each year. If January 31 falls on a weekend, the due date will be the following Monday.

✓ **1099 Processing Menu**

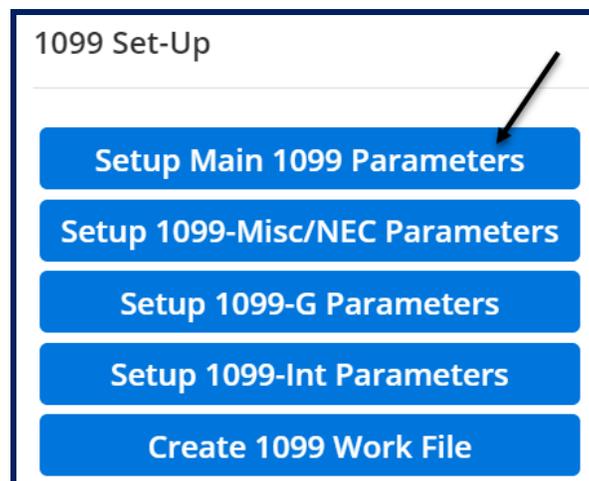
All the 1099 processes on this page are performed using links on the 1099 Processing menu (FAM > Periodic Routines > Periodic Processing).

✓ **Do NOT Purge Work File or Audit File**

NEVER purge the 1099 work file or audit file. The **ONLY** exception to this is purging the current work file if you will be reloading it while processing the current calendar year.

Menu: *FAM > Periodic Routines > Periodic Processing > 1099 Processing*

1. Update the tax year and 1099 parameters (as needed) using the **Setup Main 1099 Parameters** link on the **1099 Processing menu**.
 - a. Click Setup Main 1099 Parameters on the 1099 Processing Menu.



- b. Modify the **year** and update any other information.
 - a. Enter the following information to setup the printer.
 - i. Optio Server: AU-Auto Detect
Print Type: V-Windows to Windows
Printer Name: NEONET_MRSC_PO
Print Server: ef-optio-p02

Date: 12/09/2021 Period: 6/22

Tax Year *

Contact Name *

Payer Name *

Payer Address *

Payer City * State *

Zip Code *

Phone *

Federal EIN Number *

Payer Name Control

Transmitter Code

Federal/State Filer *

State Number

Print Detail *

Media Number

Contact Email *

Optio Server

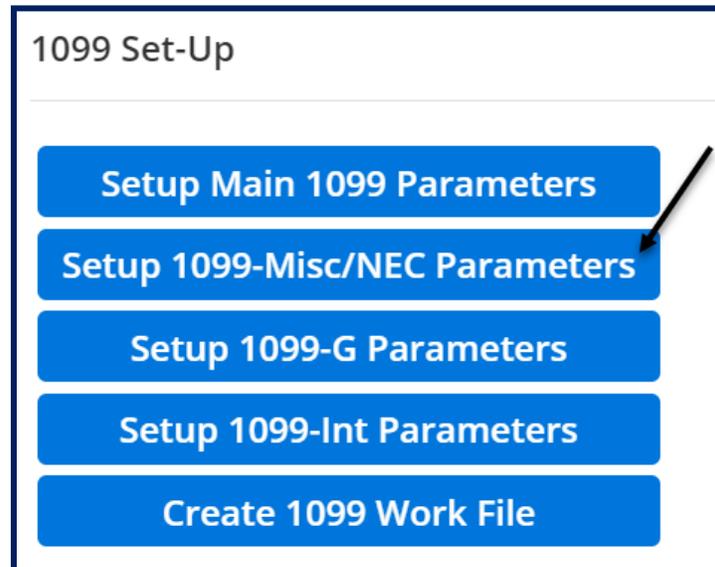
Print Type

Printer Name

Print Server

- c. Click the **CHECKMARK** icon in the top action bar to save the updates. Click the **BACK** icon to return to the 1099 Processing menu.

2. Update the **1099-MISC/NEC Parameter** records (as needed) using the **Setup 1099-MISC/NEC Parameters** link on the 1099 Processing menu.
 - a. Click Setup 1099-MISC/NEC Parameters on the 1099 Processing menu.



- b. Modify the parameters (if needed). The codes are from the 1099 Types reference table and are mapped to boxes on the actual 1099. The minimum amount is the amount which will trigger a 1099 for a vendor.

Please Note: The screenshot below is not to be used as a definitive setup for every district. This is simply an **example** screenshot.

Please consult your **tax advisor** for any questions about the minimum reporting amounts and questions about what information should be reported in each box.

