

Payroll Compliance Reporting Learning Portal

Correcting W-2s and 1099s

The process for correcting W-2s and 1099s varies as they are submitted to different government agencies. The process of correcting W-2 will vary depending on whether the return has been submitted to the Social Security Administration or not.

Correcting W-2 Returns

To correct a W-2 before filing it with the SSA:

1. Open the return containing the incorrect W-2.
2. Locate the employee's W-2 record and correct the erroneous information.
3. Do not use the W-2c fields.
4. Print the recipient copies of the W-2.
5. Print or type REISSUED STATEMENT on the employee's copies.
6. Follow your normal procedure for filing the W-2 return with the SSA.

Correcting Accepted W-2 E-files

If you must make corrections to a W-2 return already accepted by the SSA, you can correct and resubmit the W-2 e-file.

To correct accepted W-2 E-files:

1. Open the W-2 return and locate the employee's W-2 record. You can use the **Find** feature to quickly locate a record.
2. Locate Form W-2C on the **Input** tab and enter the employee's social security number in the **Correct Information SSN** field, below the **Entry Required** notice.

| Corrected Wage and Tax Statement (W-2c) | Corrected | SSN Entry Required |
|---|--|--------------------|
| Employee's name, address, and ZIP code First M.I. Last Suffix JOHN SAMPLE | Employee's name, address, and ZIP code First M.I. Last Suffix | SSN |

3. Enter the balance of corrected information in the **Correct Information** column.

X Corrected SSN Entry Required

Employee's name, address, and ZIP code SSN 222-11-2222

First M.I. Last Suffix
JOHN SAMPLE

Address Line 1 123 SAMPLE RD
Address Line 2

City Kennesaw State GA ZIP code 30144
Country Prov Postal

Correct Information Tax Year 2023 Form Corrected W2

| | | |
|----|---|------------|
| 1 | Wages, tips, other compensation | 125,000.00 |
| 2 | Federal income tax withheld | 24,500.00 |
| 3 | Social security wages | 125,000.00 |
| 4 | Social security tax withheld | 7,750.00 |
| 5 | Medicare wages and tips | 125,000.00 |
| 6 | Medicare tax withheld | 1,812.50 |
| 7 | Social security tips | 0.00 |
| 8 | Allocated tips | 0.00 |
| 9 | | |
| 10 | Dependent care benefits | 0.00 |
| 11 | Nonqualified plans <input type="checkbox"/> Non-457 | 0.00 |
| 12 | Code Yr. Amount | 0.00 |
| | Code Yr. Amount | 0.00 |
| | Code Yr. Amount | 0.00 |
| | Code Yr. Amount | 0.00 |
| 13 | Statutory Retirement Third-party Employee <input type="checkbox"/> Plan <input type="checkbox"/> sick pay <input type="checkbox"/> | |
| 14 | Other Desc. Amt. | 0.00 |
| | Other Desc. Amt. | 0.00 |
| | Other Desc. Amt. | 0.00 |
| | Other Desc. Amt. | 0.00 |
| 15 | State (1) Employer's state ID no. | |
| | State (2) Employer's state ID no. | |
| 16 | State wages, tips, etc. (1) | 0.00 |
| | State wages, tips, etc. (2) | 0.00 |
| 17 | State income tax (1) | 0.00 |
| | State income tax (2) | 0.00 |
| 18 | Local wages, tips, etc. (1) | 0.00 |
| | Local wages, tips, etc. (2) | 0.00 |
| 19 | Local income tax (1) | 0.00 |
| | Local income tax (2) | 0.00 |

4. From the **E-file menu**, click **Create E-file**.
5. In the Create E-file dialog box, check the W-2c Correction check box. Click **Create**.

Create E-file x

Click to select jurisdictions:

