Calendar Year End

1099 Processing

for Flexgen Software

Agenda

- Getting prepared to process 1099’s
- Steps to create 1099’s information
- Reports to verify totals, and vendor information
- Process to print 1099’s
- Filing your returns electronically

Flexgen 1099 Process

- You can process accounts payables for the **new calendar year,** even if you have not yet processed your 1099's. The 1099 process uses the check dates to keep the years separate.
- LGC software does not require you to complete the 1099 process. If you choose, the 1099's can be completed manually.
- When ordering your 1099 forms remember there are two types of forms:1099-MISC and 1099-NEC.

Introduction

Getting Prepared – Information to review

Single or Multiple EIN (Tax Identification Number) and Amount Limit for 1099’s

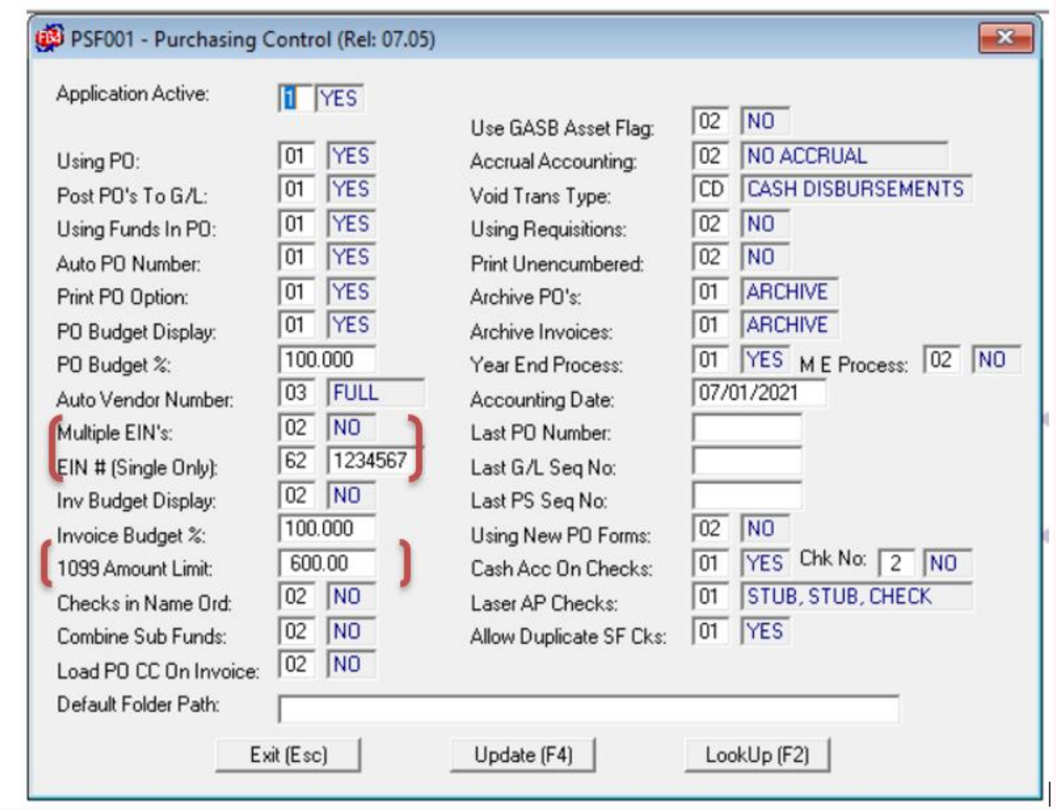
From the Purchasing menu, select

‘Control’ and ‘Purchasing Control’

If you are using a single EIN (Tax Identification Number such as 62-1234567), you must set the multiple EIN flag on the Purchasing Control File to '02-No'. You must also enter the EIN number in this control file.

If you are using multiple EIN’s, you must set the multiple EIN flag on the Purchasing Control File to '01-Yes’.

Verify that the “*1099 Amount Limit*" listed is correct .

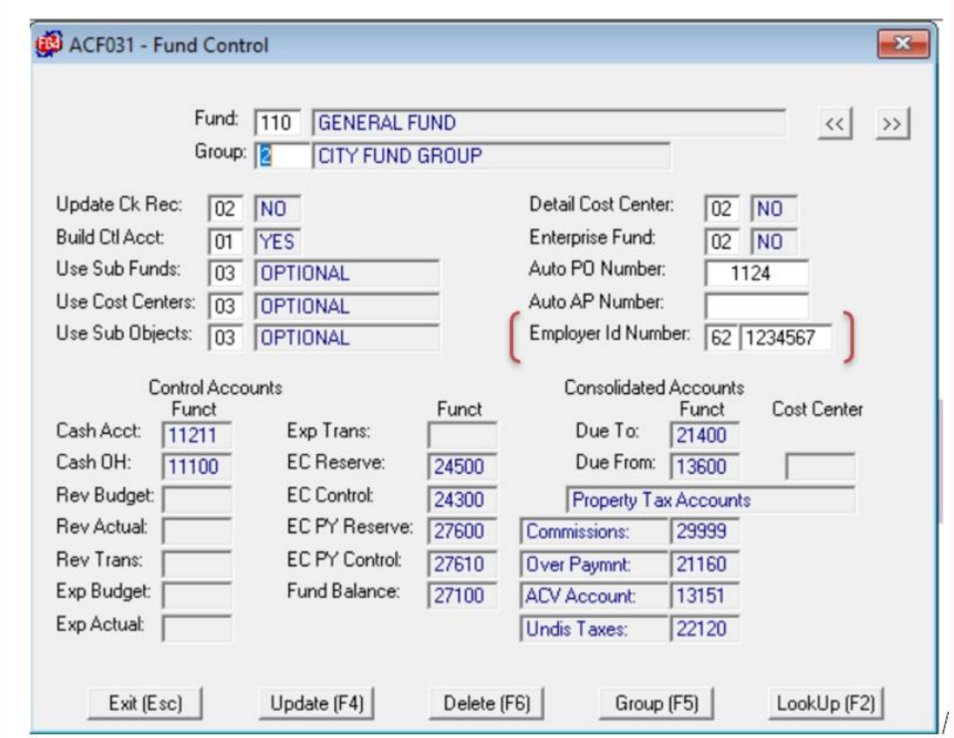


Getting Prepared – Information to review

Using multiple EIN's

Accounting Menu. Select the *'File Handler', 'File Maintenance', 'Account Maintenance', and 'Fund Control'.*

If you are using multiple EIN's, the next step will be to go to the Accounting Menu. Select the *'File Handler', 'File Maintenance', 'Account Maintenance', and 'Fund Control'.* You must set up the correct EIN *(Employer ID Number)* for each fund in the fund control.

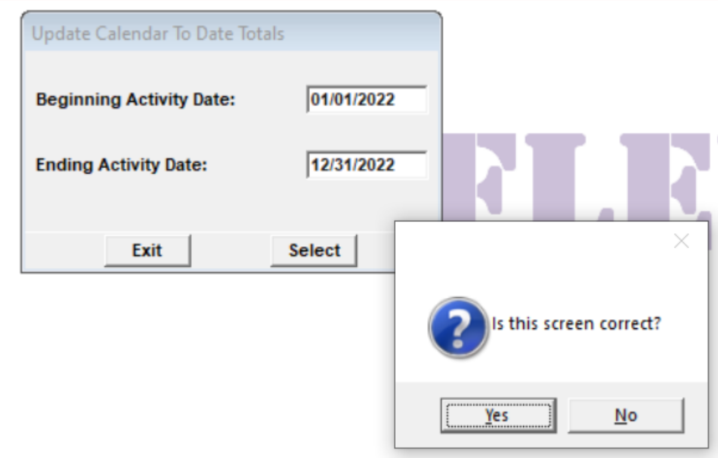


Getting Prepared – Information to review

Review *and/or* Correct Vendor Records

Run the ***'Update Calendar To Date Totals'*** option by selecting *'Period End'*, *'Year End'*, *'Calendar'*, *'Update Calendar to Date Totals'.* The Beginning Activity Date will be 01/01/2022 and the Ending Activity Date will be 12/31/2022.

This process will update each vendor's *Calendar to Date* history with a grand total for the year based of the invoices paid.



Getting Prepared – Information to review

Review *and/or* Correct Vendor Records

Run a ***1099 Vendors Report*** to verify the 1099 Information. From the Purchasing Menu, select *'Vendor', 'Vendor Listings', and '1099 Vendors'.*

PSQ115 2021/10/19 17:20:52 Local Government Data Demo FlexGen4(7.1U) Page: 1

1099 Vendors Report

	Vendor Name	1099 Type	SSN #	Tax #	1099 Amount	CTD Purchases
-000116	TEST RECORD 714 Armstrong Lane COLUMBIA, TN 38401	01 RENTS	999-99-9993	99-9999999	$2,000.00	$3,950.00
A-000260	JANE DOE 714 Armstrong Lane COLUMBIA, TN 38401	07 NONEMPLOYEE COMP	999-99-9260	99-9999999	$250.00	$250.00
Y-000019	Z BUILDER 714 Armstrong Lane COLUMBIA, TN 38401	03 OTHER INCOME	999-99-5633	99-9999999	$650.00	$650.00

Total Number of Vendors: 3

* End of Report: Local Government Data Demo *

Getting Prepared – Information to review

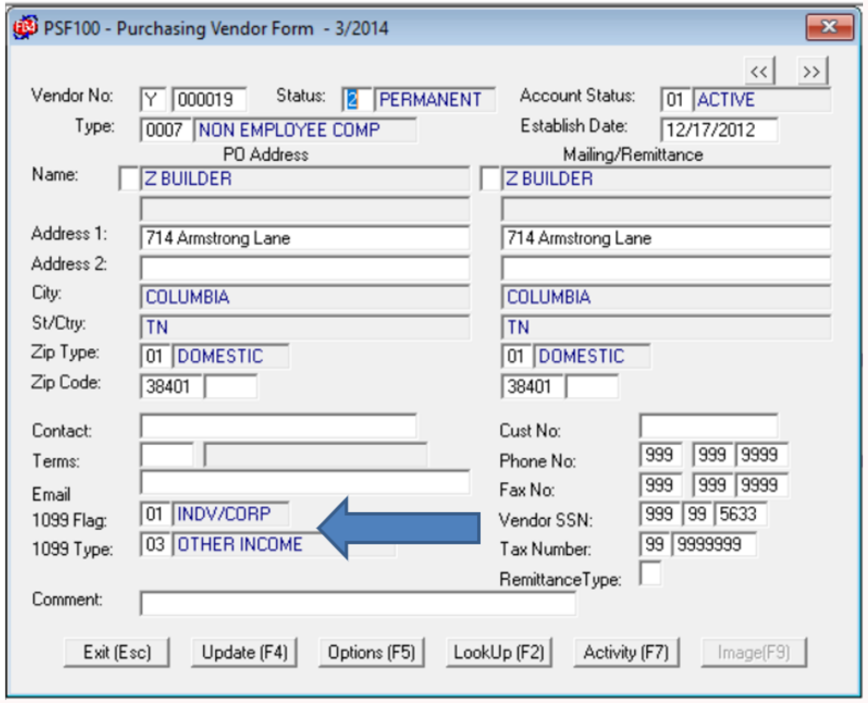
Review *and/or* Correct Vendor Records

Tip: It is a good idea to be sure you have a current and accurate W-9 on file for each vendor you have flagged as a 1099 vendor.