Tax Year: 2020

1099-Misc Boxes

Box - Item	Code	Minimum Amount	Box 17
1-Rents	1 - RENTS	600.00	<input checked="" type="checkbox"/>
2-Royalties	2 - ROYALTY PAMENTS	10.00	<input checked="" type="checkbox"/>
3-Other Income	3 - OTHER INCOME	600.00	<input checked="" type="checkbox"/>
5-Fishing Boat Proceeds		0.00	<input type="checkbox"/>
6-Medical/Health Care Payments	6 - MEDICAL & HEALTH CARE	600.00	<input checked="" type="checkbox"/>
8-Substitute Payments		0.00	<input type="checkbox"/>
9-Crop Insurance Proceeds		0.00	<input type="checkbox"/>
10-Attorney Fees	A - ATTORNEY	600.00	<input checked="" type="checkbox"/>
12-Section 409a Deferrals		0.00	<input type="checkbox"/>
13-Golden Parachute Payments		0.00	<input type="checkbox"/>
14-Nonqualified Deferred Comp		0.00	<input type="checkbox"/>

1099-NEC Boxes

Box - Item	Code	Minimum Amount	Box 7
1-Non-Employee Compensation	7 - NON-EMPLOYEE COMPENSATION	600.00	<input checked="" type="checkbox"/>

- c. Click the **CHECKMARK** icon in the top action bar to save the updates. Click the **BACK** icon to return to the 1099 Processing menu.

3. Create the 1099 Work File.

- a. Click the **Create 1099 Work File** link on the **1099 Processing menu**.

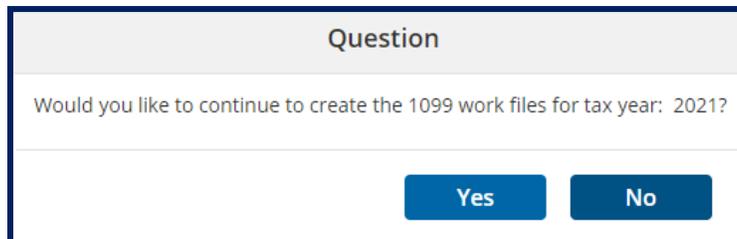
1099 Set-Up

- Setup Main 1099 Parameters
- Setup 1099-Misc/NEC Parameters
- Setup 1099-G Parameters
- Setup 1099-Int Parameters
- Create 1099 Work File

- b. Verify the information in the warning message and click **OK**. Normally, districts will only be processing 1099-MISC forms.



- c. Verify the year in the **Load Criteria** box and leave the Drop Current Records box **checked** to delete all existing 1099 data and reload it.
- d. Click the **CHECKMARK** icon in the top action bar.
- e. Click **Yes** to confirm you wish to create the 1099 raw data file.



- f. Click OK after the processing has reached 100%.

Processing.... - Rittman Exemp...

Time

Start	12:17
Current	12:17
Estimated Finish	12:18

Progress

Total Records	1812
Records Processed	1812

100 %

OK

g. Click OK after confirming the 1099 work file was created.

Message

The 1099 work file has been created

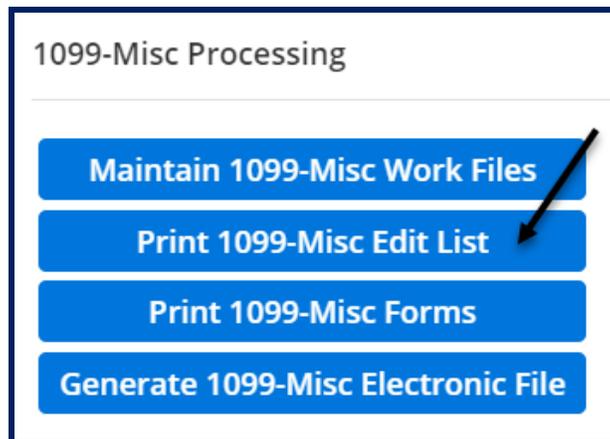
OK

✓ **Process 1099-MISC AND 1099-NEC**

Steps 4-11 detail the process to review, print the forms, create the electronic file and submit the file to the IRS for the 1099-MISC filing. **These steps must be completed again for the 1099-NEC filing.**

4. Print the desired 1099 edit lists.

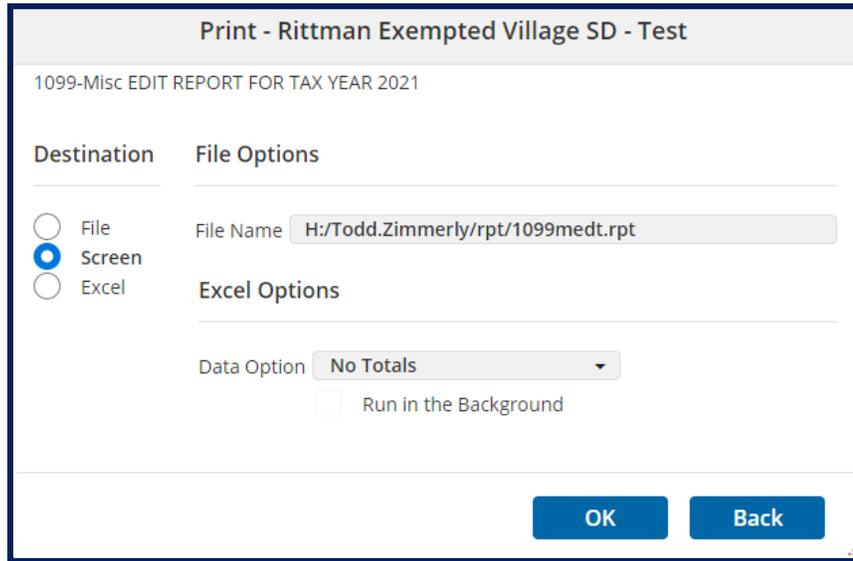
- a. Click the **Print 1099-MISC Edit List** link on the **1099 Processing menu**.



