

1099 WEB SETUP AND PROCESSING

Tax Year 2017

Talent Development

AGENDA

1099 Web Setup and Processing

- 1099 Overview
- How to perform required setup
- How to process 1099's
- Review/Questions



1099 OVERVIEW

WHAT IS A 1099?



- IRS Tax Document – similar to a W-2
- Reports money paid to an individual/corporation throughout the year
- There are several types of 1099's
 - 1099-DIV: Dividend Income
 - 1099-INT: Interest Income
 - 1099R: Pensions and Annuities
 - **1099-MISC: Miscellaneous Income**
- MRI Software only supports the processing and printing of 1099-MISC forms
- Reports payments to vendors made in excess of \$600 for tax year

1099 WEB SETUP

SETUP



Setup and Maintenance > Accounts Payable

• In order for 1099 processing to work, the setup must be completed for the following tables:

- VEND (Vendors)
- GACC (Chart of Accounts)
- T_199PAYERS (1099 Payers)
 - If filing electronically, T_199T (Transmitter) and T_199A (E-Payers)

The screenshot shows the MRI software interface. On the left is a dark blue navigation sidebar with icons for menu, search, home, reports, help, and settings. The settings gear icon is highlighted with a red box. The main content area is titled 'Setup and Maintenance' (highlighted with a red box) and is divided into 'Scheduling' and 'Information' sections. The 'Accounts Payable' section is expanded, showing a list of tables: Allocations, Banks, Cash Types, Check Batch Approval, Expense Control Categories, Check Printing Installations, 1099-MISC (with sub-items: 1099 Payers, 1099 Fed/State Combi..., 1099 Electronic Filing In...), Purchase Order, Sales Tax, Vendors (with sub-items: Vendors Setup, Vendor Certification Types, Vendor Types, Vendor Withholding Per...).

SETUP- VEND (VENDORS)



- Vendor should be active
- Check boxes
 - Indicate vendor should receive a 1099 and what type
 - Attorney Fees – Box 14
- Type of Tax Payer
 - Formats the Federal ID Number field
 - Business: xx-xxxxxxx
 - Individual: xxx-xx-xxxx
- Payee Type
 - Determines the type of income reported (which box)
 - Property Payee – box 1
 - Vendor/Tenant – box 7

Vendors

Vendor ID

*Name

General	Accounts Payable	Certification
ACH Setup (US)	Defaults for Invoice Entry	Taxes

Tax Information

1099 Required

1099 Attorney Fee

Type of Tax Payer

Federal ID Number

Payee Type

SETUP – GACC (CHART OF ACCOUNTS)



- 1099 Acct field
 - Payments made to this account number are included in 1099 processing
 - Y = includes payments made
 - N = will not include payments made

Chart of Accounts - Setup and Maintenance

Chart of Accounts Detail

Chart of Accounts: MR MRI DEFAULT

Account Number: Account Name: Search

*Account Number	Account Name	*Account Type	1099-MISC	DP Restrictions	Basis Control Type	Active
<input type="checkbox"/> 0999-0000	***ASSETS***	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1000-0000	Operating Account	C	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1050-0000	Money Market Account	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1070-0000	Restricted Cash	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1080-0000	Tenant Security Deposits	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1090-0000	Other Cash Account	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1130-0000	Def Rent Receivable	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1200-0000	Accounts Receivable	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1210-0000	Accounts Receivable-Other	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1220-0000	Due from NREM	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1221-0000	Due to/from South&Elm Adm	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1290-0000	Due To/From Seller	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1295-0000	Interco- Due (To) From	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1299-0000	Due To/From Other	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1300-0000	Allowance for Doubtfl Acct	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1310-0000	Prepaid Real Estate Taxes	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>
<input type="checkbox"/> 1320-0000	Prepaid Property Insuranc	B	<input checked="" type="checkbox"/>		Both Accrual/Cash	<input checked="" type="checkbox"/>

Add Delete Page 1 of 2 Go Retained Earnings Account Number 3901-0000

SETUP – T_199PAYERS (1099 PAYERS)



- This identifies the payer and the Payers Fed. ID #
- This information shows on the 1099-MISC form
- A company can choose to report by Company Name, Bank or Entity/Entity Group
 - If reporting by Entity Group – must select the Define Entities button