The process only considers vendors who are flagged as 1099 vendors. While adding your vendors during the year, you must set the 1099 flag on the ***Vendor Maintenance Screen*** for each 1099 vendor. If you have vendors that are **not** flagged as a 1099 vendor and need to get a 1099, go into the Purchasing Menu and select *'Vendor', then 'Vendor*'.

Select each Vendor that should be flagged as a 1099 vendor and flag them with *'01-'Individual'.* Enter the *Social Security Number or Tax ID Number.* Then select the *1099 type* that applies to the vendor.

These can be selected from the 'F2 Lookup'. Make a note of the vendors that are not flagged as 1099 vendors for the entire year. Because later in the process, you will need to add the 1099 amount to the Payee Master File for these vendors.



Getting Prepared – Information to review

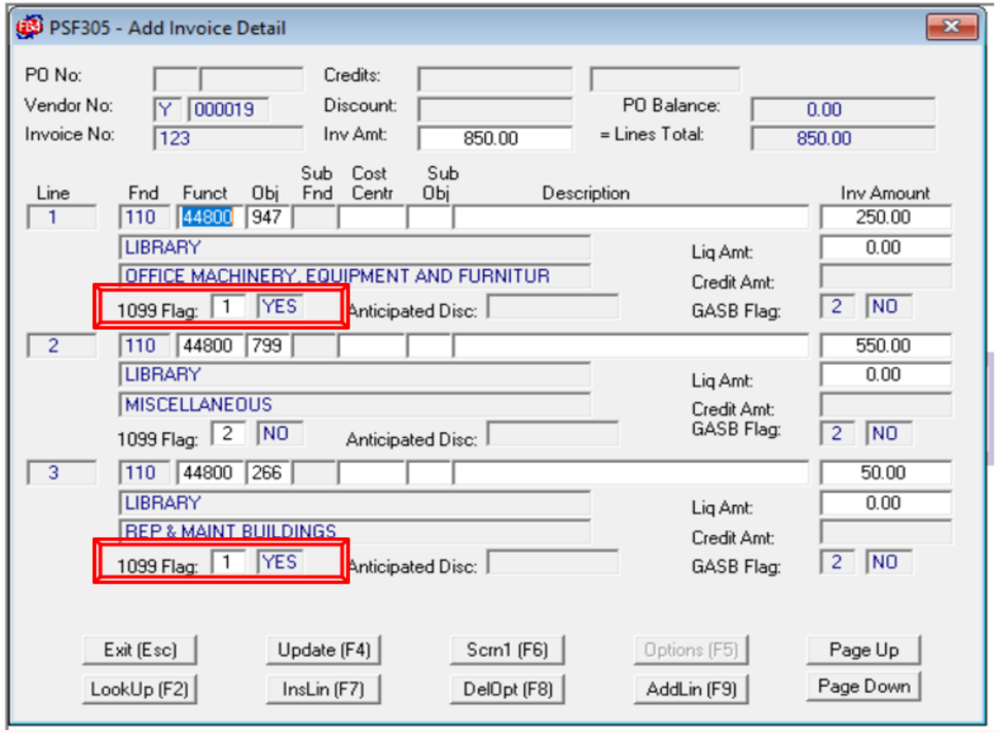
Review *and/or* Correct Vendor Records

During the year as invoices are paid, you can determine line by line if an invoice amount is to be considered for 1099 reporting. If the vendor is a 1099 vendor, each line of an invoice will be considered as a 1099 amount unless you set the 1099 flag to '02-No' for a specific line.

Through the year, as invoices are paid, the system will move them to the invoice history file. The 1099 process will look at these paid invoices and total the 1099 amounts for each vendor. The 1099 process will look at these paid invoices and total the 1099 amounts for each vendor.

The totals are determined by the *1099 flag being used* on each invoice and a grand total amount for the Calendar year will be accumulated. A vendor is assigned as a 1099 vendor, but this can be changed per invoice if necessary.

In the example, you can see how each line item per invoice can be marked *yes or no* as a 1099 item.

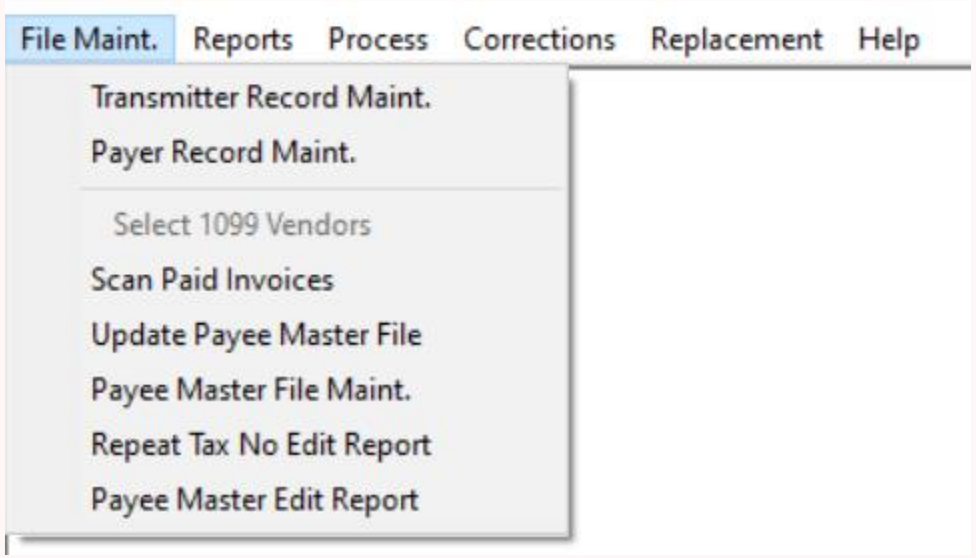


If an invoice is flagged 'No' or 'Yes' on the 1099 flag in error, the reporting amount will need to be manually adjusted in the ***Payee Master File Maint*. during the 1099 process.

The 1099 Process

Backup Files	Make sure you have enough 1099 forms	Make a list of vendors that were *not* flagged as 1099	If an invoice is flagged 'No' or 'Yes' on the 1099 flag in error, the reporting amount will need to be adjusted.	Backup Files
Label 1099 “Before”	Having a few extra is a good idea	These vendors may need to be maintenanced during the 1099 process	Invoice amounts you know were flagged in error, remember to maintenance.	Label 1099 “After ”

You are now ready to begin the 1099 process. From the Purchasing Menu select *‘Period End’, ‘Year End’, ‘Calendar’, and ‘1099 Menu’.*



File Maintenance

Transmitter Record Maintenance

This is the first information to add before 1099's can be processed. This information will only have to be added once. After it has been entered, all you need to do each year is confirm that it is still correct. You can access a F1 'Help' key for each field on the screen to give the related information from the IRS.

Trans Code

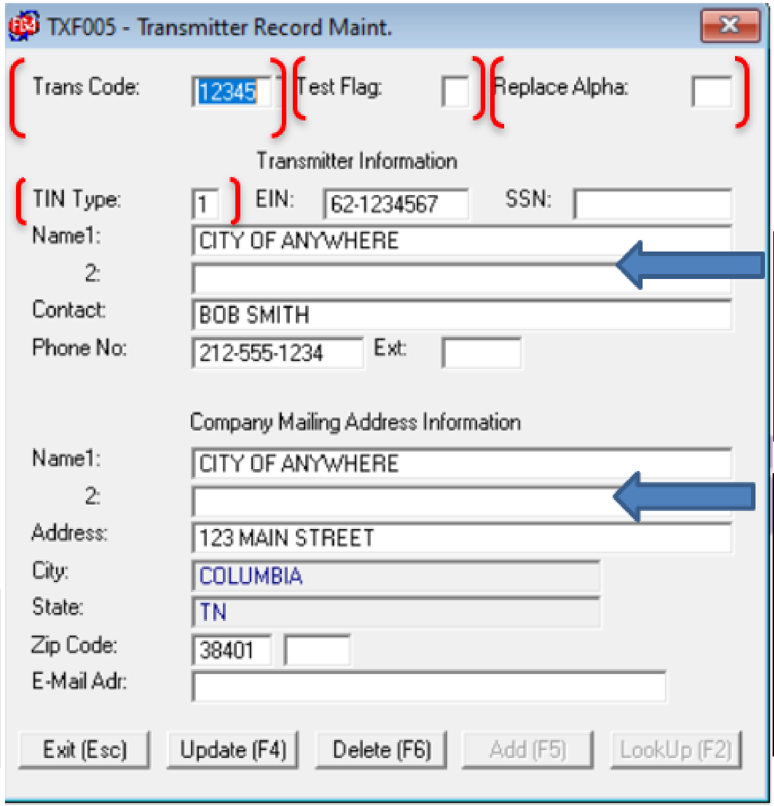
This 5-character field holds the TCC (transmitter control code) assigned by the IRS/MCC. This is used for electronic filing only.

Test Flag

This field is only used if you are sending in a test file. The only correct answer for this field is 'T'. **If you are not sending a test file, leave this field blank**.

TIN Type

This 1-character field is used to identify the type of tax number used by the transmitter. A '1' indicates they are using an EIN, while a '2' indicates they are using a SSN. The majority of LGC customers will answer this with a '1'.



Replace Alpha

This field is only used if you are sending in a test file. The only correct answer for this field is 'T'. **If you are not sending a test file, leave this field blank**.

Name of your Office, the employee to Contact about 1099 information and Phone number should be entered here.

Name of your office, Mailing Address and Email address of the Contact Person for 1099 information should be entered here.