- b. Select the desired **sort order** and click the **CHECKMARK** icon in the top action bar.



- c. Click **OK** to print the **1099-MISC edit report**.



Print - Rittman Exempted Village SD - Test

1099-Misc EDIT REPORT FOR TAX YEAR 2021

Destination File Options

File File Name

Screen

Excel Excel Options

Data Option

Run in the Background

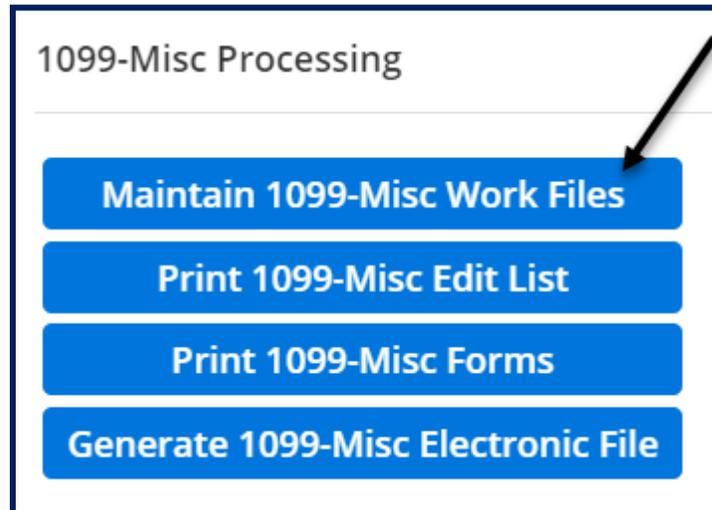
- d. Open the 1099-MISC edit report. Depending on your browser and browser settings, this file will show on your screen as a report to open or may be downloaded directly to your downloads folder.
- e. Click the **BACK** icon in the top action bar to return to the **1099 Processing menu**.
- f. Verify that the desired 1099 records were created, and the amounts are accurate.
- g. This task may be repeated as often as needed.

Note: If Data Needs Updated

If data is **not** accurate or needs major updating, the cause of the inaccuracy or reason for updating will need to be determined. If any FAM data is updated to correct the errors, **the 1099 work file must be purged**, and step 3 must be performed again to recreate the 1099 work file before rerunning step 4 and continuing.

5. Update any 1099 records that need modified.

- a. Click the **Maintain 1099-MISC Work Files** link on the **1099 Processing menu**.



- b. After making any changes to the 1099 work file go back and perform step 4 to print the 1099 edit lists again.

