

CGI Advantage[®] 4

Tax Reporting User Guide



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Table of Contents

Tax Reporting Overview.....	7
Common Terminology.....	10
Transaction Information	11
M1099 Transaction Type.....	11
M1099 Delivered Transaction Codes	11
Header	12
1099 Reported Income Line	12
1099 Processing	14
Understanding the 1099 Reporting Process	14
Data Collection for 1099	16
Execute the Offline 1099 Process	17
Corrections Processing.....	21
1099 Parameters	23
1099/1042-S Date and Transaction Parameters (1099D).....	23
1099 Processing Options and Controls (1099P)	25
1099 Reporting Payer Information (1099RP)	31
Batch Parameters	31
Backup Withholding.....	31
Contract Withholding	33
Tax Form Printing.....	35
Tax Form Data Transmittal to the IRS	36
1042-S Processing.....	37
Understanding the 1042 Reporting Process	37
Data Collection for 1042-S.....	37
Execute the Offline 1099 Process	37
1042-S Corrections Processing	41
Common Business Tasks	42
Set up 1042 in Advantage	42

Change TIN after form has been sent to IRS	42
1099 Business Tasks	43
Verifying TIN and Name with IRS	43
Modify Taxpayer Information (Including TIN) Before Creating Forms	44
Change Vendor's TIN During the Calendar Year	45
Modify Taxpayer Information / Change the Dollar Amount after Forms have been Generated by Running the Offline 1099 Process	45
Define Reportability for Corporate Income	46
Type 1 Corrections Using the 1099R, 1099ER, 1042R Update Page.....	46
Type 1 Corrections Using the M1099 transaction	47
Making a TIN Change on Reported Income Page for Nonconsolidated 1099 Tax Records.....	47
Making a TIN Change using the M1099 Transaction for Nonconsolidated 1099 Tax Records	48
Making a Name/Address Change on Reported Income Page for Nonconsolidated 1099 Tax Records	49
Making a Name/Address Change using the M1099 Transaction for Nonconsolidated 1099 Tax Records.....	49
Making a Type 2 Correction on Consolidated 1099 Tax Records (users of Advantage Tax Reporting)	50
TIN Change for 1042-S record	51
Name or Address Change for 1042-S record	52
Inquiries.....	53
1042-S Reported Income (1042R)	54
1099 External Reported Income (1099ER)	56
1099 Reported Income (1099R).....	56
Tasks.....	57
Backup Withholding Date Range Summary (BWRSI).....	57
Backup Withholding Notice Print History (BWNPH).....	58
Backup Withholding Record Date (BWRDI)	58
Form 1042-S Reporting (F1042S).....	59
Form 1099-A Reporting (F1099A).....	60
Form 1099-C Reporting (F1099C)	61
Form 1099-G Reporting (F1099G).....	62

Form 1099-INT Reporting (F1099I).....	64
Form 1099-MISC Reporting (F1099M).....	65
Form 1099-NEC Reporting (F1099N)	66
Form 1099-R Reporting (F1099R)	67
Form 1099-S Reporting (F1099S).....	68
Tax Form Printing Management (TAXM)	70
Tax Form Options and Parameters (TAXOPT)	71
Advanced - Setup.....	72
Reference Pages Outside of Tax Reporting.....	72
Application Parameters (APPCTRL).....	72
Chart of Accounts Setup (OBJ, SOBJ, BSA, SBSA)	73
City State ZIP	74
Department Fiscal Year (DEPTFY)	74
System Options (SOPT)	74
Vendor/Customer (VCUST)	75
Tax Reporting References Pages	76
1042-S Reporting Setup	76
1099 Reporting Setup	80
1099 and 1042-S Reporting Setup	81
1042-S Ch. 3 Recipient Code (RECP).....	82
1042-S Ch. 3 Withholding Allowance (1042W)	82
1042-S Ch. 4 Withholding Allowance (1042W4)	82
1042-S Ch. 4 Status Code (CHP4).....	83
1042-S Exemption Code (EXMP).....	83
1042-S Income Code (INCM)	83
1042-S Income Code/Ch. 3 Recipient Code Exception (ICRC)	83
1042-S Income Code/Ch. 3 Tax Rate (ICTX).....	84
1042-S Income Code/Ch. 4 Status Code Exception (IC4SC)	84
1042-S Income Code/Ch. 4 Tax Rate (ICTX4).....	84
1042-S Limitations of Benefits (LOB)	84