1099 Payers

Issue 1099s By Company Bank Entity/Entity Groups

*Payer Name 1	Type of Payer	Payer Federal ID	Payer ID	Oregon Payer	*Entity ID for Payer Address	Entities
<input type="checkbox"/> Normandy Concord Acquisitio 1			300 Baker	<input type="checkbox"/>	3120	Define
<input type="checkbox"/> BH Normandy 275 Albany Stre 1			Albany	<input type="checkbox"/>	3095	Define
<input type="checkbox"/> BH Normandy 399 Grove LLC 1			BH Normandy	<input type="checkbox"/>	3090	Define
<input type="checkbox"/> WB Normandy 2401 Acquisitic 1						Define
<input type="checkbox"/> Normandy Darien Holdings, LL 1						Define
<input type="checkbox"/> Normandy Real Estate Fund A 1						Define
<input type="checkbox"/> Normandy Real Estate Fund, I 1						Define
<input type="checkbox"/> Normandy Real Estate Fund, L 1						Define
<input type="checkbox"/> Normandy Gator Acquisition I, 1						Define
<input type="checkbox"/> Normandy Gator Acquisition M 1						Define

1099 Payers - Setup and Maintenance

1099 Payers

Entity ID

3120

Add Delete

Save Cancel

Add Delete

Save Cancel

SETUP – T_199PAYERS (1099 PAYERS)



- A new option has been added to the T_199PAYERS table for payers in the state of Oregon.
- This check box should only be used if the payer is filing for the state of Oregon.

1099 Payers

Issue 1099s By Company Bank Entity/Entity Groups

*Payer Name 1	Type of Payer	Payer Federal ID	Payer ID	Oregon Payer	*Entity ID for Payer Address	Entities
<input type="checkbox"/> Normandy Concord Acquisitic 1			300 Baker	<input type="checkbox"/>	3120	Define
<input type="checkbox"/> BH Normandy 275 Albany Stre 1			Albany	<input type="checkbox"/>	3095	Define
<input type="checkbox"/> BH Normandy 399 Grove LLC 1			BH Normandy	<input type="checkbox"/>	3090	Define
<input type="checkbox"/> WB Normandy 2401 Acquisitic 1			Columbia	<input type="checkbox"/>	0800	Define
<input type="checkbox"/> Normandy Darien Holdings, LL 1			Darien	<input type="checkbox"/>	3010	Define
<input type="checkbox"/> Normandy Real Estate Fund A 1			Fund AIV, LP	<input type="checkbox"/>	7200	Define
<input type="checkbox"/> Normandy Real Estate Fund, I 1			Fund, Inc	<input type="checkbox"/>	7300	Define
<input type="checkbox"/> Normandy Real Estate Fund, L 1			Fund, LP	<input type="checkbox"/>	7100	Define
<input type="checkbox"/> Normandy Gator Acquisition I, 1			Gator GE	<input type="checkbox"/>	4010	Define
<input type="checkbox"/> Normandy Gator Acquisition M 1			Gator Lehman	<input type="checkbox"/>	4080	Define

Add Delete

SETUP – T_199PAYERS (TRANSMITTER INFO)

Only required if filing electronically



- Electronic File Name and Transmitters Media Number fields are no longer used
- Transmitter may be the company or a service provider
- Transmitter's TIN is the Fed ID number of the Transmitter
- Transmitter Control Code
 - Supplied by the IRS

1099 Electronic Filing Information

* Transmitter's TIN	123456789	* Transmitter's Control Code	123
Test File Indicator	<input type="text" value="T"/>	Replacement Alpha Character	<input type="text"/>
Foreign Entity Indicator	<input type="checkbox"/>		
Prior Year Data Indicator	<input type="checkbox"/>		
* Transmitter's Name	1099 Example		
Transmitter's Name 2	<input type="text"/>		
* Company Name to Report Process Problems	1099 Example		
Company Name 2	<input type="text"/>		
* Mailing Address	123 Main St.		
* City	Cleveland	* State	OH
* Zip	44104		
* Contact Name if Problem with File or Transmission	Kim Possible		
Contact E-Mail Address	<input type="text"/>		
* Contact Phone Number	2165555555		

E-Payers Save Cancel

SETUP – T_199PAYERS (E-PAYER INFO)