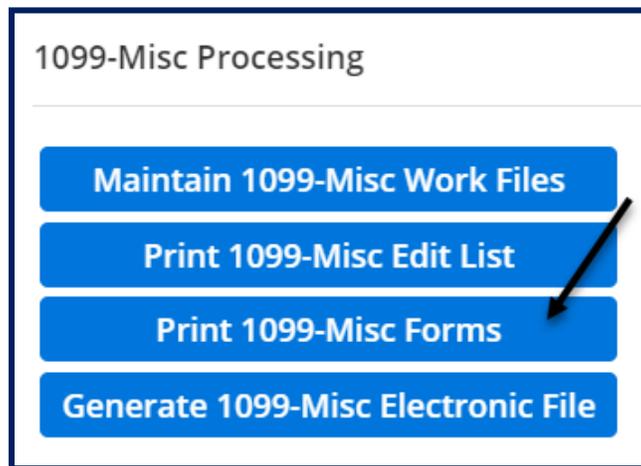


Do NOT Print 1099s

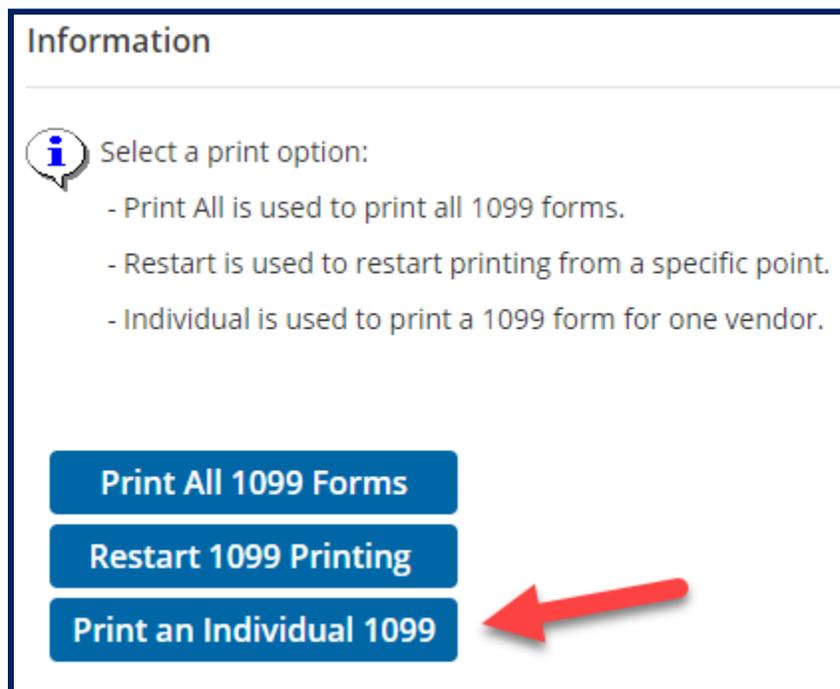
Do NOT attempt to print 1099s until NEOnet **notified** you the eFinancePlus software has been updated to include the necessary changes to the forms for printing 2023 1099s.

! Stop put in a ticket fiscalhelp@neonet.org when you are ready to print your 1099s and please wait for someone to contact you.

6. Print a **test** 1099 form.
 - a. Click the **Print 1099-MISC Forms** link on the **1099 Processing** menu.



- b. Click Print an Individual 1099.



- c. Verify the **tax year** and select the desired **1099 print parameters** based on the forms being used.
Do NOT select to Create Attachments for this single test print 1099.

Print Criteria

Tax Year * 2021

Print Payer Name/Address

Set Correction Flag

Form Type * Laser

Reverse Portrait Printing

Pre-Printed Front

Pre-Printed Back

Form Copy * B - Recipient

Mask Federal Tax ID for Copy B - Recipient

Create Attachments?

Vendor Number *

Alternate Vendor Number *

Additional Vendor Numbers

Additional Alternate Numbers

- d. Click OK to print the 1099 form.

Print - Rittman Exempted Village SD - Test

PRINT 1099-MISC FORMS

Destination **Printer Options**

Printer Printer Name Defined Destination

File Number of Copies 1

File Options

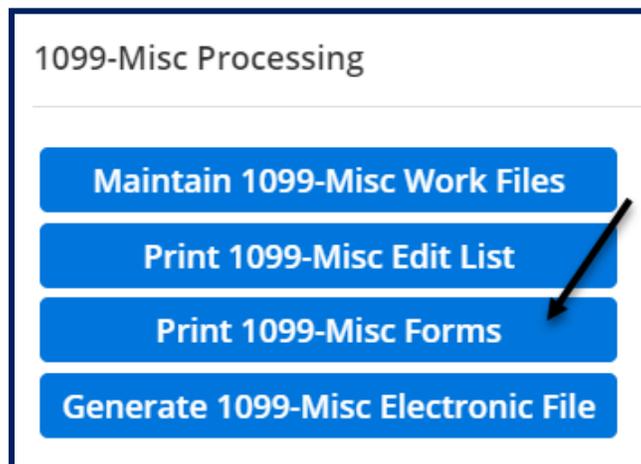
File Name H:/Todd.Zimmerly/rpt/1099mfrm.rpt

OK
Back

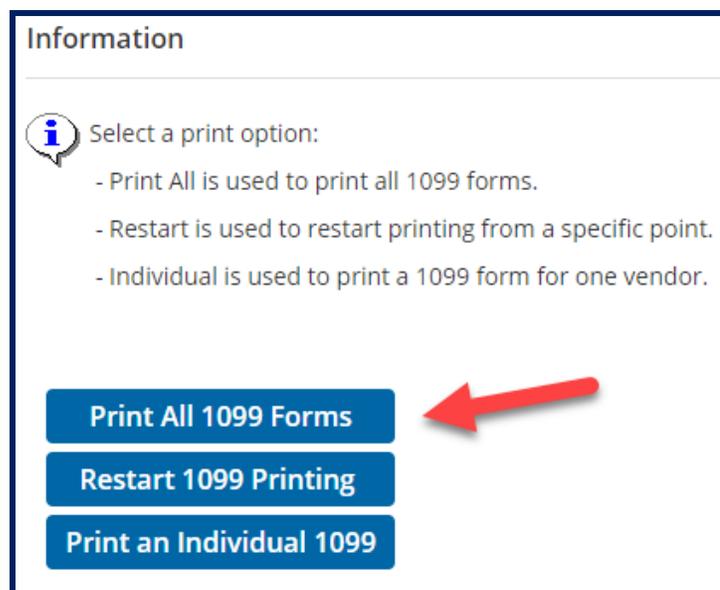
- e. Click the **BACK** icon twice to return to the 1099 Processing menu.
-

7. **Print** the 1099 forms for all vendors.