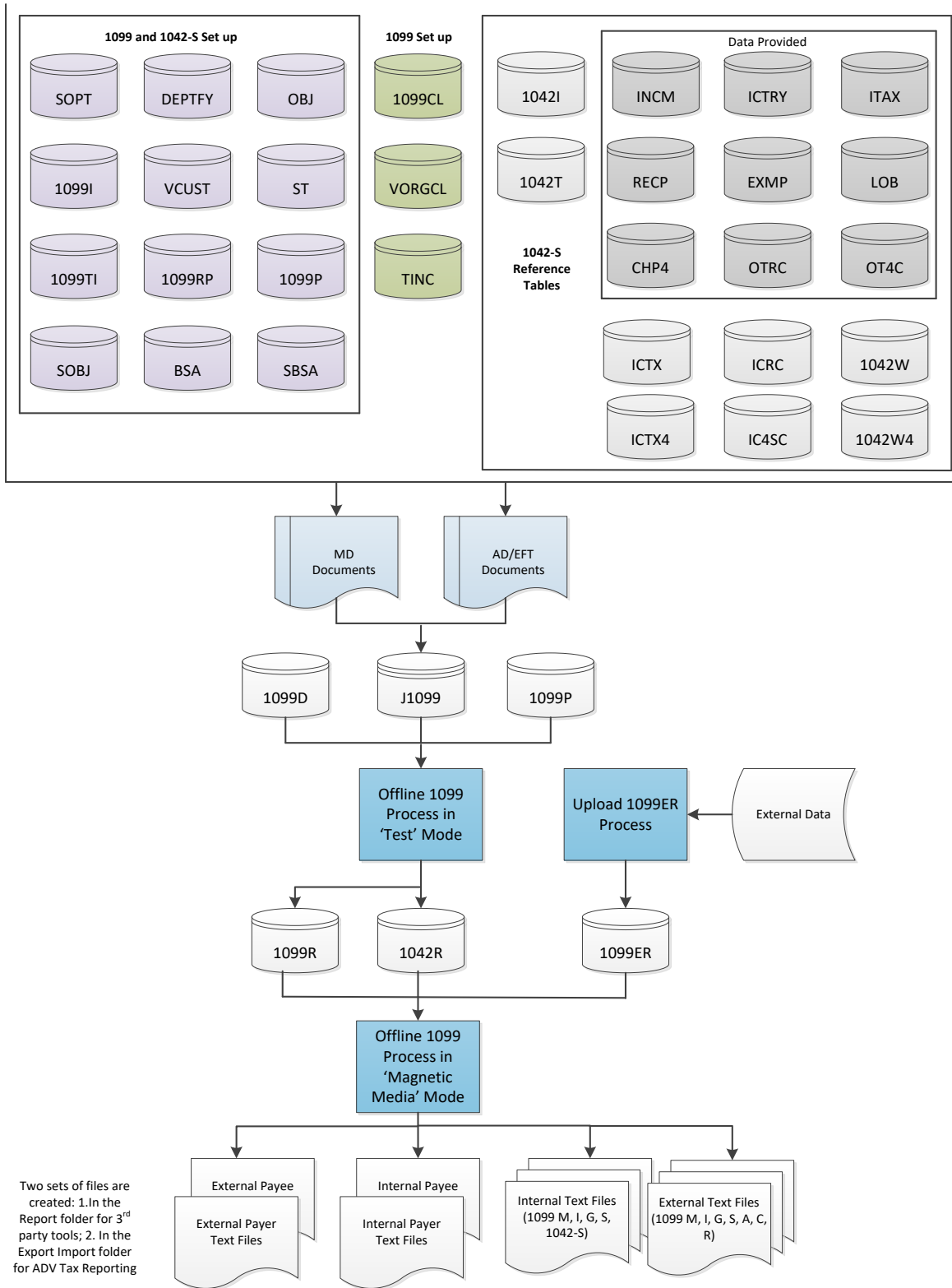
1042-S Organization Type/Ch. 4 Status Code Crosswalk (OT4C)	85
1042-S Organization Type/Recipient Code Crosswalk (OTRC).....	85
1042-S Reporting Information (1042I)	85
1042-S Tax Rate (ITAX)	86
1042-S Type of Income (1042T).....	86
1099 and 1042-S Reporting Setup	87
1099 Reporting Classification (1099CL).....	88
1099 Reporting Information (1099I).....	88
1099 Reporting Information by Department (1099ID)	90
1099 Transmitter Information (1099TI).....	91
1099 Type of Income (TINC)	91
IRS Country of Residence (ICTRY)	91
Tax Form Options and Parameters (TAXOPT)	91
Tax Form Box Cross Reference (TAXBXRF)	96
Valid Vendor Organization and 1099 Reporting Class (VORGCL)	96
Advanced - Batch Processing	97
Batch Jobs	97
Chain Jobs.....	98
Recommended Sequence for 1099 Job Execution	99
Advanced - Reports	103
CGI Advantage Financial Reports	103
CGI infoAdvantage	105
CGI Advantage Insight	105
Frequently Asked Questions	106

Tax Reporting Overview

The Tax Reporting User Guide includes information on the following areas:

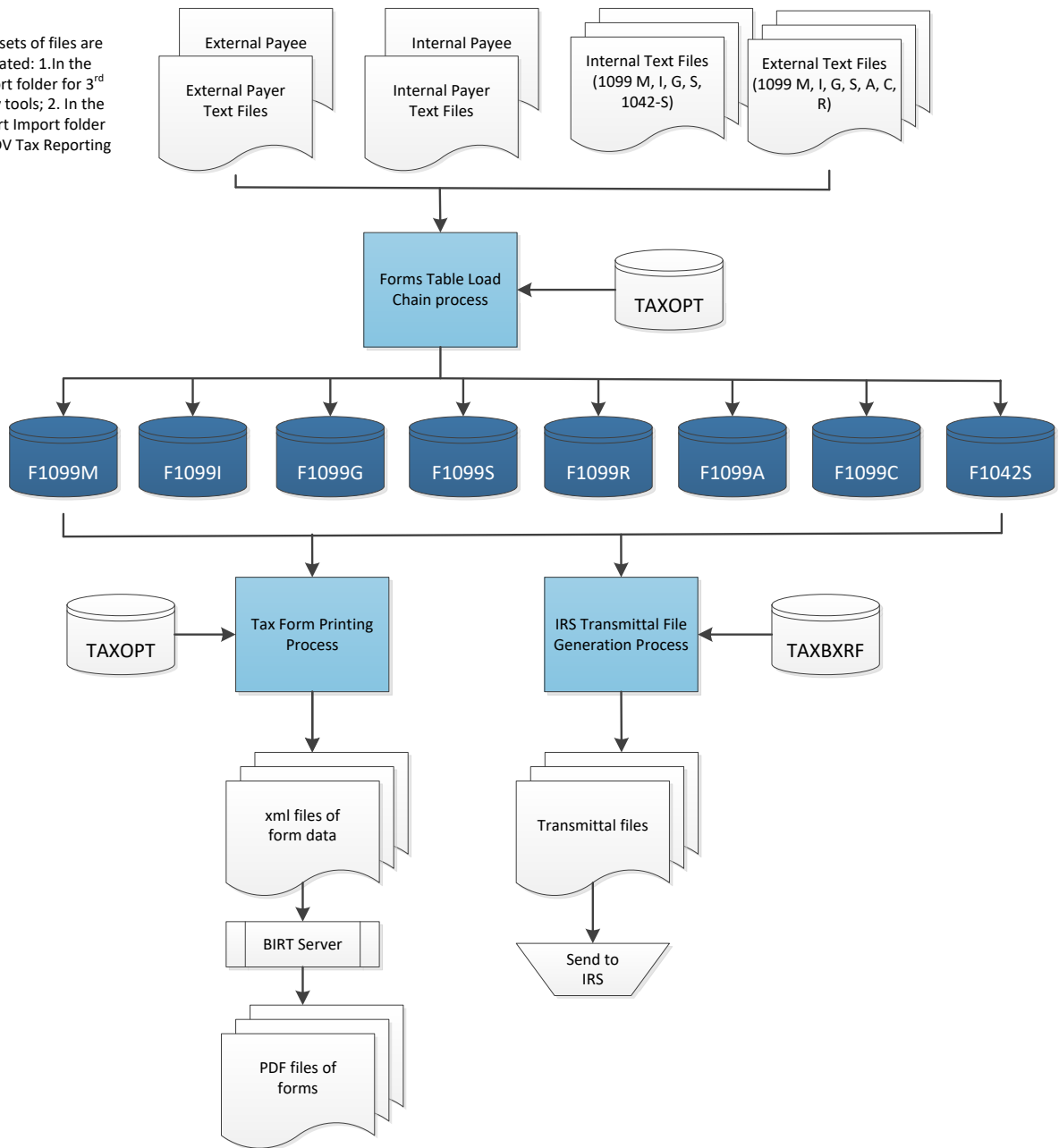
- **1099 Reporting:** Entities that provide certain kinds of income to reportable vendors must file an information return (Form 1099) with the IRS. The information return shows how much reportable income the vendor earned during the course of the tax year.
- **1042-S Reporting:** The IRS requires US companies to withhold a specific percentage of money paid to foreign individuals, companies, and non-resident aliens based on their country of origin and the type of income classification of the money being paid to that company or individual. Form 1042-S is the tax form used to report such income.
- **Backup Withholding:** Under Section 3406 of the Internal Revenue Code, a payer making certain payments to payees is required to withhold and pay to the IRS a specified percentage of applicable payments if one or more predetermined conditions are met. This withholding is known as Backup Withholding.
- **Contract Withholding** was a federal law that mandated federal, state, and local governments withhold 3% from payments for goods and services. The law was included in section 511 of the Tax Reconciliation Act of 2005. The IRS referred to it as Withholding Under Internal Revenue Code Section 3402(t). CGI Advantage refers to that withholding as Contract Withholding. Although the law was revoked, the withholding feature still exists in Advantage.