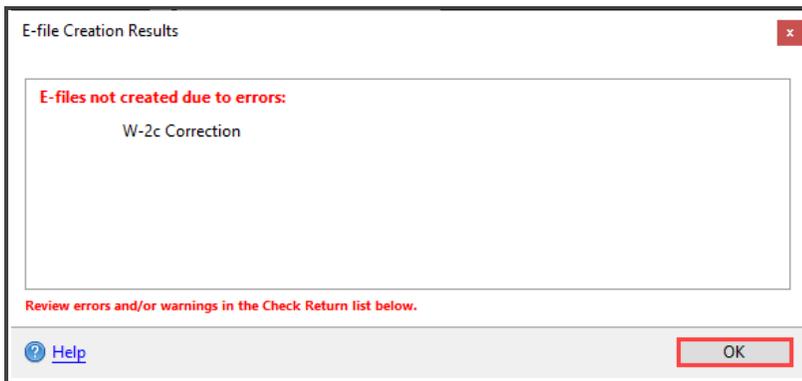
Georgia W-2 Annual

W-2c Correction

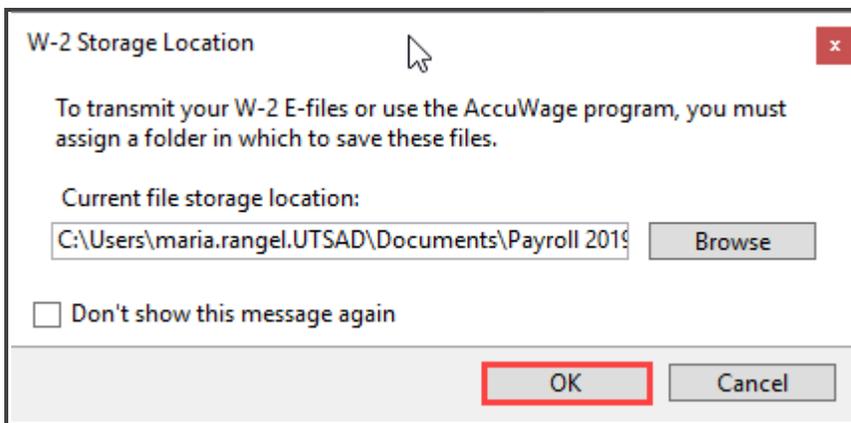
W-2 Original

[Help](#) Create Cancel

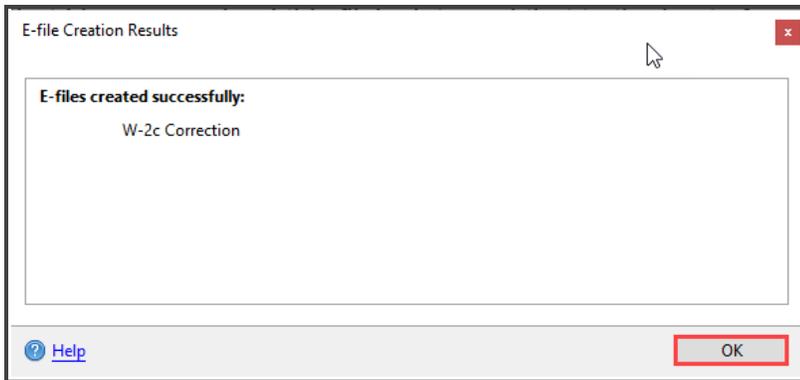
6. If Payroll Compliance Reporting displays the message that E-files not created due to errors, click **OK** and correct the errors.



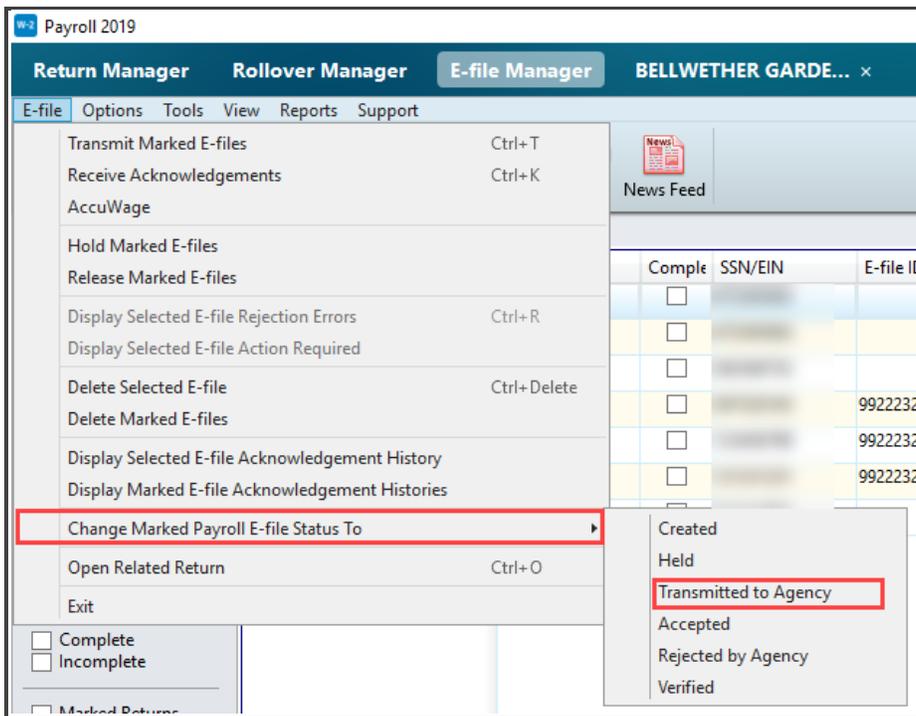
7. After making the necessary corrections, repeat the e-file creation process.
8. Payroll Compliance Reporting displays the W-2 Storage Location dialog box, make note of the location where the file will be stored, and click **OK**.



9. The program displays the AccuWage dialog box. Click one of the following:
- **AccuWage Online:** Click AccuWage Online to test the file via AccuWage before transmitting the file. This will redirect you to Social Security Administration (SSA) where you will enter your credentials and first test the file and transmit the results to the SSA.
 - **Skip:** Click Skip to skip if you are not ready to test and upload the file at the time.
10. Regardless of which option you select, Payroll Compliance Reporting displays the E-File Creation Results dialog box, showing that the W-2C Correction e-file was successfully created. Click **OK**.