- a. Click the Print 1099-MISC Forms link on the 1099 Processing menu.



- b. Click Print All 1099 Forms.



- c. Verify the **year** and select the desired **1099 print parameters** based on the forms being used. Click **Create Attachments** to create PDF images of the 1099 forms.

Print Criteria	
Tax Year *	2021
Print Payer Name/Address	<input checked="" type="checkbox"/>
Set Correction Flag	<input type="checkbox"/>
Form Type *	Pressure Sea
Reverse Portrait Printing	<input type="checkbox"/>
Pre-Printed Front	<input type="checkbox"/>
Pre-Printed Back	<input checked="" type="checkbox"/>
Form Copy *	
Mask Federal Tax ID for Copy B - Recipient	<input type="checkbox"/>
Create Attachments?	<input checked="" type="checkbox"/>

- d. Click the **CHECKMARK** icon in the top action bar.
- e. Click **OK** to print the 1099 forms.

Print - Rittman Exempted Village SD - Test

PRINT 1099-MISC FORMS

Destination	Printer Options
<input checked="" type="radio"/> Printer	Printer Name <input type="text" value="Defined Destination"/>
<input type="radio"/> File	Number of Copies <input type="text" value="1"/>
File Options	
File Name <input type="text" value="H:/Todd.Zimmerly/rpt/1099mfrm.rpt"/>	

f. Click OK after processing has reached 100%.

Processing.... - Rittman Exemp...

Time

Start	12:22
Current	12:22
Estimated Finish	12:23

Progress

Total Records	2
Records Processed	2

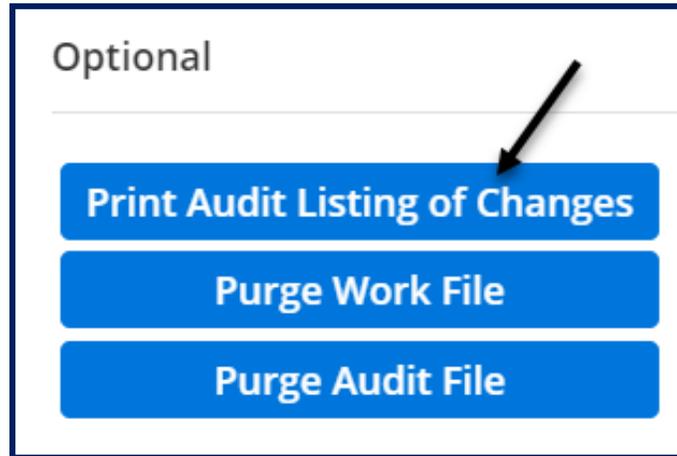
100 %

OK

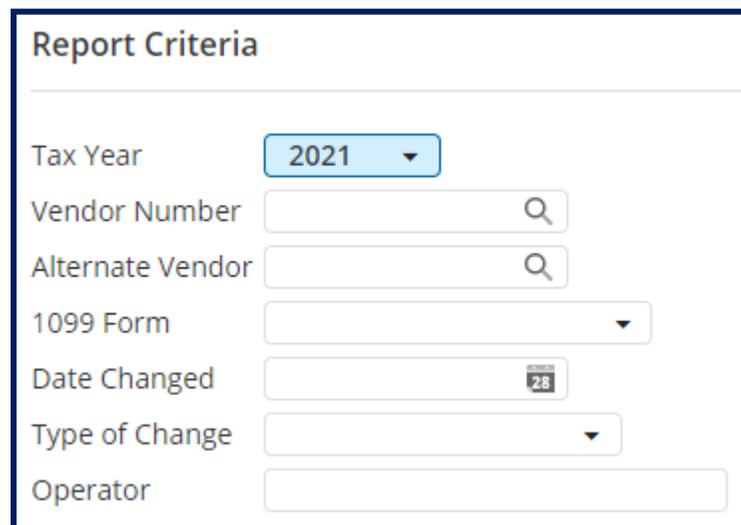
g. Click the **BACK** icon twice to return to the 1099 Processing menu.

8. Print the 1099 audit file.

a. Click **Print Audit Listing of Changes** on the 1099 Processing menu.



- b. Verify the **year** and click the **CHECKMARK** icon in the **top action bar**.



Report Criteria

Tax Year

Vendor Number

Alternate Vendor

1099 Form

Date Changed

Type of Change

Operator

- c. Click **OK** to print the 1099 audit report.