File Maintenance

Payer Record Maintenance

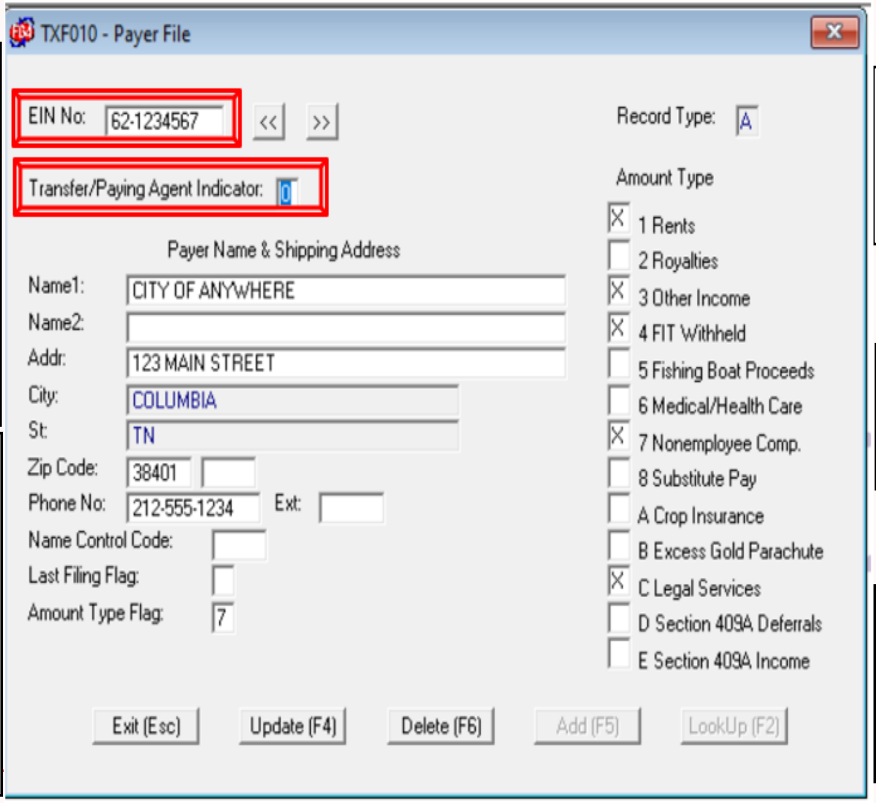
You will need to set up a Payer Record for each EIN that you are reporting to the IRS. The maintenance form provides lookups from the purchasing control for single EIN users and a lookup from the fund control for multiple EIN users. Each field also has a 'Help' option with the IRS specifications. This information will only have to be added once and verified each year.

Transfer/Paying Agent Indicator

This field contains 1 character. A '0' indicates that the information is related to the payer and not a separate transmitter. Whereas a '1', indicates that the transfer or paying agent is not the transmitter.

Example: 'City of Anywhere' is the transmitter, but the 'City of Anywhere Water Dept' is the payer and has its own EIN number.

- Name of your office
- Mailing Address
- Phone Number



Name Control Code

These 4 characters are usually included in a 1099 package sent from the IRS to most payers. This field is only used if the payer is not using magnetic media to report their information. If the correct information is unknown, leave this field blank

Last Filing Flag

If a '1' is entered, it will indicate that this will be the last year this payer will be filing. Otherwise, leave this field blank.

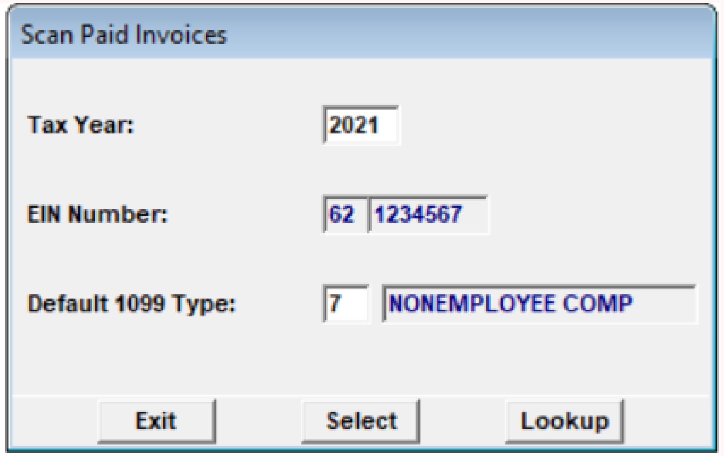
Amount Type Flag

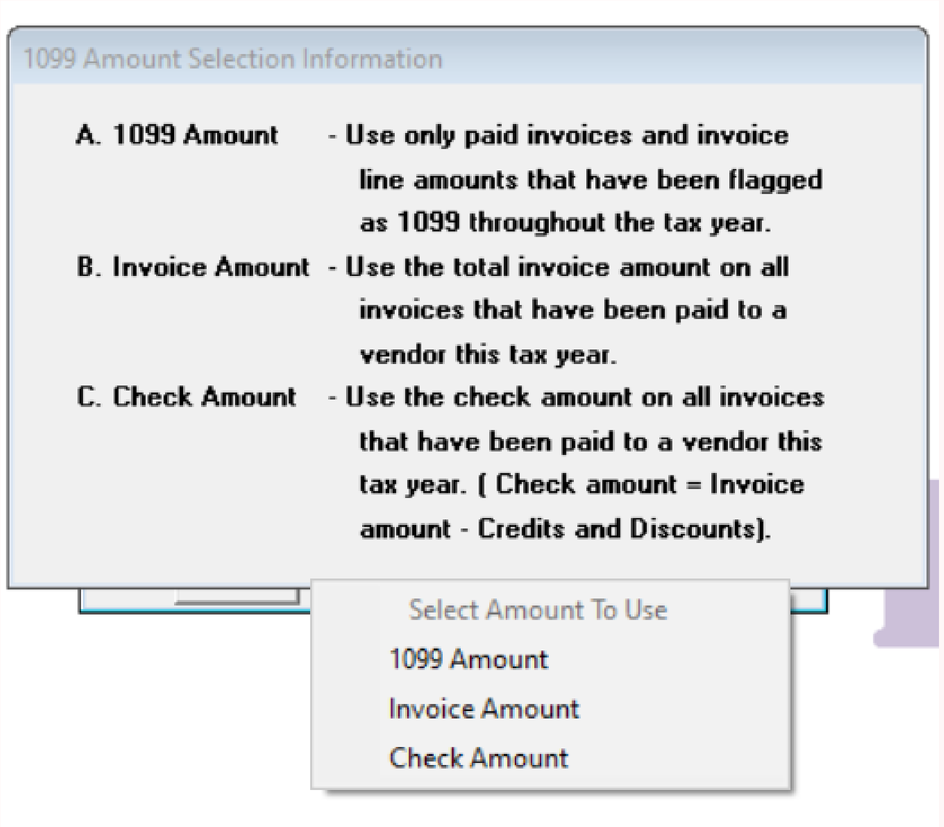
This field indicates the most commonly used amount type. The system will place an 'X' by the type that is stored in this field. This should be selected from the 'F2 Lookup' option.

.

Select 1099 Vendors

Scan Paid Invoices - You will need to change the tax year to **2022**. When you scan the paid invoices, you are given the option of which amount to use: 1099, Invoice, or Check.



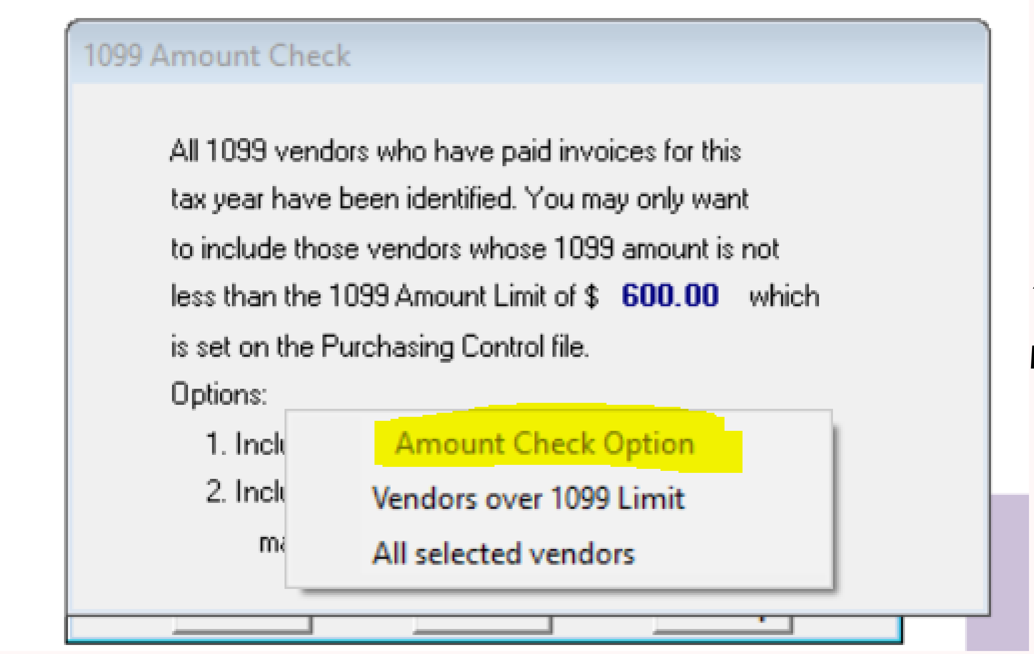


Note: If you have multiple EIN's, you will run this option for the first EIN and then select Update Payee Master File before selecting the next EIN.

Select 1099 Vendors

1099 Amount

This process will read the paid invoice history file and identify all 1099 vendors. It will also gather their 1099 amounts by 1099 type and total the 1099 amounts. An edit report, which shows any missing information, is given at the end of the scan process. Investigate any line that contains an '*'.



"Vendors over 1099 Limit" will pull all 1099 vendors with payment history of $600 and above.

"All selected vendors" will pull all 1099 vendors regardless of the amount of payment history.

Select 1099 Vendors

1099 Amount

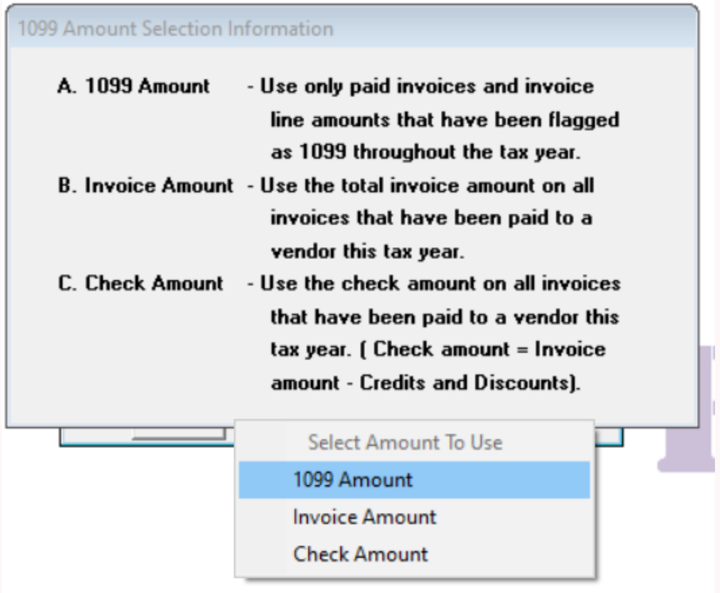
This process will read the paid invoice history file and identify all 1099 vendors. It will also gather their 1099 amounts by 1099 type and total the 1099 amounts. An edit report, which shows any missing information, is given at the end of the scan process. Investigate any line that contains an '*'.