The 1099 Reporting Process includes a number of table set up, processes, and transactions. The following diagram shows the portion that is considered for the Legacy 1099 Reporting process and the portion that is considered for the Advantage Tax Reporting module. Together, the process results in IRS substitute forms that can be sent to recipients and data files that can be sent to the IRS.



CGI Advantage - Tax Reporting User Guide

Two sets of files are created: 1. In the Report folder for 3rd party tools; 2. In the Export Import folder for ADV Tax Reporting



Common Terminology

This section contains an alphabetical list of terms that are common in Tax Reporting area, and a definition for each one.

> [1042-S Reporting](#)

Vendors identified as foreign individuals, foreign companies, and non-resident aliens are required to report US earned- income to the IRS. The income is reported on an information return using the 1042-S form.

> [1099 Reporting](#)

Entities that provide certain kinds of income to reportable vendors must file an information return (Form 1099) with the IRS. The information return shows how much reportable income the vendor earned during the course of the tax year. It also shows how much backup withholding or 3402(t) contract withholding was taken against a vendor, if applicable.

> [Backup Withholding](#)

If the vendor is reportable, but has not provided complete, accurate tax information, backup withholding will reduce the payment amount made to the vendor based on a percentage fee.

Factors that determine whether a disbursement qualifies for backup withholding include: the type of vendor income, whether the object or balance sheet account is reportable, and the eligibility of the vendor itself.

> [Contract Withholding](#)

3402(t) Contract Withholding threshold and percentage can be set up on the 1099P table. If Contract Withholding is enabled, then vendors are subject to a percentage withholding for payments, with exceptions. Contract Withholding will reduce the payment amount made to the vendor. Refer to the "[Contract Withholding](#)" topic in this user guide for more information.

Transaction Information

This topic includes detailed information regarding the transactions in the Tax Reporting area of Advantage. The Tax Reporting area includes the following Transaction Type:

- [1099 Maintenance \(M1099\) Transaction Type](#)

M1099 Transaction Type

The 1099 Maintenance (M1099) Transaction Type includes the following Transaction Code:

- › [1099 Maintenance \(M1099\)](#)

The 1099 Maintenance (M1099) transaction enables authorized users to create or modify 1099 Reported Income (1099R) records. This transaction can be created from the Transaction Catalog or accessed through the given 1099R links provided on the 1099R transaction:

- The **Create New Record** link that exists on the page-level menu on 1099R creates an M1099 transaction with the Action Code of *New* and new information can be entered.
- The **Modify Existing Record** link that exists on the row-level menu on 1099R creates an M1099 transaction with the Action Code of *Modified* and it will infer the existing information for the record from the 1099R table.

Finalized versions of the 1099 Maintenance transaction cannot be modified or cancelled. In order to modify an existing 1099R record, a new M1099 transaction will need to be created with the appropriate Line Action.

The 1099 Maintenance (M1099) Transaction Type has the following tabs:

- [Header](#)
- [1099 Reported Income Line](#)

M1099 Delivered Transaction Codes

The 1099 Maintenance (M1099) Transaction Type has the following Transaction Code:

Transaction Name	Transaction Code	Intended Use
1099 Maintenance	M1099	The 1099 Maintenance (M1099) transaction enables authorized users to create or modify 1099 Reported Income (1099R) records.

Header

The Header tab of the 1099 Maintenance (M1099) transaction contains information regarding the Transaction Name, Record Date, and Transaction Description.

> **Field Information**

These fields are required and if left blank will automatically populate:

- Record Date

The following fields are conditionally required based on site-specific setup on the Transaction control (DCTRL) table:

- Transaction Name
- Transaction Description

1099 Reported Income Line

The 1099 Reported Income Line tab of the 1099 Maintenance (M1099) transaction contains the following important fields:

> **Field Information**

The following fields are always protected:

- Generation Date – defaults to the Application control date.
- Processing Indicator – defaults to New.
- IRS Reported – defaults to No.

If the Manage TIN by Department (1099_TIN_BY_DEPT) parameter is set to *False* on the Application Parameter (APPCTRL) table, the following fields are inferred from the 1099 Reporting Information (1099I) table based on the Taxpayer ID and TIN Type values entered for the line.

- Name
- Name (Cont.)
- Address
- City
- State
- Zip

If the Manage TIN by Department parameter is set to *True*, the Taxpayer ID picklist filters records by TIN and TIN Type for the department and the above given fields will be inferred from the 1099 Reporting Information by Department (1099ID) table based on the Taxpayer ID, TIN Type, and Department values entered for the line.

The following fields are assigned by the system upon Save:

- 1099-S Form Number - The 1099-S Form Number will default to '0' for 1099-G, 1099-INT, 1099-MISC, and 1099-NEC forms and for 1099-S forms when the 1099-S Reporting indicator on 1099P is set to TIN/TIN Type. It will be set to '1' when inserting the first record for the 1099 Reporting Payer and TIN/TIN Type when the 1099-S Reporting indicator on 1099P is set to Property. It will be incremented by 1 when inserting subsequent records for the same 1099 Reporting Payer and TIN/TIN Type.
- When the Action Code is *New* on the 1099 Reported Income Line tab, then the M1099 transaction will insert a new record on the 1099R table. In order to prohibit duplicate records, new 1099 records on M1099 transactions will reject if a record exists on the 1099R table with the same "key" fields combination (Calendar Year, 1099-S Form Number, 1099 Reporting Payer, TIN, TIN Type, and Form Type). All box amounts will be blank on the M1099 transaction and upon submitting the transaction to Final, the box amounts will default to 0.00 on 1099R unless the user has entered an amount.
- All fields correspond to the information that should be reported in each box number on the 1099 form and if left blank will not update the 1099R table.
- When creating the transaction from the Transaction Catalog with the Action Code of *Modified*, you will at a minimum, input the Calendar Year, TIN, TIN Type, Form Type, and Reporting Payer and then select Validate. Upon Validate if a matching record exists on the 1099R table, all fields that are blank will infer the values from 1099R to the transaction. When creating the transaction from the Modify Existing Record link from 1099R, all fields will be inferred from the record. The Generation Date will default to the current date specified in the APPL_SYS_DT parameter on the Application Parameter page and IRS Reported will default to *No*. If the record does not exist, an error will be returned.
- Once all the modification information has been completed on the M1099, the system will attempt to make the 1099R updates based on the M1099 transaction input. All entries will follow the current 1099R table validations, and all error messages from the 1099R table will display in the M1099 transaction.
- All the fields correspond to the information reported in each box number on the 1099 form. If no entries are entered, upon Save, the transaction will default in the values from the 1099R table.