Print - Rittman Exempted Village SD - Test

1099 AUDIT REPORT

Destination	File Options
<input type="radio"/> File	File Name <input type="text" value="H:/Todd.Zimmerly/rpt/1099audt.rpt"/>
<input checked="" type="radio"/> Screen	
<input type="radio"/> Excel	

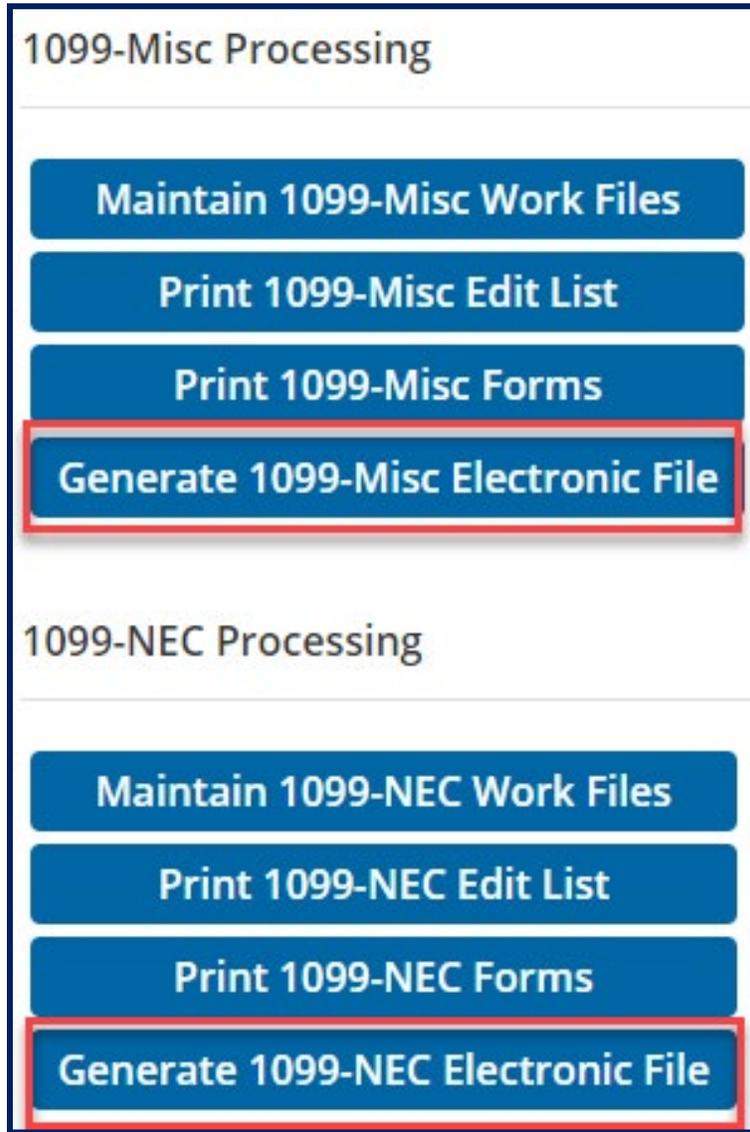
Excel Options

Data Option

Run in the Background

- d. Open the 1099 audit report. Depending on your browser and browser settings, this file will show on your screen as a report to open or may be downloaded directly to your downloads folder.
 - e. Click the **BACK** icon in the top action bar to return to the 1099 Processing menu.
-

9. Create the 1099 electronic file.
 - a. Click the appropriate selection on the 1099 Processing menu depending on whether you are creating the **1099-MISC** or **1099-NEC file**.



1099-Misc Processing

Maintain 1099-Misc Work Files

Print 1099-Misc Edit List

Print 1099-Misc Forms

Generate 1099-Misc Electronic File

1099-NEC Processing

Maintain 1099-NEC Work Files

Print 1099-NEC Edit List

Print 1099-NEC Forms

Generate 1099-NEC Electronic File

- b. Verify the year in the electronic file setup and any other setup criteria.

Note: The Federal/State Filer box should be checked for 1099-MISC forms and NOT checked for 1099-NEC forms.

★ **1099-MISC Settings**

Electronic File Setup

Tax Year * 2021

Payer Name * RITTMAN VILLAGE BOARD OF EDUCATION

Payer Street * 100 SAURER STREET

Payer City * RITTMAN

Payer State * OH Zip Code * 44270

Payer Phone * 330-927-7401

Federal EIN Number * [REDACTED]

Payer Name Control [REDACTED]

Transmitter Code [REDACTED]

Federal/State Filer * 

Extract Payee Control Name

File Indicator * O - Original

Alpha Char [REDACTED]

File Name: [REDACTED]

File Type * 1 - Electronic File

★ **1099-NEC Settings**

Electronic File Setup

Tax Year * 2021

Payer Name * RITTMAN VILLAGE BOARD OF EDUCATION

Payer Street * 100 SAURER STREET

Payer City * RITTMAN

Payer State * OH Zip Code * 44270

Payer Phone * 330-927-7401

Federal EIN Number * [REDACTED]

Payer Name Control [REDACTED]

Transmitter Code [REDACTED]

Federal/State Filer * 

Extract Payee Control Name

File Indicator * O - Original

Alpha Char [REDACTED]

File Name: [REDACTED]

File Type * 1 - Electronic File

c. Click **OK** to create the electronic 1099 file.

