

Payroll Compliance Reporting Learning Portal

Preparing 1099 Returns

Employers send Form 1099 to workers who receive income but are not employees. Form 1099 also reports other types of income, such as interest income, retirement payments, rental income, etc. The taxpayer then reports these amounts on their federal Form 1040. Payroll Compliance Reporting (PCR) contains many types of Form 1099 you can prepare and transmit to the IRS.

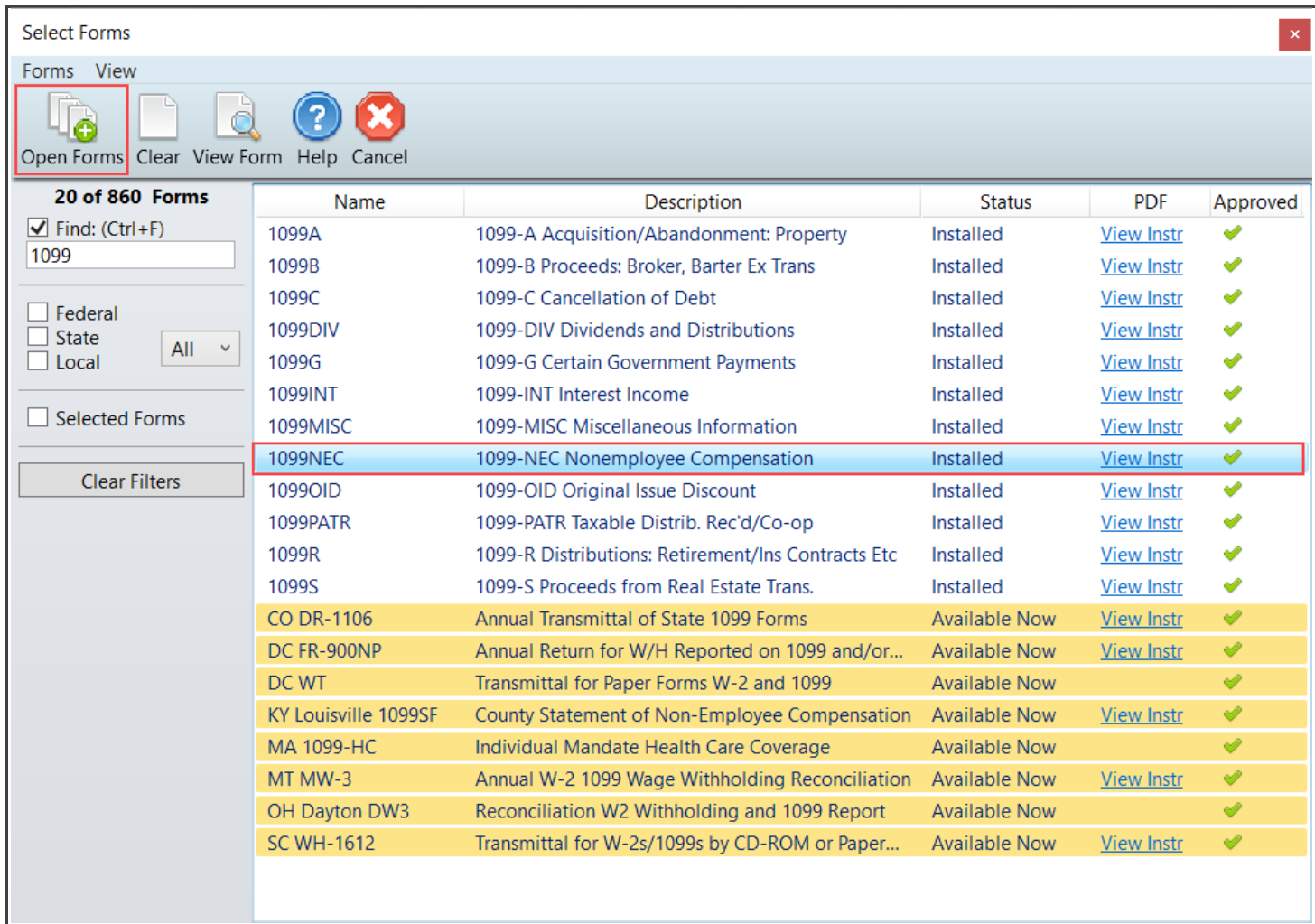
Name	Description	Status	PDF	Approved
1099A	1099-A Acquisition/Abandonment: Property	Installed	View Instr	
1099B	1099-B Proceeds: Broker, Barter Ex Trans	Installed	View Instr	
1099C	1099-C Cancellation of Debt	Installed		
1099CAP	1099-CAP Changes: Corporate Con, Cap	Installed	View Instr	
1099DIV	1099-DIV Dividends and Distributions	Installed	View Instr	
1099G	1099-G Certain Government Payments	Installed	View Instr	
1099INT	1099-INT Interest Income	Installed		
1099K	1099-K Payment Card 3rd-Party Network Trans	Installed	View Instr	
1099LTC	1099-LTC Long-Term Care Accl Death Bnfts	Installed	View Instr	
1099MISC	1099-MISC Miscellaneous Income	Installed	View Instr	
1099OID	1099-OID Original Issue Discount	Installed	View Instr	
1099PATR	1099-PATR Taxable Distrib. Rec'd/Co-op	Installed	View Instr	
1099Q	1099-Q Payments / Qualified Ed. Programs	Installed		
1099R	1099-R Distributions: Retirement/Ins Contracts Etc	Installed		
1099S	1099-S Proceeds from Real Estate Trans.	Installed	View Instr	
1099SA	1099-SA Distributions: HSA, Archer MSA	Installed	View Instr	