1099 Processing

Organizations that provide certain kinds of income to vendors must file an information return (Form 1099) with the IRS. The information return shows how much income the vendor earned during the course of the tax year. It also shows how much Backup Withholding or 3402(t) Contract Withholding was taken against a vendor (if applicable).

In Advantage Financial, 1099 reporting is the process that reports vendor income to the IRS for the calendar year. 1099 transaction data is captured in the 1099 journal throughout the calendar year if the Posting Code is classified for 1099 reporting. A transaction is considered reportable if the following are true:

- The vendor is eligible for 1099 reportable as specified on the Vendor/Customer (VCUST) table (1099 Reportable flag is inferred from 1099I), and,
- The Object, Sub Object, Balance Sheet Account or Sub Balance Sheet Account is reportable, and,
- The vendor's VCUST record has an Organization Type, 1099 Classification, and TIN Type combination that has a 1099 Reporting Classification defined as Individual, Corporation, Trust, Sole Proprietor, or Partnership on the Valid Vendor Organization and 1099 Reporting Classification (VORGCL) table, and,
- The Type of Income for the vendor is reportable for the VORGCL 1099 Reporting Classification on the 1099 Type of Income (TINC) table. If the VORGCL 1099 Reporting Classification is Corporation, the Type of Income is reportable if the Always 1099 Reportable flag is checked for the Object, Sub Object, Balance Sheet Account or Sub Balance Sheet Account.

Depending on your site's setup, taxpayer records can be added to the 1099 Reporting Information (1099I) table by submitting a Vendor/Customer Creation (VCC) transaction. Records can be added or modified on the 1099I table by submitting a Vendor/Customer Modification (VCM) transaction. In addition, for users with the appropriate security, records may be modified directly on the 1099I table.

This topic includes the following areas:

- [Understanding the 1099 Reporting Process](#)
- [1099 Parameters](#)
- [Backup Withholding](#)
- [Contract Withholding](#)

Understanding the 1099 Reporting Process

Entities that provide certain kinds of income to reportable vendors must file an information return (Form 1099) with the IRS. The information return shows how much reportable income the vendor earned during the course of the tax year. It also shows how much Backup Withholding or 3402(t) Contract Withholding was taken against a vendor, if applicable. (For more information on this subject, please refer to Backup Withholding and Contract Withholding later in this section.) The 1099 process can also exclude Procurement Card records (records associated with payments paid to vendors through credit cards). These records can be reported by the issuer of the card instead of the person/company that holds the card related to the credit card.

Advantage Financial supports the following types of 1099 forms:

Form	Title	Type of Reportable Income
1099-A	Acquisition or Abandonment of Secured Property	<p>Property acquisition.</p> <p>Form 1099-A is used if you lend money in connection with your trade or business and, in full or partial satisfaction of the debt, you acquire an interest in property that is security for the debt, or you have reason to know that the property has been abandoned.</p>
1099-C	Cancellation of Debt	<p>Debt Cancellation.</p> <p>Form 1099-C is used when a creditor has discharged (canceled or forgiven) a debt you owed, or because an identifiable event has occurred that either is or is deemed to be a discharge of a debt of \$600 or more.</p>
1099-G	Certain Government Payments	<p>Certain Government Payments</p> <p>Unemployment compensation, state and local income tax refunds, credits or offsets, agricultural payments, taxable grants, and employment trade adjustment assistance (RTAA).</p>
1099-INT	Interest Income	Interest income
1099-MISC	Miscellaneous Income	<ul style="list-style-type: none"> • Rent or royalty payments • Service performed by someone who is not your employee. • Prizes and awards • Other income payments • Medical and healthcare payments • Fish purchases paid in cash for resale • Cash paid from a notional principal contract to an individual, partnership, or estate. • Crop insurance proceeds • Payments to attorneys

		<ul style="list-style-type: none"> Fishing boat proceeds
1099-NEC	Nonemployee Compensation	Payment for services performed for a trade or business by people not treated as its employee.
1099-R	Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.	<p>Income from distributions (from pensions, annuities, profit-sharing and retirement plans (including tab 457 state and local government plans), IRAs, insurance contracts, etc.)</p> <p>Distributions from profit-sharing or retirement plans, any individual retirement arrangements (IRAs), annuities, pensions, insurance contracts, survivor income benefit plans, permanent and total disability payments under life insurance contracts, charitable gift annuities, etc. This form is also used for death benefit payments made by employers that are not made as part of a pension, profit-sharing, or retirement plan.</p>
1099-S	Proceeds from Real Estate Transactions	<p>Real estate transactions</p> <p>Sale or exchange of real estate</p>

In Advantage Financial, the Offline 1099 Process reports vendor income to both the IRS and the vendor for the calendar year. It is made up of three stages described further in subsequent sections:

- [Data Collection for 1099](#)
- [Execute the Offline 1099 Process](#)
- [Corrections Processing](#)

Data Collection for 1099

1099 transaction data is recorded throughout the calendar year in the 1099 Reporting Journal (J1099). This journal serves as the primary input into the Offline 1099 Process. It contains information necessary for 1099 reporting, including the valid chart of accounts fields, the reference transaction information, dollar amount, and taxpayer information.

The Posting Code (PSCD) table identifies which Posting Codes will update the 1099 Reporting Journal. By selecting the Journal Type for 1099 Reporting flag, you indicate that this Posting Code will update the 1099 Reporting Journal. The baseline Advantage Financial table settings have this field checked for Cash (Posting Code A001) and Warrants Payable (Posting Code D007). So, all transactions that generate posting lines for Cash or Warrants Payable such as Cash Receipts, Automated Disbursements, and Journal Voucher transactions are updated to the 1099 Reporting Journal.

Note that updates to the 1099 Reporting Journal are driven entirely by Posting Code, not vendor, object, or balance sheet 1099 classification. So, if a non-reportable Object Code is reclassified mid-year as reportable, that does not impact the data collection process, because the 1099 Reporting Journal captures all reportable and non-reportable activity for that object. The 1099 classification for vendors,

objects, and balance sheet accounts only comes into consideration after calendar year end, when the Offline 1099 Process is executed.