Print - Rittman Exempted Village SD - Test

1099-MISC ELECTRONIC FILE FOR TAX YEAR: 2021

Destination	Printer Options
<input checked="" type="radio"/> File	Printer Name <input type="text" value="Default"/>
<input type="radio"/> Screer	Number of Copies <input type="text" value="1"/>

File Options

File Name

OK **Back**

d. Click **OK** to create the 1099-MISC detail report.

Print - Rittman Exempted Village SD - Test

1099-MISC DETAIL REPORT

Destination	File Options
<input type="radio"/> File	File Name <input type="text" value="H:/Todd.Zimmerly/rpt/1099dtlm.rpt"/>
<input checked="" type="radio"/> Screen	

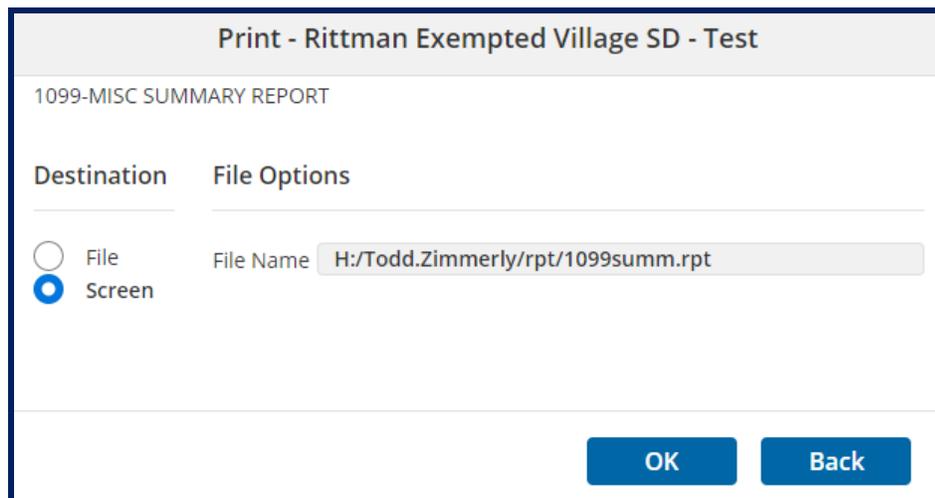
OK **Back**

- e. Open the 1099-MISC electronic detail report. Depending on your browser and browser settings, this file will show on your screen as a report to open or may be downloaded directly to your downloads folder. Verify the information on this report.

✓ **Verify Totals on Detail Report**

Verify the information on this report. This is the information which will be reported in the electronic file.

- f. Click **OK** to create the 1099-MISC summary report.



Print - Rittman Exempted Village SD - Test

1099-MISC SUMMARY REPORT

Destination	File Options
<input type="radio"/> File	File Name <input type="text" value="H:/Todd.Zimmerly/rpt/1099summ.rpt"/>
<input checked="" type="radio"/> Screen	

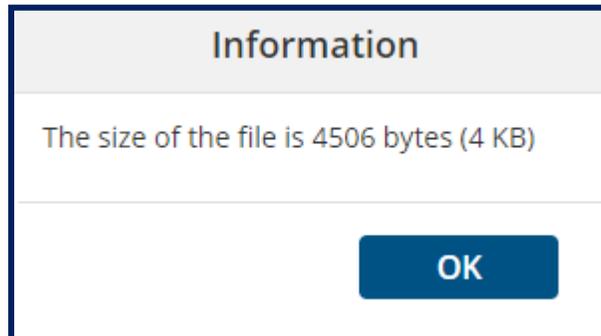
OK Back

- g. Open the 1099-MISC electronic summary report. Depending on your browser and browser settings, this file will show on your screen as a report to open or may be downloaded directly to your downloads folder. Verify the information on this report.

✓ **Verify Totals on Summary Report**

Verify the information on this report. This is the information which will be reported in the electronic file.

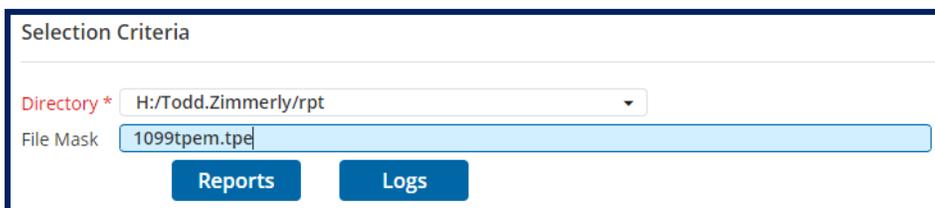
- h. Make note of the 1099 file size and then click **OK**.