To start a new 1099 return:

1. In Return Manager, click **New**.



2. Payroll Compliance Reporting displays the Select Forms dialog box. Select the forms you want to add to the new return and click **Open Forms**.



- i** You can select as many forms as you need at this time or add more forms later.
3. Payroll Compliance Reporting opens the forms.
 4. From the Main Information Worksheet, select the **Info Sheet** checkbox, and use the drop-down menu to indicate the entity type.

Main Info	<h1>Main Information Worksheet</h1>	
1099NEC		
1096	<input type="button" value="Select Federal Entity"/>	
	<input type="checkbox"/> W-2 <input type="text"/>	
	<p>For all non-W-2 returns such as 940/941, 1099s, etc:</p> <ol style="list-style-type: none"> 1) Select Info Sheet 2) Enter Entity Type and Click 'Apply Selection' button 3) Select Add Forms to open all other payroll forms 	
	<input checked="" type="checkbox"/> Info Sheet	<input type="text" value="Select Federal Entity"/>
		<div style="border: 1px solid red; padding: 5px;"> Individual Corporation S-Corporation Partnership Trust Exempt Organization Sole Proprietor (blank) </div>

5. Then, click **Apply Section**.

<h1>Main Information Worksheet</h1>	
	<input type="button" value="Apply Selection"/>
	<input type="checkbox"/> W-2 <input type="text"/>
	<p>For all non-W-2 returns such as 940/941, 1099s, etc:</p> <ol style="list-style-type: none"> 1) Select Info Sheet 2) Enter Entity Type and Click 'Apply Selection' button 3) Select Add Forms to open all other payroll forms
<input checked="" type="checkbox"/> Info Sheet	<input type="text" value="Partnership"/>

6. The program expands the form, so you can begin entering payer information.

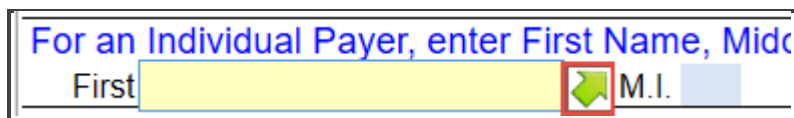
Main Info 1099NEC 1096 Info Sheet	<h1>Main Information Worksheet</h1>
	This return is currently for: Info Sheet (Partnership). If you would like to change forms, please go to Add Forms and manually choose a Signature Form to replace the Info Sheet.
	Demographic Information (Info Sheet)
	Filing information for the calendar year 2021 or other tax year beginning _____, and ending _____
	Name and Identification Number
	Business Name _____ Fed ID Number _____
	DBA Name _____
	Address
	In Care Of (if applicable)
	First Name _____ M.I. _____ Last Name _____ Suffix _____
	c/o _____
	Street Address _____ Apt, Suite or Unit _____ Unit Type _____
	P.O. Box (if applicable) _____ Private Mailbox Number _____
	P.O. Box _____ PMB _____
	ZIP Code _____ City or town _____ State _____
	Foreign Province _____ Foreign Country _____ Foreign Zip _____
	Foreign Phone Number _____
	<input type="checkbox"/> Name change <input type="checkbox"/> Address change
	<input type="checkbox"/> Initial return <input type="checkbox"/> Final return
	Date Business Started/Incorporated _____
	State of Organization/Incorporation _____

JumpTo

On all forms, schedules and worksheets, PCR calculates values in white boxes from data typed elsewhere. **JumpTo** enables fast navigation to the forms, schedules or worksheets from which this data originates.