The Journal Engine Process references two fields on the Application Parameters table to allow clients to define the criteria for records to be added to the 1099 Journal. These parameters are Require Vendor on 1099 Journal Updates and Require TIN for Misc on 1099 Journal Updates with default values as <blank>. If the Require Vendor on 1099 Journal Updates parameter is blank then records that meet the existing posting criteria without a Vendor/Customer Code may be posted to the 1099 Journal. If the value is 'True', then records without a Vendor/Customer Code will not be posted to the 1099 Journal. If the Require TIN for Misc on 1099 Journal Updates parameter is blank, then entries for miscellaneous vendors that meet the existing posting criteria without a TIN may be posted to the 1099 Journal. If the Require TIN for Misc on 1099 Journal Updates parameter is 'True', then entries for miscellaneous vendors without a TIN will not be posted to the 1099 Journal. The Journal Posting Engine will evaluate both conditions to determine if the record can be added to the Journal. In order for the record to be added to the 1099 Journal both parameter conditions must be met.

Execute the Offline 1099 Process

The Offline 1099 Process runs after calendar year end, but can be run at any point in the year if you should choose to do so. The Offline 1099 Process primarily uses the 1099 Reporting Journal as input. It also uses four sources of parameters: the 1099 Processing Options and Controls (1099P) page, Reporting Payer Information (1099RP) page, 1099/1042-S Date and Transaction Parameters (1099D) page, and the batch parameters located in the batch manager. Refer the “[1099 Parameters](#)” topic in this user guide for more information.

The Offline 1099 Process comprises the following steps:

- › [Determining 1099 reportability](#)

The Offline 1099 Process evaluates each record on the 1099 Reporting Journal for reportability (records that might be considered reportable by the IRS). Those records that are reportable are picked up for further processing. Non-reportable records are skipped. A record is considered reportable based on type of income, vendor/taxpayer eligibility, and chart of accounts classification.

Type of Income

The valid income types (for example, Royalties, Interest Income) for a Type of Return (Form Type) are defined on the 1099 Type of Income (TINC) table. This table contains the following fields:

- Form Type - The IRS form type (for example, 1099-S, 1099-MISC, 1099-NEC, 1099-INT, 1099-G, 1099-A, 1099-C, and 1099-R)
- Type of Income - Corresponds to the valid box numbers on each Form Type (for example, Type of Income of 1 corresponds to Box 1 on the 1099-MISC form)
- Name - The description of the Type of Income (for example, Type of Income of 1 is Box 1 Rents on the 1099-MISC form)
- Threshold - Represents the minimum amount of money that needs to be paid to a vendor before the vendor, if 1099 reportable, is required to report its earnings to the IRS. The IRS sets these threshold amounts annually. If the IRS changes any thresholds, this table can be manually updated before the Offline 1099 Process is

run. Also, the IRS requires reporting of all backup withholding for vendors. Therefore, the threshold amount for backup withholding should be set to zero dollars for 1099 reporting. (**Note:** Threshold is not taken into account in initial 1099 processing. All records that include reportable income are selected by the process and updated to the 1099 Reported Income (1099R) table. Only records on 1099R where at least one box meets or exceeds the IRS specified threshold amount will be included in the data file that is created by the batch process when Compare Threshold parameter is set). This Threshold amount is also used by the Forms Table Load chain. Threshold amounts will be evaluated again when records are loaded to the Form Reporting tables (F1099M, F1099I, etc.). The results of threshold evaluation may change when records are consolidated between 1099R and 1099ER records during the upload to the Form Reporting tables.

- **Data Type** - This field is used to define the data type for the different types of income (that is, Box 1) reported to the IRS. The type selected is used by the 1099R and 1099ER tables to ensure that the data entered in the corresponding boxes are of the correct data type. This is a required field. Valid values are *Characters* (default), *Numeric*, *Date*, *Year*, and *Check box*.
- **Vendor Classification Check boxes** - Boxes for Individual, Incorporated, Trust, Sole Proprietor, or Partnership, as well as Backup Withholding. When checked, this indicates that vendor income is reported for only the specified vendor classification, or that the income type is eligible for Backup Withholding.

TINC is linked to the Object (OBJ), Sub Object (SOBJ), Balance Sheet Account (BSA), and Sub Balance Sheet Account (SBSA) tables. It is also used in defining the valid types of income and reportability of those chart of account codes.

Vendor/Taxpayer Eligibility

For 1099 reporting, Vendor income is reported to the IRS by Taxpayer ID Number (TIN) and Type. Therefore, a Taxpayer ID Number and Type must be tied to a Vendor Code, if the vendor is reportable. This relationship is built by defining taxpayer information on the 1099 Reporting Information (1099I) table or 1099 Reporting Information by Department (1099ID) table, and updating the Vendor Customer (VCUST) table with the Taxpayer ID Number and Type. This can be done directly on VCUST by proper authority or through the use of the VCC/VCM transaction.

Chart of Accounts Classification

1099 income reportability is defined by the Object, Sub Object, Balance Sheet Account, or Sub Balance Sheet Account recorded on the 1099 Reporting Journal record.

Prior to running the Offline 1099 Process, an Object, Sub Object, Balance Sheet Account, or Sub Balance Sheet Account code is defined as reportable by linking the code on its respective chart of accounts table to a valid Type of Income on TINC. For example, to define an Object code as reportable, you need to retrieve the code from the Object table. Then you must select the 1099 Income Code. Based on the set up from TINC, the Form Type and Income Type Name will be displayed. For corporations, if the chart of account (COA) code will be 1099 reportable, such as legal services, the Always 1099 Reportable check box should be selected. This check box will enforce the income to be reportable even though corporate income is generally not reportable.

Type of Income Reportability

A vendor's Organization Type, 1099 Classification, and TIN Type setup from the VCUST table is used to retrieve the 1099 Reporting Classification from the VORGCL table, which in turn is used to determine if the Type of Income is reportable. When the VORGCL 1099 Reporting Classification is Individual, Corporation, Trust, Sole Proprietor, or Partnership, and the corresponding box is checked on TINC for the Type of Income set up on COA, this indicates that vendor income is reportable. There is one exception: If the COA is marked as *Always Reportable* and 1099 Reporting Classification on VORGCL is set to Corporation and the 1099 Indicator is set to Yes on VCUST, then the income will be reportable regardless of the setting on TINC. Take an example where two vendors are considered reportable, and one is Corporation (as defined on VCUST in the Classification field and corresponds to 1099 Reporting Classification of Corporation on VORGCL), and the other is classified as a Partnership. On TINC, rent payments are only reportable for Individuals, Sole Proprietors, and Partnerships. So, any rent payments made to the vendor that is incorporated will not be considered reportable.

A 1099 Reporting Journal record is considered reportable if the vendor/taxpayer is reportable, the Object, Sub Object, Balance Sheet Account, or Sub Balance Sheet Account is associated with a valid Type of Income, and the Type of Income is reportable for the vendor's classification.

During the record selection of the Offline 1099 Process when the 1099 Journal as Input flag is set to *True*, transactions on the 1099 Journal that contain a posting pair type of A (reportable income), a posting pair of E (for 1099 withholding or 1042-S Withholding Payable), or a posting pair of K (for Contract Withholding payable) are selected for 1099 or 1042-S processing (1042-S is discussed in later tabs). If the transaction contains a Vendor Code that does not have a Recipient Account Number populated on VCUST, the transaction is considered for 1099 processing. If the vendor record contains a Recipient Account Number, it will be considered for 1042-S reporting.