- i. Click the **BACK** icon on the top action bar to return to the 1099 Processing menu.
-

10. Download the 1099 electronic file to your computer.

- a. Access the View Files (e-Forms & Tools) area of eFP.
- b. Enter the 1099tpem.tpe file name in the File Mask field. **Note: the file name for the 1099-NEC file is 1099tpen.tpe.**



The image shows a form titled "Selection Criteria". It has two input fields: "Directory *" with the value "H:/Todd.Zimmerly/rpt" and "File Mask" with the value "1099tpem.tpe". Below the fields are two buttons: "Reports" and "Logs".

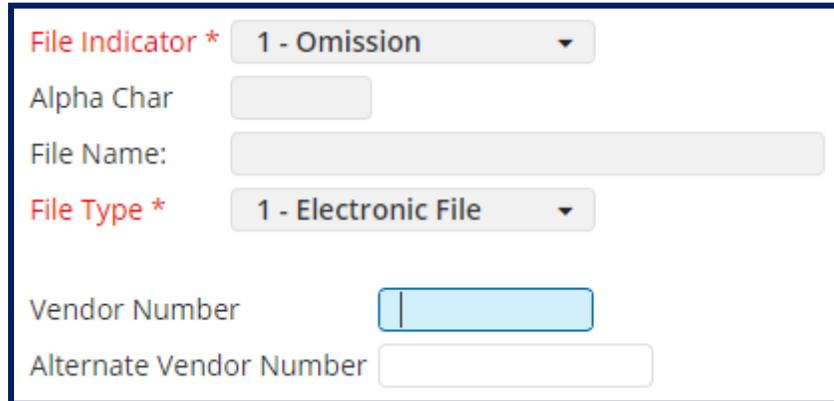
- c. Click the **CHECKMARK** icon on the top action bar to access the file.
 - d. Click the file name so it is highlighted in yellow and click Save to PC in the top action bar.
 - e. Rename the file indicating the calendar year and save the file on your computer or preferably to a network share.
-

11. Submit the electronic file to the IRS using the <https://fire.irs.gov/> site.
 - a. After logging in to the Fire site, click Main Menu in the left taskbar.
 - b. Click Send Information Returns under Menu Options in the left taskbar.
 - c. Enter the TCC and TIN/EIN and click Submit.
 - d. Verify the Filing Information and click Accept.
 - e. Click Original File in the File Type menu in the left taskbar.
 - f. Enter the PIN and click Submit.
 - g. Click Choose File and browse to select the 1099 electronic file which was downloaded from eFP.
 - h. Click Upload.
 - i. Verify the file was uploaded successfully.
 - j. You may return to the Fire site later and review the status of your submission using the Check File Status item in the Main Menu.

12. Repeat steps 4-11 for the processing of 1099-NEC forms.

13. After the filing deadline **if you discover that you missed creating a 1099 you can correct this** by creating an omission file for upload to IRS FIRE site.
 - a. Go to FAM > Periodic Routines > 1099 Processing > Maintain 1099-XXX Work Files > + to create the missing 1099 record
 - b. Repeat step 9 above selecting "**1-Omission**" as the file indicator. When you click the CHECKMARK icon the system will prompt you to enter a

vendor number. The file created will only contain the 1099 for the specific vendor selected.



File Indicator * 1 - Omission

Alpha Char

File Name:

File Type * 1 - Electronic File

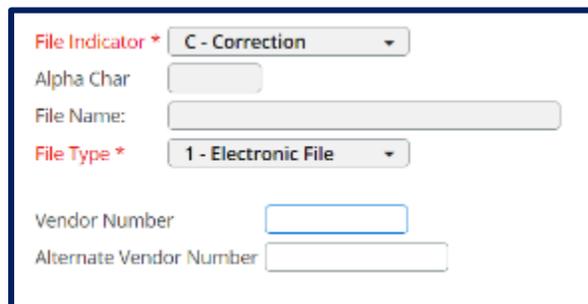
Vendor Number

Alternate Vendor Number

- c. Upload the 1099 Omission File to the IRS using the <https://fire.irs.gov/> site (see step 11).
- d. You should also print this 1099 for the vendor in question using step 6 above to print a single 1099.

14. After the filing deadline if you discover that there was incorrect information on a 1099 you can correct this by creating a correction file for upload to IRS FIRE site.

- a. Go to FAM > Periodic Routines > 1099 Processing > Maintain 1099-XXX Work Files > + to modify the incorrect 1099 record.
- b. Repeat step 9 above selecting "C-Correction" as the file indicator. When you click the CHECKMARK icon the system will prompt you to enter a vendor number. The file created will only contain the 1099 for the specific vendor selected.



File Indicator * C - Correction

Alpha Char

File Name:

File Type * 1 - Electronic File

Vendor Number

Alternate Vendor Number



eFP 1099-Processing

- a. Upload the 1099 Correction File to the IRS using the <https://fire.irs.gov/> site (see step 11).
- b. You should also print this 1099 for the vendor in question using step 6 above to print a single 1099.
 - i. Make sure to check the "**set correction flag**" box when printing this 1099. This places an "X" in the corrected box on the 1099 form.