To use JumpTo:

1. Click a calculated box, and then click the **JumpTo** icon.



2. **JumpTo** navigates to the source box.
3. Enter the information in the field. PCR carries the information to the correct fields in the return.

Navigating Forms

Many forms consist of multiple pages and worksheets to allow detailed data entry. Below are multiple ways to navigate and enter data, depending on the situation.

Navigating Through a Single Page

To navigate through a single page:

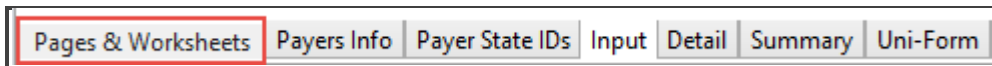
- Press **Enter** or **Tab** to move from the current box to the next box.
- To reverse direction, press **Shift+Tab**.

Navigation Bar

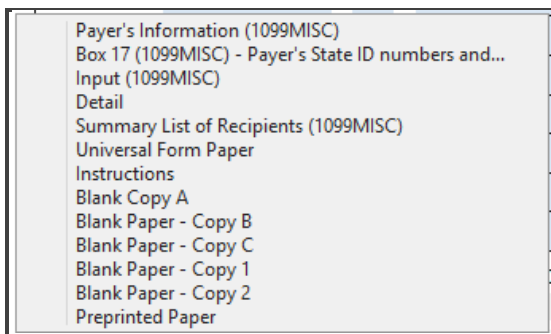
PCR displays a navigation bar below the active form, consisting of the Pages & Worksheets button and a series of tabs. PCR associates each tab with a numbered form page, schedule, worksheet or other page of the active form.

To navigate through the active form:

1. Click **Pages & Worksheets** to display a list of all worksheets for the active form.



2. Click the worksheet to open.



Main Information Worksheet

1. To view and update the taxpayer information, click **Main Info** in the form list.

Payroll 2023

Return Manager Rollover Manager E-file Manager Unnamed Return x

Returns Edit Tools Navigate Forms E-file Tax Research Support

Save Add Forms Restore Start Link Back Forward Check Return Print Page E-file ePayment Calculator Preparer/ERO Form Release Help Chat News Feed Search KB

Main Info **This return is currently for: Info Sheet (Partnership).**
If you would like to change forms, please go to Add Forms and manually choose a Signature Form to replace the Info Sheet.

1099NEC
1096
Info Sheet

Demographic Information (Info Sheet)

Filing information for the calendar year 2023 or other tax year beginning _____, and ending _____

Name and Identification Number

Business Name Fed ID Number
SAMPLE BUSINESS 11-111111
DBA Name

- Complete the business name and Employer Identification number in the appropriate fields.
- Next, complete the information in the Address section.

Name and Identification Number

Business Name Fed ID Number
SAMPLE BUSINESS 11-111111
DBA Name

Address

In Care Of (if applicable)

First Name M.I. Last Name Suffix
c/o _____

Street Address Apt, Suite or Unit Unit Type
123 EXAMPLE RD _____

P.O. Box (if applicable) Private Mailbox Number
P.O. Box PMB _____

ZIP Code City or town State
30144 Kennesaw GA

Foreign Province Foreign Country Foreign Zip

Foreign Phone Number

- Scroll down to input the Business Activity Code and Authorized Signer details.

Principal Business Activity and Professional Activity Codes for (Info Sheet)

Business activity
Accounting

Product or service
Accounting

Principal Business Activity Code

Select a principal activity category: Professional, Scientific, and Technical Services

AND

Select a subcategory: Accounting, Tax Preparation, Bookkeeping, and Payroll Services

AND

Select a principal activity: Offices of Certified Public Accountants

OR

Please enter appropriate business activity code here. 541211

Partnership Representative (PR) Information

Choose a Signer (check one box):

Check if PR or DI is Authorized Signer. Check to assign a different Authorized Signer.

Choose a State Contact (check one box):

Check if PR or DI is State Contact. Check to assign a different State Contact.