› [Consolidating income by Taxpayer Identification Number and Type](#)

The Offline 1099 Process is responsible for consolidating reportable vendor income from the 1099 Reporting Journal (J1099) table. Since the journal records transaction activity at the posting line level, the Offline 1099 Process will consolidate the vendor income by Calendar Year, 1099 Reporting Payer, Taxpayer ID Number (TIN), TIN Type, and Form Type.

Unlike TIN and TIN Type, the 1099 Reporting Payer and Form Type are not stored on the journal. The 1099 Reporting Payer is obtained from the System Options (SOPT) table if the 'Multiple 1099 Reporting Payers' flag is set to false, or, if it's set to true, from the Department Fiscal Year Controls (DEPTFY) table using the Department code recorded on the journal record. The Form Type is obtained from the Type of Income (TINC) table, for the Object, Sub Object, Balance Sheet Account, or Sub Balance Sheet Account recorded on the journal record.

When executed in Forms or Magnetic Media mode and the parameter, Compare Threshold, is set to 1 (yes), the Offline 1099 Process performs a check to determine if any of the reported income for a TIN, TIN Type and Form Type, exceeds the specified threshold amounts as defined on the TINC table. If any Backup Withholding has been deducted, or at least one income amount is greater than or equal to its corresponding threshold amount, then the income for the TIN, TIN Type, and Form Type is required to be reported to the IRS. Therefore, the taxpayer will receive a 1099 form to indicate what was reported to the IRS. In addition, the IRS Reported Indicator on the 1099R table is updated to Yes to signify that the record passed the threshold check and record was selected and

reported. When executed with the Check Threshold set to *No*, the Offline 1099 Process will select all records with an amount greater than 0.00 and set the IRS Reported flag to *Yes*.

› [Generating 1099 Forms](#)

The Offline 1099 Process generates text files when run in Forms or Magnetic Media mode that can be imported into a 3rd party forms printing tool or they will be processed to the Advantage Form Reporting tables. If using Advantage Tax Reporting (APPCTRL: USE_ADV_TAX_REPORTING = Yes), only text files from Magnetic Media mode can be loaded to the Form Reporting tables through the Forms Table Load Chain batch process. The data on these tables is used by the Tax Form Printing job to generate xml files that is used by BIRT to generate the appropriate tax forms.

In Forms mode, users can opt to have a Form Generation report generated that displays the information reported on the individual forms in a condensed format and provides a listing of the total forms generated for each form type. The report that is generated during Testing and Magnetic Media modes (Magnetic Media Audit report) has the information that would be reported on the forms listed in report format for the user to preview prior to generating the IRS forms and/or the IRS Transmittal file.

› [Generating Data Files](#)

The Offline 1099 Process generates data files with payer information, payee information, and form information. When the Offline 1099 Process is executed in Forms mode, text files are generated in the Report Output folder that can be used with third party reporting tools. When executed in Magnetic Media Mode, two sets of text files are generated; one set is generated in the Export Import folder that is to be used by the Advantage Tax Reporting module (APPCTRL: USE_ADV_TAX_REPORTING = Yes); another set of text files are generated in the Report Output folder to be used by third party reporting tool. A Magnetic Media Audit Report is also generated when the job is executed in Magnetic Media mode, which displays a listing of the contents of the file. Both sets of files are also generated when the Offline 1099 Process is executed in Corrected Processing Mode.

› [Updating Reported Income table](#)

The 1099 Reported Income (1099R) table records taxpayer income that has been consolidated/ summarized by Calendar Year, 1099 Reporting Payer, TIN, TIN Type, and Form Type. This provides an audit trail of 1099 activity for the calendar year by 1099 Reporting Payer, TIN, TIN Type, and Form Type. The table is initially updated with records from the 1099 Reporting Journal the first time the Offline 1099 Process is executed for a calendar year. During subsequent runs, updates are made to individual records depending on what processing mode is chosen. The record's Processing Date, Processing Indicator, and Current Record indicators provide a log of the processing history. This allows you to identify if a record reported to the IRS, is a current record or corrected (if applicable).

The 1099 External Reported Income (1099ER) page allows data external to the Advantage application to be reported within the Offline 1099 Process. Data is initially loaded to 1099ER by the Upload 1099 External Reported Income process. If the Read 1099ER table batch parameter in the Offline 1099 Process' is set to Yes, then the Offline 1099 Process will process records from 1099ER and update the records similar to those on the 1099R page. External data is written to separate data files than that of internal records. Records on 1099ER and 1099R will not be consolidated in the text files. Separate text files will be

created for internal data from 1099R and external data on 1099ER. When the files are processed by the Forms Table Load chain process, the internal and external files can be consolidated, if configured on TAXOPT.

> **Reports**

The following reports are generated for 1099 reporting:

- Forms Generation Report - report that is generated based on value in the Forms Generation Report flag on 1099P. This can only be generated when running in Forms mode.
- Magnetic Media Audit Report - report is created by the Offline 1099 Process when it is run in Testing, Magnetic Media, and Corrections modes.
- Non-Tin Miscellaneous Vendor Report - report is generated based on value in the Non-TIN Miscellaneous Vendor Report flag on 1099P. The report includes transactions that use a miscellaneous vendor that does not have TIN and TIN Type entered.
- 1099 Transactions by Vendor Report - report is generated on-demand and not as part of the Offline 1099 Process. The report lists reportable transactions for the taxpayer.
- Tax Form Printing report – by Reporting Payer and Form Type, this report provides summary of the records selected, printed, and bypassed. It also provides the amount totals by box.
- IRS Transmittal report – report specifies the file created and the number of records by Record Type (T, A, B, etc.) created within the file.

Corrections Processing

In Advantage Financial, corrections to 1099 reporting information may be entered on the 1099 Reported Income (1099R) table (either directly or via the M1099 transaction), 1099ER table, or corrections can be entered directly into the third party tool. As the 1099R table tracks the consolidated income before and after it is reported to the IRS, making such corrections within Advantage provides for an audit trail of changes made to 1099 information both before and after information is reported to the IRS.

When an existing record is corrected on 1099R (either directly or by using the M1099 transaction) or on 1099ER, a new record will be generated with a Processing Indicator of *Updated* and the Current Record field set to *Yes* while the Current Record field of the original or previous record is updated to *No*. In addition, the Apply Corrections link on the original/previous record will be disabled. Therefore, if there are multiple records for a TIN Number for a Form Type, corrections can only be applied to the most current record. If more changes need to be made on a previously corrected record, choose the Edit 1099 Reported Income link on 1099R or process a new M1099 transaction.