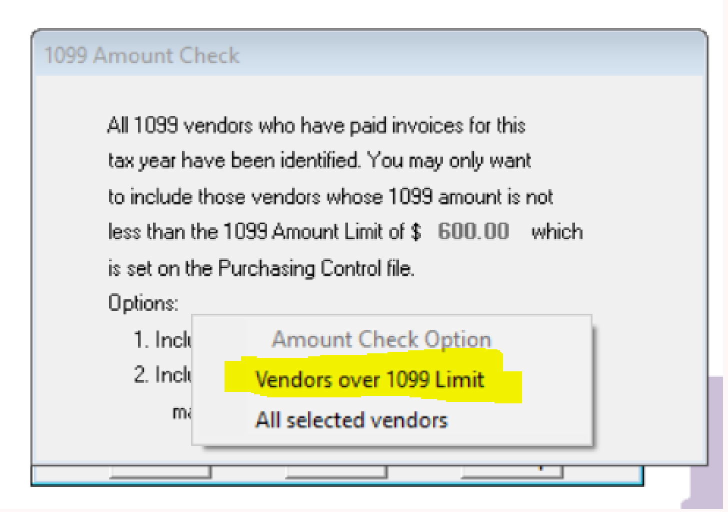
```
TXQ095     2021/10/21 16:41:17                  TOWN OF SAMPLE                     FlexGen4(7.1U)    Page:    1

                                          Selected Vendors Edit Report

        Vendor Name                        1099 Type                         SSN #           Tax #           Reporting Amt

 -000116 TEST RECORD                     01 RENTS                        999-99-9993     99-9999999           $250.00
        714 Armstrong Lane
        COLUMBIA, TN 38401
   ***                          Vendor 1099 amount is less than  600.00

A-000260 JANE DOE                        07 NONEMPLOYEE COMP             999-99-9260     99-9999999         $1,500.00
        714 Armstrong Lane
        COLUMBIA, TN 38401

Y-000019 Z BUILDER                       03 OTHER INCOME                 999-99-5633     99-9999999           $850.00
        714 Armstrong Lane
        COLUMBIA, TN 38401


* End of Report: Local Government Data Demo *
```

Select 1099 Vendors

1099 Amount

"Vendors over 1099 Limit" will pull all 1099 vendors with payment history of $600 and above. Below are examples reports:





In this example, the selection made was vendors by ***1099 amount,*** and ***Vendors over 1099 Limit.***

The report below shows that one vendor matches this criteria.

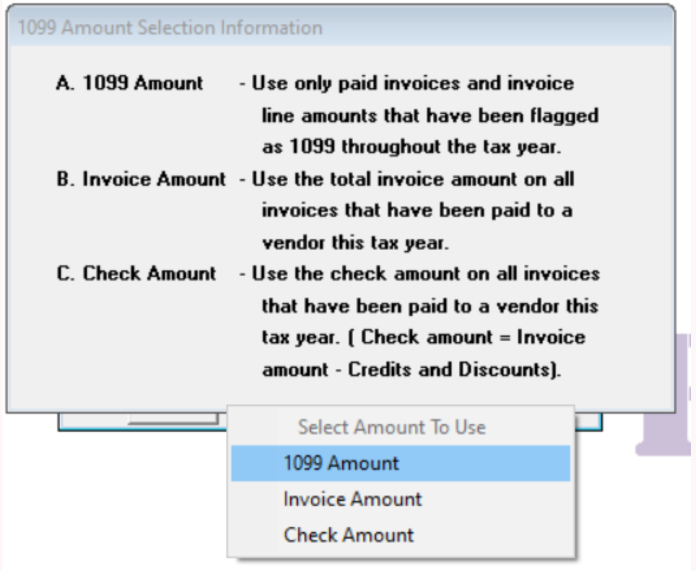
This vendor was flagged as a 1099 vendor and the amount they were paid excess $600 limit in the purchasing control.

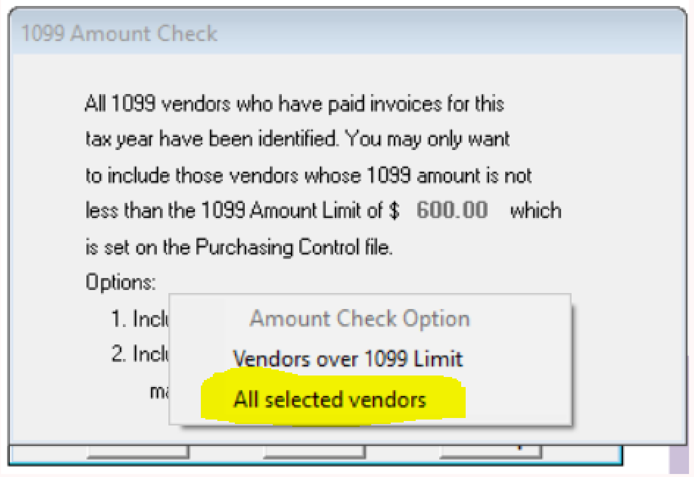
```
TXQ095      2021/10/21 09:23:14                    TOWN OF SAMPLE                    FlexGen4(7.1U)      Page:     1

                                          Selected Vendors Edit Report

        Vendor Name                           1099 Type                         SSN #           Tax #              Reporting Amt

A-000260 JANE DOE                          07 NONEMPLOYEE COMP              999-99-9260      99-9999999                $1,500.00
        714 Armstrong Lane
        COLUMBIA, TN 38401

* End of Report: Local Government Data Demo *
```

Select 1099 Vendors

1099 Amount

All selected vendors" will pull all 1099 vendors regardless of the amount of payment history. *Below are examples reports:*





In this example, the selection made was vendors by ***1099 amount,*** and ***All selected Vendors.***

The report below shows three vendors that matches this criteria.

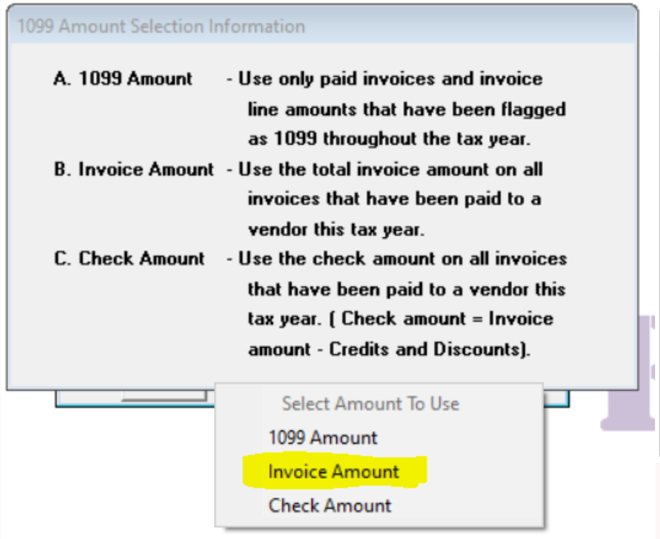
*Since the selection was for "**All**" 1099 vendors the report pulled all the vendors that were flagged as a 1099 vendor.*

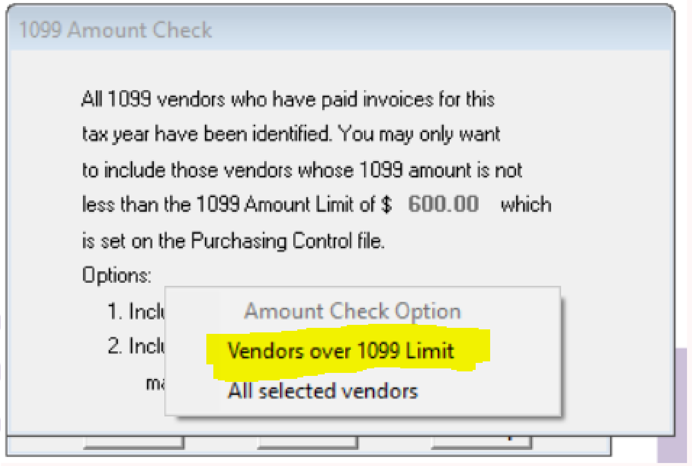
```
TXQ095      2021/10/21 10:00:34                          TOWN OF SAMPLE                          FlexGen4(7.1U)      Page:     1

                                                Selected Vendors Edit Report

         Vendor Name                                 1099 Type                               SSN #           Tax #              Reporting Amt

 -000116 TEST RECORD                            01 RENTS                                999-99-9993     99-9999999              $250.00
         714 Armstrong Lane
         COLUMBIA,  TN 38401
   ***                               Vendor 1099 amount is less than   600.00

A-000260 JANE DOE                               07 NONEMPLOYEE COMP                     999-99-9260     99-9999999            $1,500.00
         714 Armstrong Lane
         COLUMBIA,  TN 38401

Y-000019 Z BUILDER                              03 OTHER INCOME                         999-99-5633     99-9999999              $300.00
         714 Armstrong Lane
         COLUMBIA,  TN 38401
   ***                               Vendor 1099 amount is less than   600.00

* End of Report: Local Government Data Demo *
```

Select 1099 Vendors

Invoice Amount

Invoice Amount selected by "Vendor's *over 1099 Limit "* will pull 1099 vendors by the total amount of invoices paid and report only vendors that meet the 1099 Limit set on the purchasing control.. Below is an example reports:





In this example, the selection made was vendors by ***Invoice Amount*** and ***Vendors over 1099 Limit .***

This process will review all 1099 vendors and the total of all invoices paid. All vendors that have a total paid of ***$600 and above*** will display on this report.

In this case, regardless if the invoice was marked yes or no for 1099, the amounts will be included in the totals.

The report below shows two vendors that match this criteria. One vendor, Z Builder, the total amount of $850 includes two invoices. Invoice one for $300 which was marked yes for 1099's, (reference to page 17) and invoice two for $550 that was **not** flagged for 1099's .