First Name or Business Name M.I. Last Name Suffix
John Example

Partner Representative SSN
222-22-2222

Partner Representative FEIN

Street Address Apt. Suite or Unit Unit Type
1 Example Lane

P.O. Box, if applicable Private Mailbox Number
P.O. Box PMB

ZIP Code City State
30144 Kennesaw GA

Title Email
CEO sfscustomered@wolterskluwer.com

Phone number Secondary Number Foreign Phone Number Fax Number
555-555-5555

Import 1099 Data

If your client has payroll or 1099 data from Quickbooks™ or Sage 50 Accounting, you can import this data into PCR and create the 1099 file. This saves you time in preparing the return. For additional information on importing data into PCR, review the *Importing Data* lesson in the Payroll Compliance Reporting Learning Portal.

Working Through Returns

The information flows from the Info Sheet to the appropriate places on the return. For this lesson, we prepare Form 1099 Misc.

1. Click the **1099NEC** form tab. Payroll Compliance Reporting displays the Payer’s Information. Make any adjustments to this information if needed.

Main Info	<input type="checkbox"/> Print this worksheet
Info Sheet	
1096	
1099NEC	

Payer's Information (1099NEC)

Click the Input or Detail worksheets to enter information for each Recipient.

Please use form 1099-Misc box 7 to report Direct Payments over \$5,000.00. The filing will be due 2/28 (3/31 if filing electronically) by using form 1099-Misc.

Check (X) to truncate EIN/SSN on Recipient copies.

Furnish Copy A of Form(s) 1099NEC and 1096 to IRS:	1/31/2022
Furnish Copy B of this form to the Recipient:	1/31/2022
Extension of time to file Form 1099NEC with the IRS:	3/2/2022

This program has been approved to participate in the Combined Fed/State Filing Program (see Pub. 1220).
 Do you wish to include eligible state withholding information in the electronic return? Yes No
 The IRS will forward state information included in this return to participating states when the Yes box is checked.

2. On the Navigation Bar, click the **Input** tab.

Pages & Worksheets	◀	Payers Info	Payer State IDs	Input	Detail	Summary	Uni-Form
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3. Payroll Compliance Reporting displays the input worksheet for Form 1099NEC. Complete the information for each recipient.

i Calculated fields have a white background, while direct entry fields have a blue background.

Record: 1		Add New Record	Delete Record	Print Alignment
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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 sheet.

Please use form 1099-Misc box 7 to report Direct Payments over \$5,000.00. The filing will be due 2/28 (3/31 if filing electronically) by using form 1099-Misc.

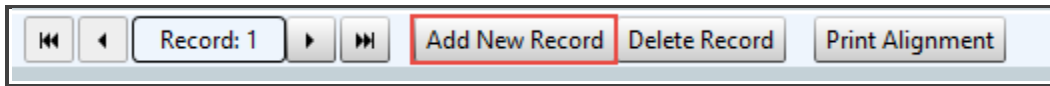
Input (1099NEC)

VOID CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. SAMPLE BUSINESS 123 EXAMPLE RD Kennesaw, GA 30144 555-555-5555		OMB No. 1545-0116 2023 Form 1099-NEC	Nonemployee Compensation
PAYER'S TIN 11-1111111	RECIPIENT'S TIN	1 Nonemployee compensation \$ 12,500.00	2 Payer made direct sales totaling \$5,000 or more of consumer products to recipient for resale <input type="checkbox"/>
RECIPIENT'S Name and Address Information Individual First M.I. Last Suffix Name Jane Doe Business Name Address Line 1 123 SAMPLE RD Address Line 2 City Kennesaw ST GA ZIP 30144 Foreign Country (foreign address only) Province Postal Code		3	4 Fed. income tax withheld \$
Account number (see instructions)	2nd TIN Not <input type="checkbox"/>	5 State income tax withheld \$	6 State/ Payer's state no. \$
		7 State income \$	

Form 1099-NEC Department of the Treasury - Internal Revenue Service

- Click **Add New Record** in the tool bar to add an additional 1099.



Form 1096

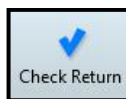
Form 1096 is required when transmitting paper Forms 1097, 1098, 1099, 3921, 3922, 5498 and W-2G to the IRS. Payroll Compliance Reporting loads Form 1096 automatically. Complete any fields on the 1096 that are required for the return type.