Any correction to an existing record will be identified as either Type 1 or Type 2 correction. Type 1 and Type 2 corrections are distinguished as follows –

- Type 1 – It includes changes for incorrect boxes (income should have been reported in box 2 instead of 3), incorrect money amount, non-amount fields, and if a form was submitted in error (return should not have been filed).

- Type 2 – It includes change in TIN, TIN Type, name, and Form Type.

If a correction is made that is a Type 2 and then a subsequent change is made that is a Type 1, the net changes will be considered as a Type 2 correction. If changes are made to a record that is neither Type 1 nor Type 2 (i.e., Comments), a record with the Processing Indicator set to *Corrected* will be created, however, the record will not be included on the Magnetic Media Audit report or in the text files and no corrected form will be produced. Also, changes to fields that are not classified as Type 1 or Type 2 should not impact the correction type. For example, a name change is made and then a Comment is added to the same record, the record will be classified as Type 2 correction. The addition of Comments should not change the correction type. Based on whether it is Type 1 or Type 2 correction, the Correction indicator will be determined and updated in the text files after running the Offline 1099 job in Corrected mode.

The Processing Modes of Forms and Magnetic Media only select records from 1099R and 1099ER that meet or exceed the threshold established on the TINC table when generating text files if the Compare Threshold batch parameter is set to *Yes/1*. If you need to change the dollar amount of a record on the 1099R table after a form has been issued to an amount that does not meet the threshold established for the Type of Income, you need to do the following:

- Change the value directly on 1099R, or via an M1099 transaction, after you have run the Offline 1099 process in Magnetic Media mode. It will then be picked up when the Offline 1099 process is run in *Corrected* Mode and create a corrected record to be used to generate a corrected form.

For sites using Advantage Tax Reporting, corrections or changes can be made to a taxpayer form multiple times after the physical forms have been sent to the taxpayer but before the IRS has received the data files. When it is sent to the IRS for the first time, the form will be sent as an original record. Any corrections made after it has been sent to the IRS, the form will be sent as a corrected record. For example, a 1099-MISC form was printed and sent to John Smith on January 31st. This initial record is version 1 on the F1099M table. Your site decides not to transmit the data files to the IRS until March 31st so that the IRS Transmittal File Generation process was not executed.

1. John Smith received the form on February 3rd and called to inform the department that his name was spelled incorrectly. It should be John Smithe.
2. A correction was processed on 1099R/1099ER or using a M1099 transaction.
3. After Offline 1099 was executed in the Corrected mode and Forms Table Load chain is completed, the F1099M table was updated with version 2 of the record that includes the name change.
4. On February 4th, a new form was printed and sent to John Smithe.
5. On February 7th, John Smithe called the department to notify that he should not have any income in Box 1 (assume that there are income in other boxes).
6. After some investigation, it was determined that the income in Box 1 should be removed from the John Smithe's 1099 form. An amount change was processed on 1099R/1099ER or using an M1099 transaction.
7. After Offline 1099 was executed in the Corrected mode and Forms Table Load chain is completed, F1099M was updated with version 3 of the record that includes both the name change and amount change. No other changes were made to his record.
8. On March 31st, the IRS Transmittal File Generation process was executed and John Smithe's record was sent to the IRS as an original record that included the correct name and amounts.

9. Let's assume that another correction was made after March 31st. F1099M would look similar to the following:

TIN	Name	Box 1	Version	Corrected	Last Print Date	Last Transmitted Date	Transmission Type
123456789	John Smith	\$250	1	N	01-30-2020		Original
123456789	John Smithe	\$250	2	Y	02-03-2020		Original
123456789	John Smithe	\$0.00	3	Y	02-07-2020	03-31-2020	Original
123456789	John Smithe	\$0.00	4	Y	04-07-2020	04-07-2020	Corrected

* The Transmission Type specifies if the record will be transmitted as an original or corrected/amended record. After the initial transmission, subsequent transmissions will be generated as a corrected/amended file. Since, the record versions 1 and 2 were never transmitted, version 3 was transmitted as an original version and it includes all changes up to that point.

Refer the "[1099 Business Tasks](#)" topic in this user guide for more corrections scenarios.

1099 Parameters

This topic explains the different parameters required to execute the Offline 1099 process. Due to the complexity of the job, it is very important the parameters are set correctly. Special attention needs to be paid to the 1099 Processing Options and Controls (1099P) page.

- [1099/1042-S Date and Transaction Parameters \(1099D\)](#)
- [1099 Processing Options and Controls \(1099P\)](#)
- [1099 Reporting Payer Information \(1099RP\)](#)
- [Batch Parameters](#)

1099/1042-S Date and Transaction Parameters (1099D)

The 1099D table defines the From and To date range associated with a Transaction Code that will be used to select records from the 1099 Journal. While the Offline 1099 Process normally selects records based on a calendar year (January 1– December 31), this table allows you to define the date range that a specific Transaction Code should be selected. For example, the Record Date of a transaction on 1099 Reporting Journal must be between or equal to the Record Date range provided on the 1099D record associated with the Transaction Code for the Calendar Year defined by the batch parameter. Other date

ranges can also be entered to provide additional selection criteria for the transactions on the 1099 Journal. Those include the From and To Acceptance Dates and From and To Check/EFT Issue Date. The From and To Check/EFT Issue Dates are only allowed for Transaction Types of AD, DC and MD. When multiple date ranges are entered, the transaction must meet all criteria to be selected.

The following example shows how the From and To Acceptance Dates can be utilized by the Offline 1099 Batch process when specified on the 1099D table.

An example of the 1099D table setup for a JVA transaction would be:

Calendar Year: 2020
Transaction Code: JVA
From Record Date: 01-01-2020
To Record Date: 12-31-2020
From Acceptance Date: 01-01-2020
To Acceptance Date: 01-20-2021
From Check/EFT Issue Date: <blank>
To Check/EFT Issue Date: <blank>

This setup says “select from the 1099 Journal all reportable JVA transactions processed with an Acceptance Date (that is, Run Date) between 01-01-2020 and 01-20-2021 and a Record Date between 01-01-2020 and 12-31-2020”.

The following examples show how the From and To Check/EFT Issue Dates can be utilized by the Offline 1099 Batch process when specified on the 1099D table.

An example of the 1099D table setup for an AD transaction would be:

Calendar Year: 2020
Transaction Code: AD
From Record Date: 01-01-2020
To Record Date: 01-20-2021
From Acceptance Date: <blank>
To Acceptance Date: <blank>
From Check/EFT Issue Date: 01-01-2020
To Check/EFT Issue Date: 12-31-2020

This setup says “select from the 1099 Journal all reportable AD checks issued during the calendar year 2020 (that is, has a Check/Issue Date between 01-01-2020 and 12-31-2020) where associated transactions, including cancellations, were processed with a Record Date between 01-01-2020 and 01-20-2021”.