11. You need to upload the file to the SSA and set the status to Transmitted. Close the return and go to the E-file Manager. From the **E-file** menu, point to **Change Marked Payroll E-file Status to**, then select **Transmitted**.



- i** When you receive the acceptance, you need to set the status to **Accepted**.
- i** Only those employees who have been corrected will print, and only those fields which have changed on one or more W-2s will display with their previously reported and correct amounts.
- i** For a list of commonly asked questions about correcting forms W-2 and W-3 go to: https://support.cch.com/sfs/solution/000045476/000045476?q=WKArticleType__kav

Correcting 1099s

The process of correcting 1099 returns is different from W-2 returns. For example, you make corrections on 1099 returns by selecting the Corrected check box and entering the new data over the existing data, as opposed to making your W-2 corrections on a separate form.

The return contains a copy of each recipient's e-file record as filed with the IRS originally. The program uses this to compare any new changes against what you filed to generate an appropriate corrected e-file.

You may want to export a copy of the 1099 return or duplicate it to preserve the history of information filed. However, you cannot correct a duplicate return - you must use the original return with the Accepted acknowledgment.

i You must wait for acceptance of the original e-file, before filing corrections.

To correct accepted 1099 e-files, do the following:

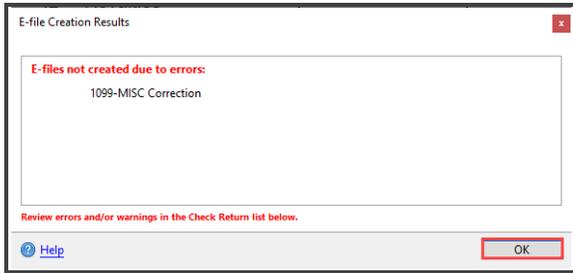
1. Open the 1099 return. For each recipient's record needing correction, select the Corrected check box on the Input sheet or Detail schedule.

The screenshot shows a software window titled 'Info Sheet' with a sub-header '1099 1099MISC'. Below the header, there are instructions: 'Enter data in the blue fields below. Click the Previous and Next arrows in the toolbar to view a single record. All records are displayed on the Detail s'. The main section is titled 'Input (1099MISC)' and contains two radio buttons: 'VOID' and 'CORRECTED'. The 'CORRECTED' button is selected and highlighted with a red box. Below the radio buttons, there is a text field for 'PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.' with the following text: 'Bellwether Garden Supply', '1505 Pavilion Place', and 'Norcross, GA 30093-3203'. To the right of this text field is a table with four rows: '1 Rents', '2 Royalties', '3 Other income', and '4 Fed. income tax withheld'. The 'Rents' row has a value of '\$ 1,495.00' in a blue field. The 'Form 1099-MISC' label is also visible. The word 'Miscell' is written in large bold letters on the right side of the form.

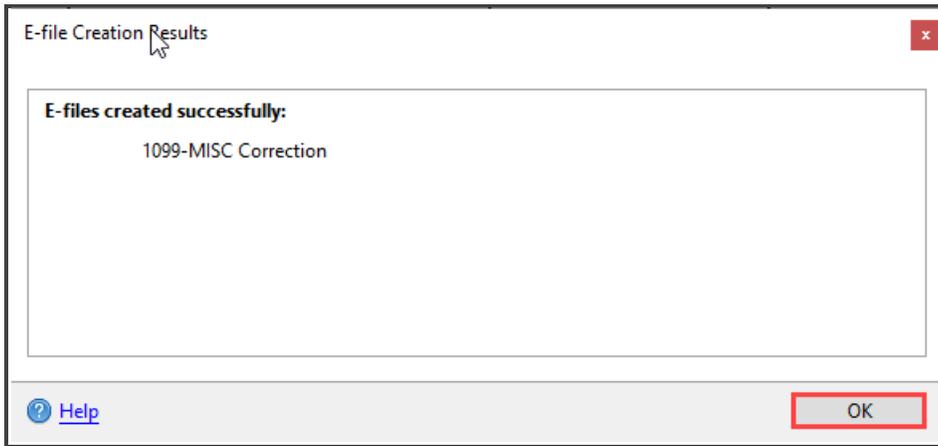
2. Enter the new corrected data over the existing data. On the E-file menu, click **Create E-file**.
3. In the Create E-file box, select the **1099-MISC Correction** check box. Click **Create**.

The screenshot shows a dialog box titled 'Create E-file'. It contains a section labeled 'Click to select jurisdictions:' with a list box containing one item: '1099-MISC Correction', which is checked and highlighted with a red box. At the bottom of the dialog box, there are three buttons: 'Help', 'Create', and 'Cancel'. The 'Create' button is highlighted with a red box.

4. If Payroll Compliance Reporting displays the message that E-files not created due to errors, click **OK** and correct the errors.



5. After making the necessary corrections, repeat the e-file creation process. Payroll Compliance displays the E-File Creation Results Dialog box, showing that the 1099 Correction e-file was successfully created. Click **OK**.



6. Close the return and go to the E-file Manager to transmit the corrected 1099 e-file.