Data Sheet (1096)			
Filer's Name Mar Financial Services		FEIN or SSN [REDACTED]	
Doing Business As			
Street address (including room or suite number) 225 Chastain Meadows Court			
City, Town, or Post Office Kennesaw		State GA	Zip Code 30144
Foreign province/county	Foreign Country	Foreign postal code	
Name of person to contact		Telephone number	
Email address		Fax number	
Form 1099-MISC with NEC in box 7, check <input type="checkbox"/>		If this is your FINAL return, enter an "X" here <input type="checkbox"/>	
Title		Date Signed	
<input type="checkbox"/> Check here if the Filer name, address and EIN/SSN are already preaddressed on the "Preprinted" tax form. <input type="checkbox"/> Filed To Correct TIN. <input type="checkbox"/> Filed To Correct Name and Address. <input type="checkbox"/> Filed To Correct Return. <input type="checkbox"/> Check if filing only Corrected returns. (Boxes 3, 4 and 5 will total only the corrected records.)			

Completing Returns

Once you complete the return, check for missing information before creating the e-file.

To do this:



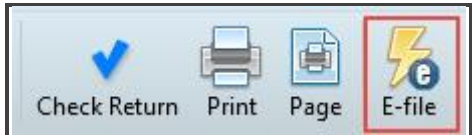
- Click **Check Return** on the toolbar.
- Payroll Compliance Reporting displays the results at the bottom of the screen with errors in red text. Click the error to navigate to the form and box in question.

Click the items below to locate on the form	
<input checked="" type="checkbox"/> Errors	<input type="checkbox"/> 1099MISC Warning Recipient : 1 - Jane Sample: must have SSN entered unless SSN is applied for and not received.
<input checked="" type="checkbox"/> Warnings	<input type="checkbox"/> 1099MISC Warning Recipient : 2 - John Smith: must have SSN entered unless SSN is applied for and not received.
<input checked="" type="checkbox"/> Informational	<input checked="" type="checkbox"/> 1099MISC Error The number of recipients with blank SSN's cannot exceed 25% of the total.
<input checked="" type="checkbox"/> Estimates	<input type="checkbox"/> 1099MISC Warning Returns with Nonemployee compensation must be filed by January 31, 2019.
<input type="checkbox"/> Overrides	
<input checked="" type="checkbox"/> Notes	

3. Correct the information to remove the error. After you correct errors, click **Re-Check** to check for additional errors.



4. Once you have corrected any errors, you can create the federal and state e-files. Click **E-file** on the toolbar.



5. On the Create E-file dialog box, select the check box for the e-files you want to create, and click **Create**.



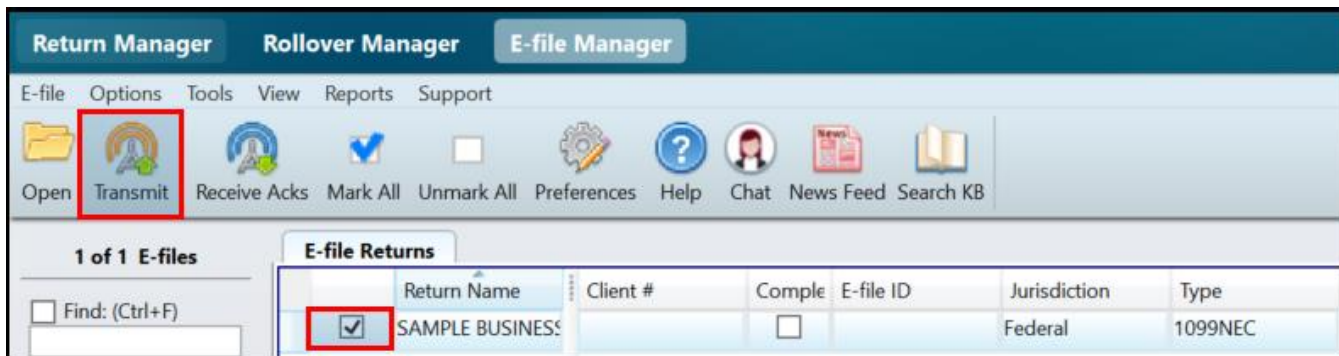
6. Once you create the e-file, you must submit it to the IRS or state for processing.