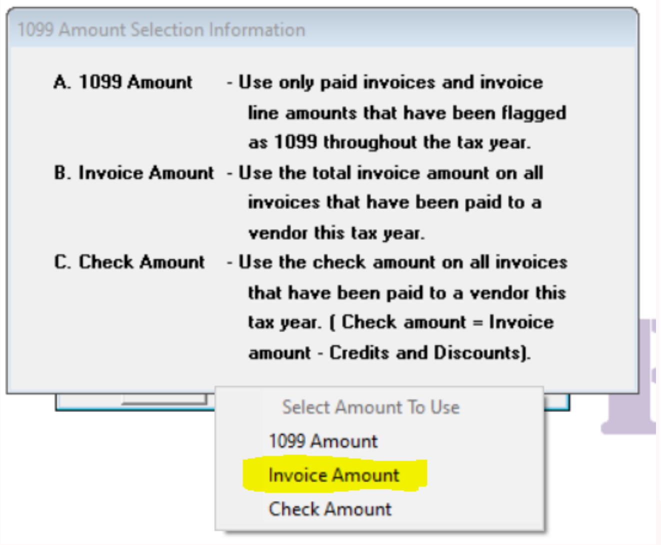
```
TXQ095     2021/10/21 11:17:52              TOWN OF SAMPLE              FlexGen4(7.1U)     Page:    1

                                   Selected Vendors Edit Report

         Vendor Name                    1099 Type                  SSN #        Tax #        Reporting Amt

A-000260 JANE DOE                  07 NONEMPLOYEE COMP          999-99-9260   99-9999999        $1,500.00
         714 Armstrong Lane
         COLUMBIA, TN 38401
                                                                          (invoice is referenced in slide #9 )
Y-000019 Z BUILDER                 03 OTHER INCOME              999-99-5633   99-9999999          $850.00
         714 Armstrong Lane
         COLUMBIA, TN 38401

* End of Report: Local Government Data Demo *
```

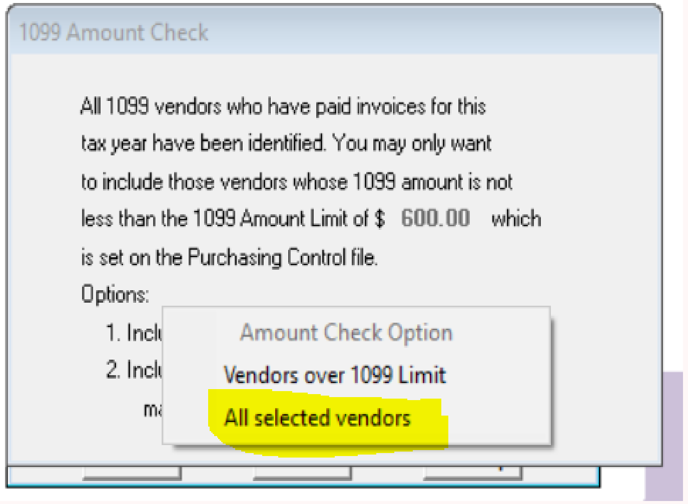
NOTE: This process is used when vendors were not flagged for 1099's and/or invoices were not flagged correctly.

Select 1099 Vendors

Invoice Amount

Invoice Amount selected by "*All selected vendors*" will pull 1099 vendors by the total amount of invoices paid. Below is an example:





In this example, the selection made was vendors by ***Invoice Amount*** and ***All selected vendors.***

This process will review all 1099 vendors and pull the total of all invoices paid. It will **not** reference to the 1099 limit when creating this report.

In this case, regardless if the invoice was marked yes or no for 1099's the amounts will be included in the totals.

The report below shows three vendors that match this criteria. One vendor is less than the 1099 limit which is highlighted in yellow.

TXQ095 2021/10/21 13:44:28 TOWN OF SAMPLE FlexGen4(7.1U) Page: 1

Selected Vendors Edit Report

	Vendor Name	1099 Type	SSN #	Tax #	Reporting Amt
-000116	TEST RECORD 714 Armstrong Lane COLUMBIA, TN 38401	01 RENTS	999-99-9993	99-9999999	$250.00
***		Vendor 1099 amount is less than 600.00			
A-000260	JANE DOE 714 Armstrong Lane COLUMBIA, TN 38401	07 NONEMPLOYEE COMP	999-99-9260	99-9999999	$1,500.00
Y-000019	Z BUILDER 714 Armstrong Lane COLUMBIA, TN 38401	03 OTHER INCOME	999-99-5633	99-9999999	$850.00

* End of Report: Local Government Data Demo *

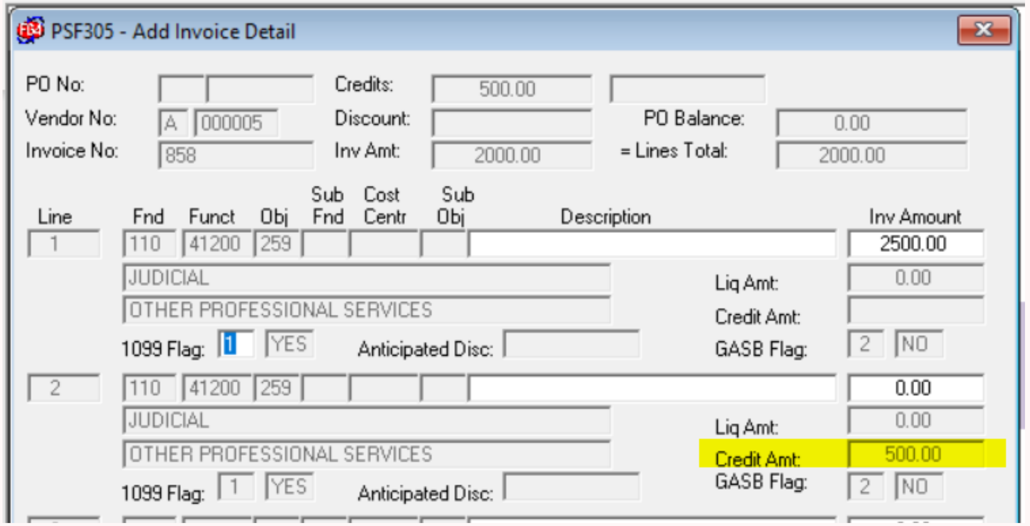
NOTE: This process is used when vendors were not flagged for 1099's and/or invoices were not flagged correctly.

Select 1099 Vendors

Check Amount

Check Amounts – Discounts/Credits = Total amount reported

Check Amount selected by ***"Vendor's over 1099 Limit " or "All selected vendors"*** works the same as the *Invoice Amount* feature , however it will subtract all **discounts/credits** applied.



In this example, the selection was vendors by ***Check Amount*** and ***Vendor's over 1099 Limit.***

The invoice was $2500 with a $500 credit, making the total check amount $2,000.

Below report shows total of $2,000 which is the amount of payment after the credits are applied.

*** Note: If "all selected Vendors" are selected every vendor marked as 1099 vendor will be listed regardless of the amount they are paid.*

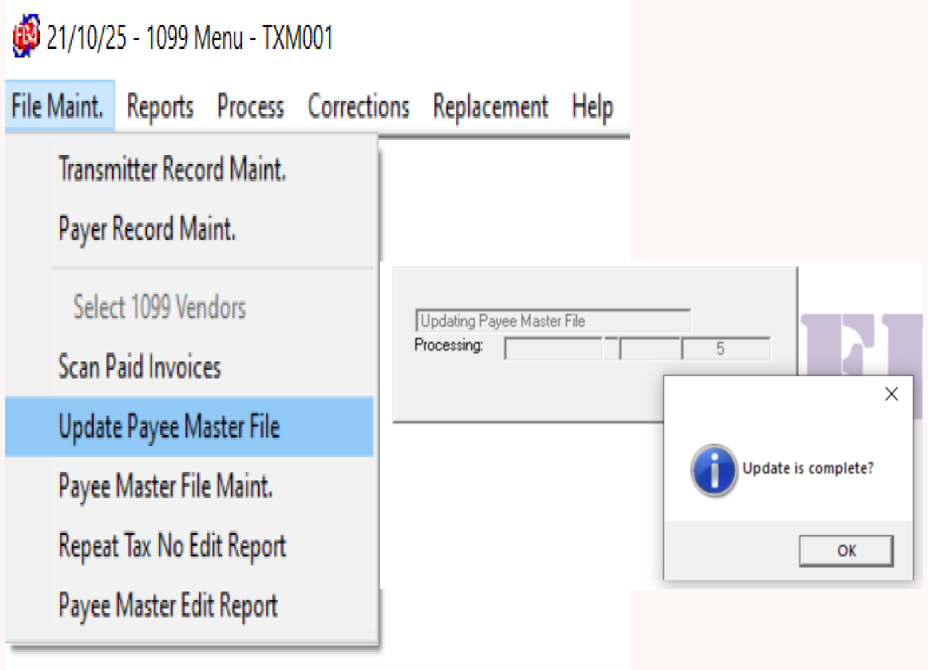
```
TXQ095      2021/10/21 14:26:48              TOWN OF SAMPLE              FlexGen4(7.1U)     Page:    1

                                       Selected Vendors Edit Report

         Vendor Name                  1099 Type                      SSN #        Tax #        Reporting Amt

A-000005 ABC                       03 OTHER INCOME                999-99-9921   99-9999999       $2,000.00
         714 Armstrong Lane
         COLUMBIA, TN 38401
```

Flexgen 1099 Process

Update Payee Information

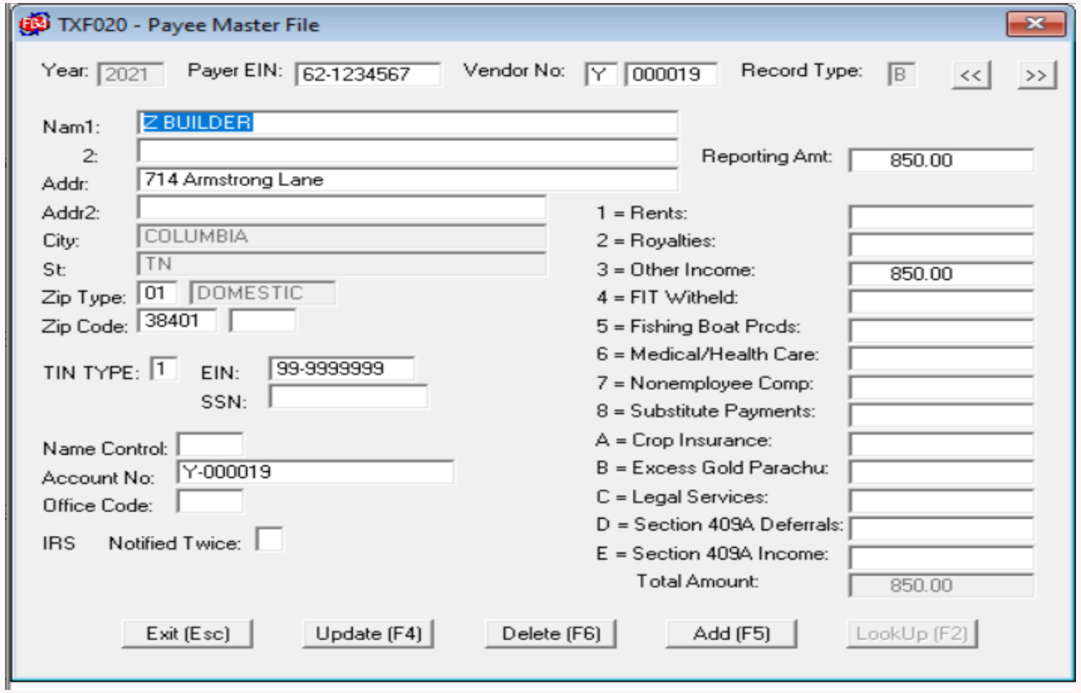
Update Payee Master File

This step is selected after the Scan Paid Invoices has been ran and you have reviewed the edit reports for any errors. All of the vendor information on the purchasing system that is needed for the 1099's will be loaded. **(This option completes quickly)**



Payee Master File Maintenance

After you have updated the Payee Master File with the vendors who were identified during the scan process, you can add, delete, or maintain their information with this option. Vendors that were not properly setup until the end of the calendar year can be added through this option by selecting the 'Purchasing Vendors' from the F2 lookup under Vendor No and fill in the required information on this page.