Only required if filing electronically



- Identifies the e-payer (company) in the electronic file
- One record for each payer

Payer Information - Setup and Maintenance

1099 Electronic Filing Information (E-Payer Information)

* Payer ID	Lexington	* Type of Return	A
Payer Federal ID		Transfer Agent	
Payer Name Control	LEX	Foreign Payer	
Last Filing Indicator	1		
Combined Fed/State	1		
Payer Name 1	Normandy Lexington, LLC		
Payer Name 2			
* Payer Shipping Address	567 Lexington Ave		
* Payer City	New York	State	NY
		Zip	10017
* Payer Phone Number	(212) 555-5555		

Save

Cancel

SETUP – T_199PAYERS (FEDERAL/STATE COMBINED) ***Not Required***



- Federal/State Combined program
 - All applicable states must be set up
 - State Code information can be found in IRS Publication 1220

Federal/State Combined Table

	State Abbreviation	State Code	1099 Default Amount
<input type="checkbox"/>	AZ	11	800.00
<input type="checkbox"/>	NE	28	750.00

1099 WEB PROCESSING

PROCESSING 1099'S



- To process 1099's the following steps are recommended:
 1. Preview Report – this will generate the preview list of vendors and the amounts to report for 1099's
 2. (Optional) Worksheet Report– provided as a utility for a user to adjust the amounts that will appear on 1099's
 - Overrides – manually override amounts on 1099's
 - Worksheet Exception Report – generated if overrides are performed
 3. Generate 1099's – this will generate 1099's on paper or electronically

IMPORTANT: These steps performed out of order can cause data to be incorrect/reverted

PROCESSING 1099'S



To process 1099's click Accounts Payable >

- 1099-MISC Processing

The screenshot shows a dark grey menu with a white 'X' in the top right corner. The menu items are listed vertically: Accounts Payable, Budgeting and Forecasting, Commercial Management, Corporate AR, Corporate Management, General Ledger, and JobCost. The 'Accounts Payable' item is highlighted in blue. A red rectangular box highlights the '1099-MISC Processing' option, which is a sub-menu item of 'Accounts Payable'. Below this sub-menu, the following options are listed: Print 1099 Listing, Process 1099 Work Sheets, Override/Add 1099 Amounts, and Process 1099s.

PREVIEW REPORT

- Allows user to preview the data in the system that is set to be reported
- Data to be checked on this report include:
 - Fed. ID (formatting)
 - Amounts
 - Address
 - Payee Type

MRI_1099LST - Report Options

1099 Preview Listing

Style: Last Run Options Save Style Save Style As Remove Style

All
 Include List
 Exclude List
 Range

Select by: 1099 Payers

Payer Id	Payer Name 1

Export a copy on Run Report
 PDF
 Excel with page layout
 Excel with table layout

Add Clear
Run Report Schedule Cancel

Payee Type
 Vendor
 Entity
 All

Display Options
 Include Vendors with amounts less than minimum
 Print Vendor only if 1099 is required

1-21 MRI_1099LST 1 of 4 100%

Database: CL_X4	1099 Preview Listing	Page: 1
Tax Year: 2007	CL_X4	Date: 1/2/2017
Payer Federal Id: Foreign Entity	Sample Payer	Time: 9:45 PM

Vendor Number	Vendor Name	Payee Type	Federal Id Number	Filing Status	Original Amount	Worksheet Amount
051501	1501 Joint Venture 3901 N. Mesa, Suite 200A El Paso, TX 79902	Property Payee	12-3456789	Y	241.21	0.00
05AD01	ADT Security Services PO Box 371956 Pittsburgh, PA 15250	Vendor		N	2,156.00	0.00
05AM03	American Building Maintenance 2632 W. 10th Place Tempe, AZ 85281	Vendor		N	209,000.00	0.00

WORKSHEET REPORT



- Generates a report just like the Preview Report
- Saves data to the T_199WKSH table
 - Allows the data to be overridden if necessary
 - Overrides can be made from Override/Add 1099 Amounts

MRI_1099WKSH - Report Options

1099 Work Sheet Preview

Style:

All Include List Exclude List Range

Select by:

Bank ID	Bank Name

Recipients Setup

Export a copy on Run Report

- PDF
- Excel with page layout
- Excel with table layout

Payee Type

- Vendor
- Entity
- All

Display Options

- Include Vendors with amounts less than minimum

Save Work Sheets

- Save

1099 Year: Year (YYYY)

T_199WKSH (OVERRIDE DATA)



- Click on a PayerID to enter an override amount
- Click on Add to add a record
- Vendor must exist in the system

1099 Worksheet (Select Worksheet)

Payer ID	Vendor ID	Payment Year	Payer Federal ID	Vendor Federal ID	Calculated 1099 Amount
<input type="checkbox"/> 01	05JE02	2006			
<input type="checkbox"/> 01	05A03	2006			
<input type="checkbox"/> 01	05MP01	2006			
<input type="checkbox"/> 01	05PH04	2006			
<input type="checkbox"/> 01	05PM01	2006			
<input type="checkbox"/> 01	05UN01	2006			
<input type="checkbox"/> 01	05WE09	2006			

1099 Work Sheet

Override/Add 1099 Amounts

* Payer ID 01

Payer Name Sample Payer

Payer Federal ID

* Payment Year 2006

* Vendor ID 05JE02

Vendor Name JEN - RE - CO

Vendor Federal ID

Bank ID

Entity ID

Calculated Amount 1,200.00

Override Amount 450

Created Manually N

Add Delete Save Cancel

CAUTION: If a user re-runs the Worksheet report with the Save option checked again, all changes will be reverted

WORKSHEET EXCEPTION REPORT



- If changes have been made, only Worksheet Exception Report should be run
 - Displays all changes saved in the T_199WKSH table
- Re-running the Worksheet Report with Save option checked will clear all data in the T_199WKSH table

Vendor Number	Vendor Name	Federal Id Number	Original Amount	New Amount	Difference
05JE02	JEN - RE - CO P.O. Box 65352 Salt Lake City, UT 84165-0352		1,200.00	450.00	-750.00
05LA03	Lawyer Trane 3040 So. Valley View Blvd. Las Vegas, NV 891027875		100.00	100.00	
05MP01	San Jose Med Plaza Assoc 4420 Connecticut Ave NW Washington, DC 20008		100.00	100.00	
05PH04	Phoenix Regional Medical Center 1947 East Thomas Rd. Phoenix, AZ 85016		450,000.00	450,000.00	
05PM01	PM Realty Group 910 Travis Ste. 1000 Houston, TX 77002		98,158.20	98,158.20	
05UN01	Universal Building Services 3120 Pierce Street Richmond, CA 94804		1,050.00	1,050.00	
05WE09	Western Exterminator Company PO Box 11881 Santa Ana, CA 92711-1881		12,600.00	12,600.00	
TOTALS			563,208.20	562,458.20	-750.00

GENERATE 1099'S



- Generated on paper or electronically
 - If electronically, file path needs to be specified
 - If on paper, 1099-MISC form is selected from Alternate Form dropdown
 - Forms can be ordered from MRI or 3rd party provider
 - New feature to exclude virtual credit payments added in 10.4.3

- **If a paper copy is used, the report will be run a minimum of 3 times**

- IRS - copy
- STATE - copy
- VENDOR - copy

1099 REVIEW

REVIEW



- 1099's are a statement from a company to a service provider on payments made to that vendor for qualifying work
- 1099's are similar to a W-2 that an employer provides to an employee – statement of earnings
- Only the 1099-MISC form is supported in MRI
- Setup is required to generate 1099's:
 - VEND (Vendors)
 - GACC (Chart of Accounts)
 - T_199PAYERS (1099 Payers)
- To electronically file, additional setup is required:
 - T_199T – Transmitter info
 - T_199A – E-Payer info
 - FDST – Federal/State Combined

Recommended steps for processing:

- Preview Report
- Worksheet Report
 - Changes can be made in the T_199WKSH table/view
- Worksheet Exception Report
- Generate 1099's - 3 copies at minimum will need to be generated if printing on paper
 - IRS
 - State
 - Vendor
 - Copy for your own records (if applicable)

IMPORTANT LINKS



- Ordering 1099-MISC Forms from MRI
 - <http://www.mrisoftware.com/order-supplies/>

THANK YOU!



- Please contact MRI Support using via our myMRI Client portal or phone for questions and issues related to 1099 Setup and Processing:

<https://mymri.force.com>

or

(877) 579-8896