To send the e-files after creating them:

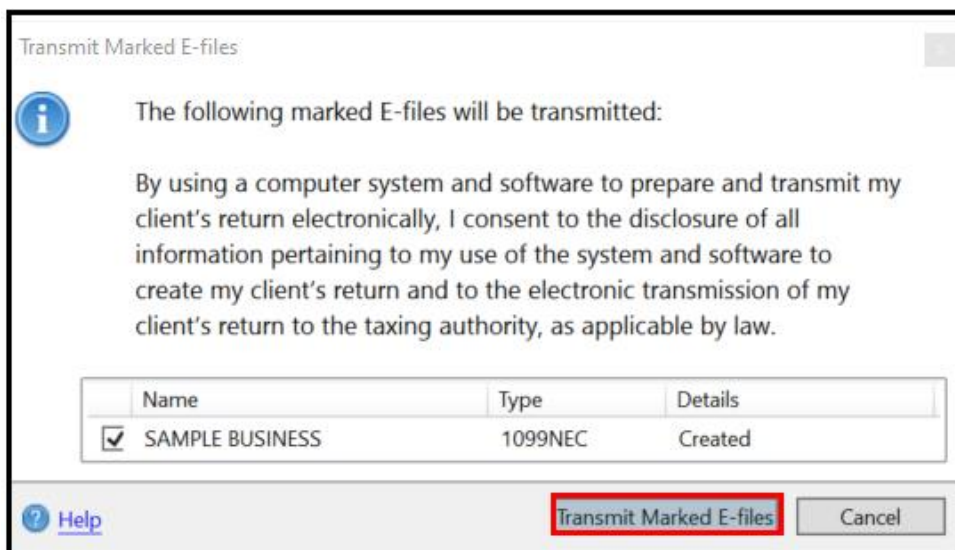
1. Click **E-file Manager**.



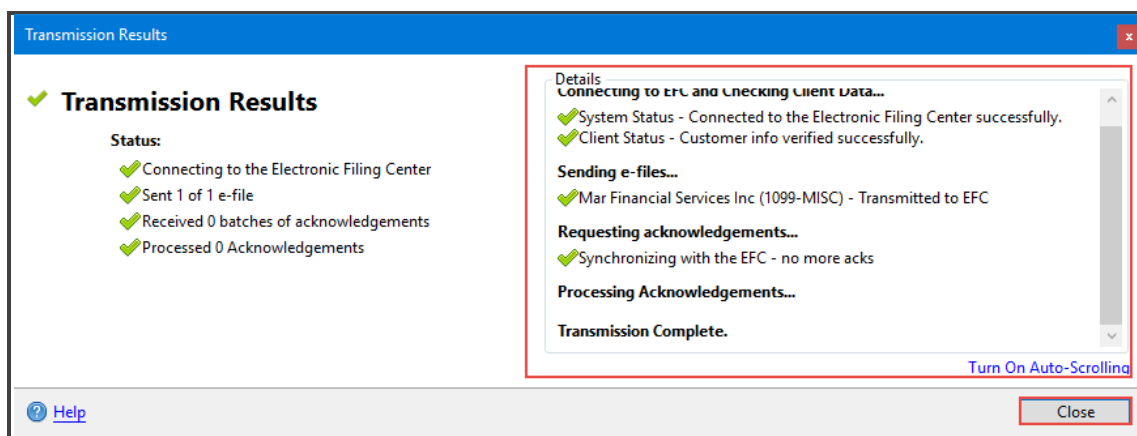
2. Payroll Compliance Reporting displays the e-files you created. Select the check box(es) for the files you want to send and click **Transmit**.



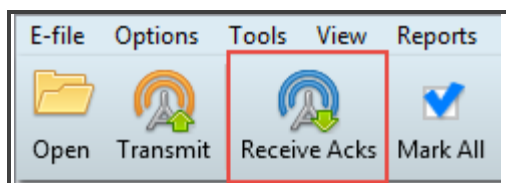
3. Payroll Compliance Reporting displays the **Transmit Marked E-Files** dialog box. Verify the selected returns and click **Transmit Marked E-files**.



4. Payroll Compliance Reporting displays the **Transmission Results** dialog box. When the transmission is complete, click **Close**.



- i** The only acceptable method of electronically filing informational returns accompanied by a Form 1096 is through the Fire System. See **Publication 1220** for additional information.
5. The IRS sends acknowledgements to show whether the return is accepted or rejected. To receive acknowledgements in E-file Manager, click **Receive Acks**.



6. PCR connects to the Electronic Filing Center and downloads the available acknowledgements. Click **Close**.