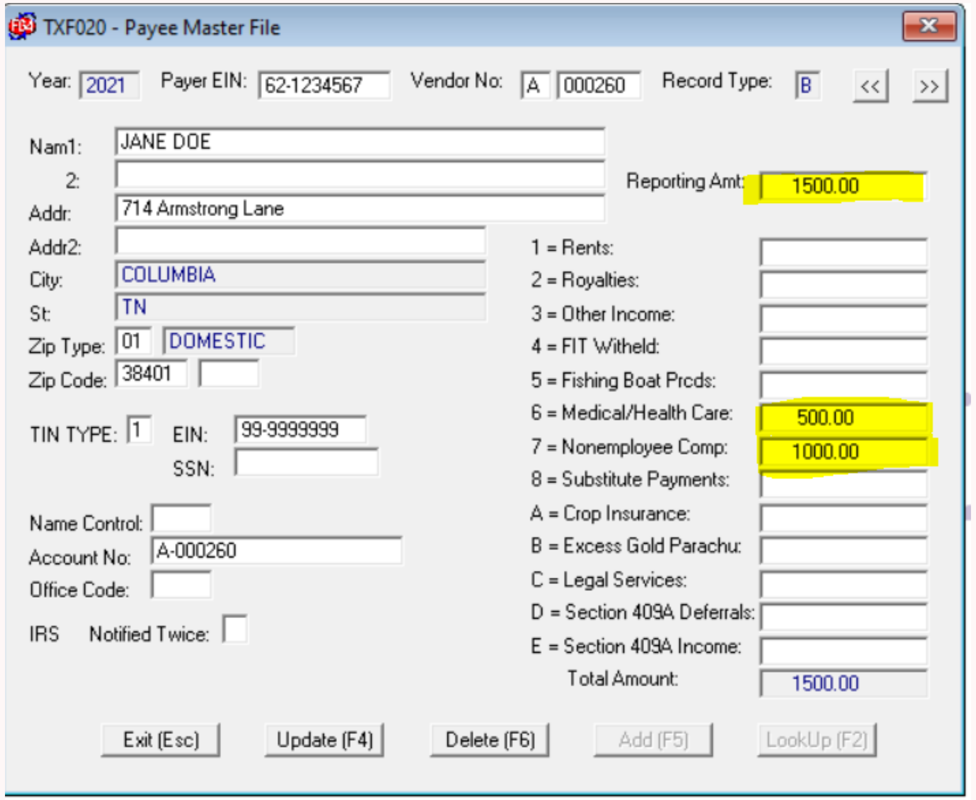


Note: If you have multiple EIN's, you will run all previous options for the first EIN and then select Update Payee Master File before selecting the next EIN.

Update Payee Information

Payee Master File Maintenance

Any changes made here will not affect the vendor purchasing file. ***If you make changes here and run the option to scan paid invoices again, your changes will be lost.*** Also, if you have a sole proprietor vendor you must put the DBA (Doing Business As) name on 'Name 2' for the 1099 form to be compliant per IRS.



For 1099 vendors that were paid for two or more reporting types, under the ***Payee Master File Maintenance*** you can split the amounts accordingly.

In the example, we have Jane Doe who has $1,500 *total reporting amount*, however $500 is for *Medical/Health Care* and $1,000 is for *Nonemployee Compensation*.

Tip: If you want the 1099 to have the individual's name listed first instead of the business, be sure to list the individual's name in the 'Name 1' field and the business name in the 'Name 2' field.

Update Payee Information

Repeat Tax No. Edit Report

This option produces an edit report of the Payee Master File. It is in tax ID number order. Repeat tax ID numbers will be identified by '**' between the vendor number and name. The total number of repeat tax numbers will be at the end of the report. If repeat tax ID numbers are found, they should be consolidated under one payee master record and the others deleted before proceeding with the 1099 process. (Go to 'Payee Master File Maintenance' to consolidate and delete the records.)

```
TXQ225     2021/10/25 16:19:44                       TOWN OF SAMPLE                        FlexGen4(7.1U)     Page:    1

                                                 Repeat Tax No Edit Report

                               Other        FIT      Fish Boat       Nonemp  Med.Health  Substitute     Crop Ins   Gldn Prch   Legal Srv
       Rents    Royalties      Income     Witheld     Proceeds         Comp    Payments    Payments     Proceeds   409A Dfrl   409A Inc

Tax ID Edit Check: ** = Repeat Tax ID Number

Payer:     62-1234567   CITY OF ANYWHERE

Vendor:     -000116     TEST RECORD
TIN Type: 1             714 Armstrong Lane
                        COLUMBIA, TN 38401
TIN No:    99-9999999                                    1099 Amt:         250.00

      250.00

Vendor:    A-000005 **  ABC
TIN Type: 1             714 Armstrong Lane
                        COLUMBIA, TN 38401
TIN No:    99-9999999                                    1099 Amt:        2000.00

                            2000.00

Vendor:    A-000260 **  JANE DOE
TIN Type: 1             714 Armstrong Lane
                        COLUMBIA, TN 38401
TIN No:    99-9999999                                    1099 Amt:        1500.00

                                                           1000.00     500.00

Vendor:    Y-000019 **  Z BUILDER
TIN Type: 1             714 Armstrong Lane
                        COLUMBIA, TN 38401
TIN No:    99-9999999                                    1099 Amt:         850.00

                             850.00
-----------------------------------------------------------------------------------------------------------------------------------
      250.00                2850.00                        1000.00     500.00

  Total for all amount types for this payer:         4600.00

** = Repeat Tax ID Number                     *** 003 Duplicate Tax ID Numbers Detected ***
```

*Note: This report will show you ** by vendors that have repeated EIN/SSN numbers. Also, at the end of the report it will show the total of duplicates that were found.*

Tip: Add the lesser 1099 amount to the record that has the greater 1099 amount then delete the record with the lesser 1099 amount. Run the Report Tax No. Edit Report again to ensure there are no more errors.

Update Payee Information

Payee Master Edit Report

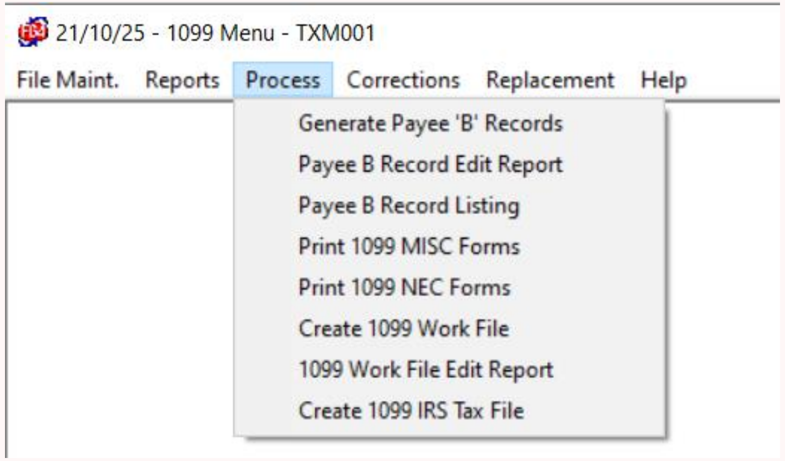
After you have added all of the 1099 vendors that you are going to process and have done any necessary maintenance, you can run the edit report to determine if there is any missing or incorrect information on the Payee Master File before you go to the processing steps. The '****' denotes any errors detected. You will need to investigate those vendors with errors.

```
TXQ200     2021/10/25 16:42:14                         TOWN OF SAMPLE                                FlexGen4(7.1U)     Page:    1

                                                    Payee Master Edit Report

                                Other       FIT      Fish Boat      Nonemp   Med.Health  Substitute    Crop Ins   Gldn Prch    Legal Srv
       Rents    Royalties       Income      Witheld  Proceeds         Comp     Payments    Payments    Proceeds   409A Dfrl    409A Inc

Tax Year: 2021
Payer:    62-1234567    CITY OF ANYWHERE

Vendor:    -000116      TEST RECORD
   TIN:   99-9999999    714 Armstrong Lane
                        COLUMBIA, 38401

      250.00
  ***                         1099 amount less than 1099 Control amount of 600.00

Vendor:   A-000005      ABC
   TIN:   99-9999999    714 Armstrong Lane
                        COLUMBIA, 38401

                              2000.00

Vendor:   A-000260      JANE DOE
   TIN:   99-9999999    714 Armstrong Lane
                        COLUMBIA, 38401

                                                                       1000.00      500.00

Vendor:   Y-000019      Z BUILDER
   TIN:   99-9999999    714 Armstrong Lane
                        COLUMBIA, 38401

                               850.00
-------------------------------------------------------------------------------------------------------------------------------------
      250.00                  2850.00                                  1000.00      500.00

Total 1099 Amount For 62-1234567:        4600.00
=====================================================================================================================================
      250.00                  2850.00                                  1000.00      500.00
Total 1099 Amount For All EINs:          4600.00

                          *** Errors have been detected ***

* End of Report: Local Government Data Demo *
```

*Note: This report will show you ** by vendors that have errors.*

You should check for missing information such as taxpayer identification number.

Process 1099's



Generate Payee B Records

Select the EIN's that you are reporting by using the 'F2 Lookup' and tagging the ones that you wish to process. Remember as elsewhere in the software the enter key is used as a toggle and will remove the tag as well as tag an item. Press the escape key when done with your selections. It will then create the payee B records using the information from the payee master file.

Payee B Record Edit Report

This report identifies any missing or incorrect information. Any incorrect information can be corrected under the Payee Master File Maint option under the File Maint. Panel after this edit is complete. After all corrections have been made, you must rerun step 1(Generate Payee 'B' Records).

Payee B Record Listing

Produces a listing of payees and shows the current information that you are reporting on their 1099's. You must run the 'Generate Payee B Records' option under the 1099 Process menu, before any information will display/print on this report. This report is optional but is a good tool in verifying the information on the 1099's you will be printing in the next step.

Print 1099 MISC Forms

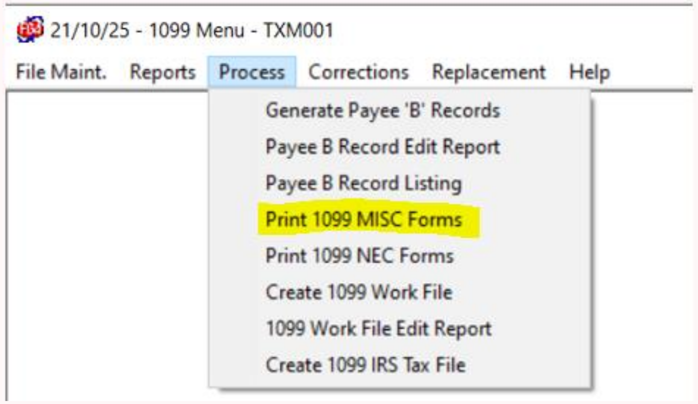
This option will print all types except nonemployee *compensation* records. This option runs by range, but it defaults to include all the payee B records that you have selected. To print them all, simply press the 'F4 Update' key, which is displayed at the bottom of your screen. If you have problems during the print process, you can run this option again. You will select Print 1099 Forms and the form type you need and the Beginning and Ending Payee range. You have 3 options: select a single 1099, a range of 1099 forms, or you can print them all. The example form listed below provided by IRS website.

Print 1099 NEC Forms

This option will print only *nonemployee compensation* records. This option runs by range, but it defaults to include all of the payee B records that you have selected. To print them all, simply press the 'F4 Update' key, which is displayed at the bottom of your screen. If you have problems during the print process, you can run this option again. You will select Print 1099 Forms and the form type you need and the Beginning and Ending Payee range. You have 3 options: select a single 1099, a range of 1099 forms, or you can print them all. The example form listed below provided by IRS website.

Process 1099's

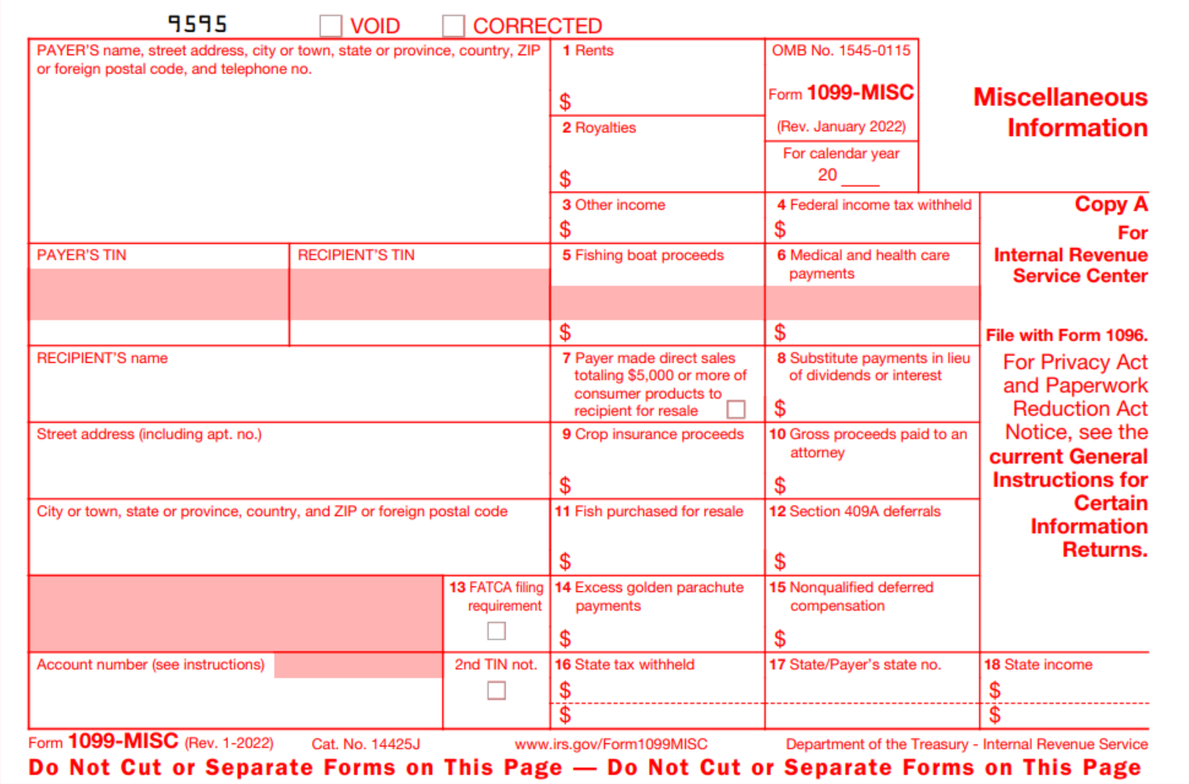
1099 MISC Forms



Print 1099 MISC Forms

This option will print all types except nonemployee *compensation* records. This option runs by range, but it defaults to include all of the payee B records that you have selected. To print them all, simply press the 'F4 Update' key, which is displayed at the bottom of your screen. If you have problems during the print process, you can run this option again. You will select Print 1099 Forms and the form type you need and the Beginning and Ending Payee range. You have 3 options: select a single 1099, a range of 1099 forms, or you can print them all. The example form listed is provided by IRS website.

Laser Forms come as three separate forms. You must enter the print option 3 times to print each form. You will need to switch the form to the next form before printing each time. You will also need to escape out of the print option after each run.



9595 VOID CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

1 Rents $

OMB No. 1545-0115

Form 1099-MISC (Rev. January 2022)

For calendar year 20 ____

Miscellaneous Information

2 Royalties $

3 Other income $

4 Federal income tax withheld $

Copy A For Internal Revenue Service Center

PAYER'S TIN

RECIPIENT'S TIN

5 Fishing boat proceeds $

6 Medical and health care payments $

File with Form 1096.

RECIPIENT'S name

7 Payer made direct sales totaling $5,000 or more of consumer products to recipient for resale

8 Substitute payments in lieu of dividends or interest $

For Privacy Act and Paperwork Reduction Act Notice, see the current General Instructions for Certain Information Returns.

Street address (including apt. no.)

9 Crop insurance proceeds $

10 Gross proceeds paid to an attorney $

City or town, state or province, country, and ZIP or foreign postal code

11 Fish purchased for resale $

12 Section 409A deferrals $

13 FATCA filing requirement

14 Excess golden parachute payments $

15 Nonqualified deferred compensation $

Account number (see instructions)

2nd TIN not.

16 State tax withheld $ $

17 State/Payer's state no.

18 State income $ $

Form 1099-MISC (Rev. 1-2022) Cat. No. 14425J www.irs.gov/Form1099MISC Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

The use of continuous forms has been discontinued. Our system will only print Laser Forms.

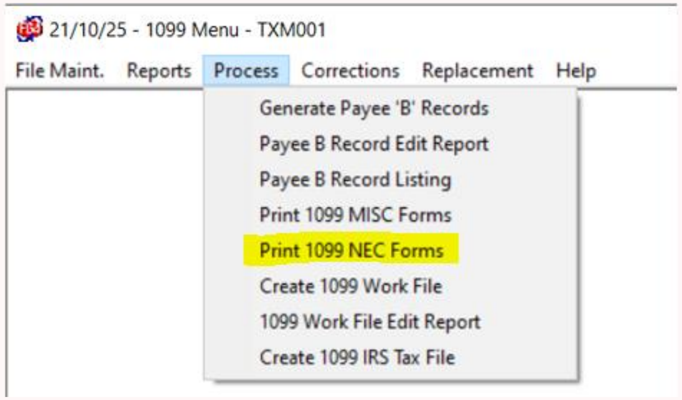
Process 1099's

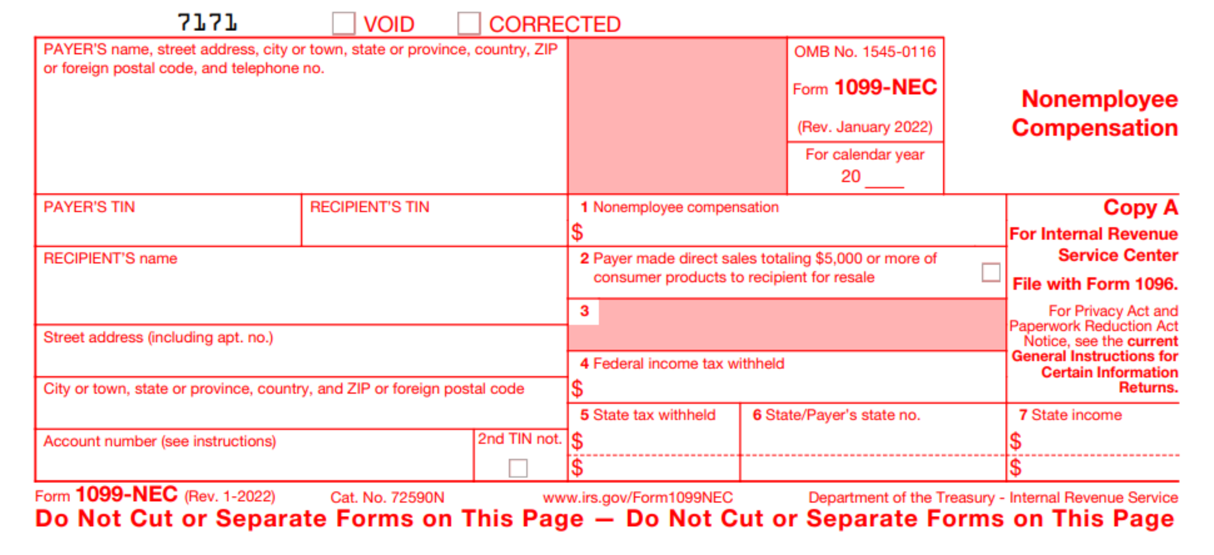
1099 NEC Forms

Print 1099 NEC Forms

This option will print only *nonemployee compensation* records. This option runs by range, but it defaults to include all of the payee B records that you have selected. To print them all, simply press the 'F4 Update' key, which is displayed at the bottom of your screen. If you have problems during the print process, you can run this option again. You will select Print 1099 Forms and the form type you need and the Beginning and Ending Payee range. You have 3 options: select a single 1099, a range of 1099 forms, or you can print them all. The example form listed below provided by IRS website.

Laser Forms come as three separate forms. You must enter the print option 3 times to print each form. You will need to switch the form to the next form before printing each time. You will also need to escape out of the print option after each run.





7171 ☐ VOID ☐ CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

OMB No. 1545-0116

Form **1099-NEC**

(Rev. January 2022)

For calendar year 20 ____

Nonemployee Compensation

PAYER'S TIN | RECIPIENT'S TIN

1 Nonemployee compensation $

Copy A For Internal Revenue Service Center

File with Form 1096.

RECIPIENT'S name

2 Payer made direct sales totaling $5,000 or more of consumer products to recipient for resale ☐

3

For Privacy Act and Paperwork Reduction Act Notice, see the **current General Instructions for Certain Information Returns.**

Street address (including apt. no.)

4 Federal income tax withheld $

City or town, state or province, country, and ZIP or foreign postal code

5 State tax withheld $ $

6 State/Payer's state no.

7 State income $ $

Account number (see instructions)

2nd TIN not. ☐

Form **1099-NEC** (Rev. 1-2022) Cat. No. 72590N www.irs.gov/Form1099NEC Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

NOTE: ***1099-NEC forms have been adjusted where it will print 3 forms per page. The 1099-Misc forms will remain the same, 2 forms per page.***

Process 1099's

Filing your returns electronically

The following options only need to be run if you are filing your returns electronically:

Create 1099 Work File

This process pulls together all the information that is required for reporting to the IRS and loads it onto a 1099 work file that will be used to create the file for the IRS.

1099 Work File Edit Report

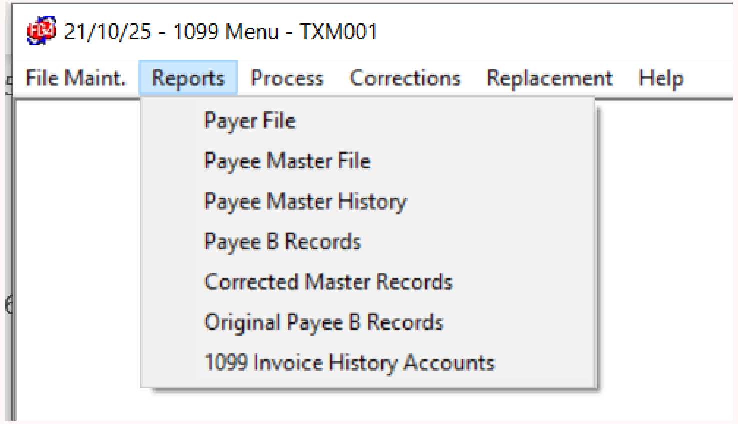
This report will identify any information that may have errors before they are loaded onto the file.

Create 1099 Diskette

This Option builds a file you will send to the IRS. It gives a browse option to allow you to copy your file to a diskette, flash drive, or folder depending on your setup. If your system is set to copy files to a folder or flash drive, then you will retrieve the 1099 file from that location to electronically file your returns to the IRS.

The IRS deadline for electronic filing is January 31, 2022

Reports



The reports under this panel are optional. You may run any report as needed to verify totals, verify corrections, view payee records, etc.

Payer File

produces a listing of the payer files.

Payee Master File

produces a listing of payee files.

Payee Master History

produces a listing of payee master file information for previous years.

Payee B Records

produces a listing of payees and shows the current information that you are reporting on their 1099's. You must run the 'Generate Payee B Records' option under the 1099 Process menu before you will get any information on this report

Corrected Master Records

shows the payee master records that have been corrected and the reason why they were corrected. Corrected master records are those records that have already been reported to the IRS and need to be changed for some reason. You must first make a correction to a payee master record under the Corrections Menu before you will get any information on this report.

Original Payee B Records

produces a listing of the payee B records as they were before you made any corrections.

1099 Invoice History Accounts

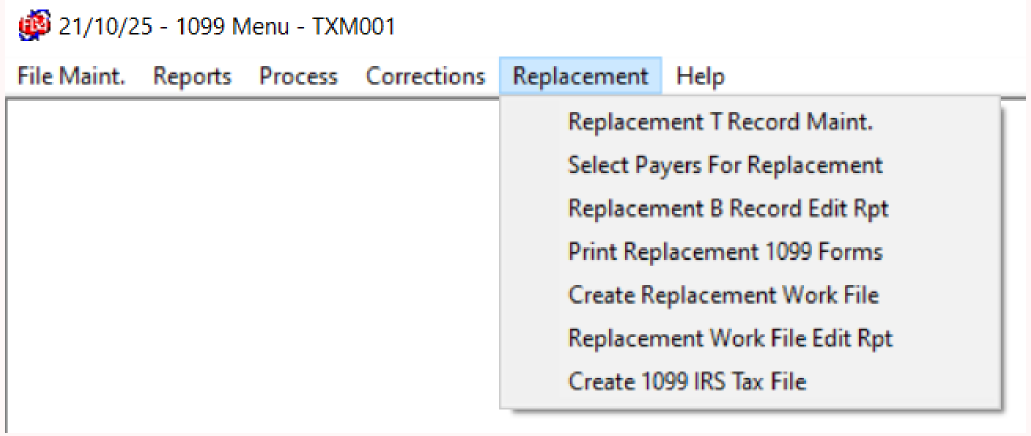
produces a listing that reflects the 1099 amount of paid invoices/checks per vendor that were flagged as 1099 'Yes' on the invoice account line when an invoice was added.

The IRS deadline for electronic filing is January 31, 2022

Creating a replacement disk

If the IRS receives the electronic file and cannot read it or if the file is lost; complete all options on the ‘Replacement’ menu to re-generate **your original file**. The file will be copied to a flash drive, or folder depending on your setup. Electronically resubmit the file to the IRS as an Electronic Replacement.

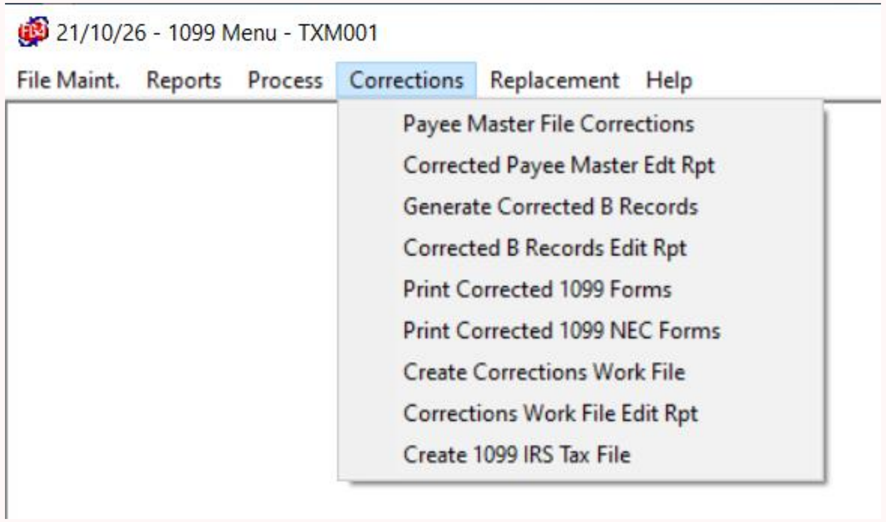
Do not use these options if the IRS found errors or corrections that need to be made.



After you have completed the 1099 process, run the ‘Update Calendar To Date Totals’ option by selecting ‘Period End’, ‘Year End’, ‘Calendar’ and ‘Update Calendar To Date Totals’. The Beginning Activity Date will be 01/01/2022 and the Ending Activity Date will be 12/31/2022. This will update your vendor activity for the new year.

Making Corrections

If corrections need to be made after the file has been sent to the IRS, proceed through each option on the Corrections menu to generate a corrected file.



Payee Master File Corrections & Corrected Payee Master Edit Rpt

Payee Master File Corrections allow you to correct the errors made. The *Corrected Payee Master Edit Report* will review for errors.

Generate Corrected B Records & Corrected B Records Edit Rpt

Generate Corrected B Records reviews the correction made and creates information to print on the corrected form. *Corrected B Records Edit Report* will review information for errors.

Print Corrected 1099 Forms & Print Corrected 1099 NEC Forms

These two options allow you to select the type of form you need to print as a correction for your vendor(s).

Create Corrections Work File & Corrections Work File Edit Rpt

Create Corrections Work File pulls the information from the correction form to compare a before and after picture of the two filings for the vendor(s). *Corrections Work File Edit Report* will review information for errors.

Create 1099 IRS Tax File

Create 1099 IRS Tax File will create the electronic correction file to be submitted to the IRS. A browser box will display allowing you to select the location to load the file.

Note: Base on what vendor record(s) you correct make sure you select *“Print Corrected 1099 Forms”* for the *1099-MISC* and *“Print Corrected 1099 NEC Forms”* for the *1099-NEC*.

Filing 1099 Returns Electronically

Who must file electronically?

If you are required to file 250 or more information returns, you must file these returns electronically.

How to get approval to file electronically?

File Form 4419, Application for Filing Information Returns Electronically/Magnetically, at least 30 days before the due date of the returns. Once approved IRS will assign a Transmitter Control Code (TCC). If you already have a TCC for filing by magnetic media, you do not need another TCC for electronic filing. Form 4419 can be faxed to the IRS at (877) 477-0572 from within the U.S. or the form can also be mailed to

Internal Revenue Service
230 Murall Drive, Mail Stop 4360
Kearneysville, WV 25430

Once a TCC is obtained, electronic filers browse to https://fire.irs.gov and select "**Create New Account**" and assign their own user ID, password, and PIN (Personal Identification Number.)

Electronic Filing Procedures

- Browse to https://fire.irs.gov and log in using your user ID and password
- At Menu Options click "***Send Information Returns***"
- Enter your **TCC**
- Enter your **EIN**
- Click "***Submit***"
- The system will display your company information. Verify or update company information as needed then click "**Submit**"
- Click "***Original File***"
- Enter your 10-digit PIN
- Click "***Submit***"

If your IRSTAX file was copied to a flash drive, place flash drive from Local Government software into PC

- Click "**Browse**" and go to the appropriate drive letter, if you are using a flash drive (example E:). If your IRSTAX file was copied to a folder, you will 'browse' to that folder location to retrieve the file.
- Select the file "**IRSTAX**" from the folder or drive.
- Click "**Upload**"
- When the upload is complete, the screen will display the total bytes received and tell you the name of the file you just uploaded
- It is your responsibility to check the acceptability of your file; therefore, be sure to check back into the system in 1-2 business days using the "**Check File Status**" option.

For more detailed filing instructions or further information refer to Publication 1220. Forms and publications may be downloaded from www.irs.gov or ordered by calling 1-800-829-3676. Information can also be obtained by contacting the **IRS Customer Service Section** toll-free at **(800) 829-3676** between 7:00 a.m. and 7:00 p.m. local time, unless otherwise noted, Monday - Friday.

Thank you for attending our Flexgen 1099 Class.

https://www.localgovernmentcorporation.com/