An example of the 1099D table setup for a DC transaction would be:

Calendar Year: 2020

Transaction Code: DC

From Record Date: 01-01-2020

To Record Date: 01-20-2021

From Acceptance Date: <blank>

To Acceptance Date: <blank>

From Check/EFT Issue Date: 01-01-2020

To Check/EFT Issue Date: 12-31-2020

This setup says “select from the 1099 Journal all reportable DC transactions processed with a Record Date between 01-01-2020 and 01-20-2021 to stale date checks issued during the calendar year 2020 (that is, has a Check/Issue Date between 01-01-2020 and 12-31-2020)”.

Entries on this table are not required for every disbursement transaction code. If a Calendar Year and Transaction Code combination does not exist on this table for the calendar year that the Offline 1099 Process will run against, the batch process will assume that the records posted during the calendar year are eligible for 1099 Reporting (assuming all other 1099 eligibility requirements are met).

1099 Processing Options and Controls (1099P)

The 1099P table allows a user to define the parameters required by the Offline 1099 Process to create IRS forms, data file, generated Forms Report, and/or data file audit reports. Selection criteria for each calendar year are entered on two tabs: General Information and Options & Controls. Entries to this page can be added and changed throughout the calendar year as the Offline 1099 Process can be executed multiple times. The batch process will issue an error and stop if the Calendar year defined by the batch parameter does not contain a record on this table.

The General Information tab provides the calendar year for which the parameters are valid, the processing mode, last processing mode, the input to be used, the reports to be generated, whether Advantage Tax Reporting is being used, and whether the process is running for corrections or not.

Processing Mode determines how the 1099 records are processed. The purpose of each mode is as follows:

- **1099 Report:** To generate reports so that users can preview the vendor income that would be produced from the Offline 1099 Process. This mode does not update tables or create any files. Select either or both reports; Non TIN Miscellaneous Vendors Report or 1099-S Transaction by Vendor Report.
- **Testing:** To generate the consolidated vendor income by CY, Form Type, 1099 Reporting Payer, TIN, and TIN Type in a condensed format so that users can preview the result of the Offline 1099 Process prior to executing in Forms or Magnetic Media modes. This mode will add records to the 1099 Reporting Income (1099R) table with a Processing Indicator of *Testing*. The Magnetic Media Audit report will be produced in this mode.
- **Forms:** To create text files that can be used with a third party tax software to print and send the forms out to the vendors in advance of generating the magnetic media text files that will be used to generate the IRS Transmittal file. This can help to reduce the amount of correction records to

be reported to the IRS. If the Forms Generation Report is checked, it will also be produced.

NOTE: If you are using the Advantage Tax Reporting module it is not necessary to run in Forms mode. The files produced from Forms mode cannot be used in by the Forms Table Load chain to update the Form Reporting tables.

- **Magnetic Media:** To generate the Magnetic Media Audit report and two sets of text files. One set for Advantage Tax Reporting module in the ExportImport folder (APPCTRL: USE_ADV_TAX_REPORTING = Yes), and one set for a third party tax software in the Report Output folder. The Advantage Tax Reporting text files are used by the Forms Table Upload Chain job to load the records to the Forms Tables. It is from the Forms tables that the forms can be printed and the IRS Transmittal produced to send to the IRS. Therefore, the Offline 1099 process does not need to be executed in Forms mode for Tax Reporting sites.
- **Correction:** To generate the Magnetic Media Audit report as well as two sets of text files with the corrected 1099 and 1042-S records to be used as stated above. Newly inserted records since the last Offline 1099 run will also be picked up in Corrected mode. The files uploaded to the Forms Tables are used to generate the corrected forms and the corrected IRS Transmittal file.

The Processing Mode parameter provides the following options for how to process the 1099 records:

Processing Mode	Input	Processing Ind on Reported Income table records	Forms generated (Y or N)	Third Party Data Files Generated (Y or N)	Tax Reporting Data Files Generated
Report	1099 Journal	N/A - records are not added to 1099R or 1042R with this mode	N	N	N
Testing	1099 Journal and 1099 External Reported Income (1099ER) table (if the Read 1099ER parameter is set to 1(Yes)).	Testing	N	N	N
Forms	1099 Journal if this is the first run of the Offline 1099 Process for a Calendar Year. Otherwise, the input will be the records on 1099 Reported Income (1099R) or 1099ER (if the	Forms	Y (if loaded into a third party tax program)	Y	N

	Read 1099ER parameter is set to 1(Yes)) with a Processing Indicator of <i>Testing, Updated, or New.</i>				
Magnetic Media	<p>1099 Journal and/or 1099ER (if the Read 1099ER parameter is set to 1(Yes)) with the Processing Indicator of <i>Testing, Updated or New</i> if this is the first run of the Offline 1099 process for a Calendar Year.</p> <p>If this is not the first run of the Offline 1099 Process and Forms mode was the previous run, the input will be the records on 1099R or 1099ER with a Processing Indicator of <i>Forms, Updated, or New.</i></p> <p>If this is not the first run of the Offline 1099 Process and Testing mode was the previous run, the input will be the records on 1099R or 1099ER with a Processing Indicator of <i>Testing, Updated, or New.</i></p>	Magnetic Media	Y	Y	Y
Correction	Records on 1099R or 1099ER (if the Read 1099ER	Corrected	Y	Y	Y

	parameter is set to Yes/1) with a Processing Indicator of Updated or New.				
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> [More Info](#)

The first time, the Offline 1099 Process is executed for a calendar year, the 1099 Reporting Journal must be used as input. Unless the processing mode is *Report*, a record is created on the 1099R table for each CY, 1099 Reporting payer, TIN, TIN Type, Form Type, and 1099-S Form Number that has reportable income on the 1099 Reporting Journal. If the 1099ER table is populated and the parameter is set to 1(Yes), it may also be used as input to update the 1099ER table. Records from the 1099 Journal will not be added to the 1099ER table nor will records from the 1099ER table be added to the 1099R or 1042R tables. Records on 1099ER are processed separately. If the 1042-S Withholding flag is checked on 1099P, records are added to the 1042-S Reporting Income (1042R) table for each CY, 1099 Reporting Payer, TIN, TIN Type, and Income Code that has reportable income on the 1099 Reporting Journal. The Offline 1099 Process will continue to select records from the 1099 Reporting Journal as long as the 1099 Journal as Input check box is set to *true* on the 1099P table.

After the process is executed in Testing mode, users should procedurally set the 1099 Journal as Input check box to *false* on the 1099P table. If this does not occur, the records on the 1099R and 1042R tables will be initialized and the 1099 Journal will be used as input. If the job is run in Magnetic Media mode with the 1099 Journal as Input checked there will only be records with the Processing Indicator of Magnetic Media on both 1099R and 1042R, all previous records will be deleted.

Once the process runs in Test, Forms, and/or Magnetic Media modes, procedurally any necessary corrections are applied to the current record on the 1099R, 1099ER, or 1042R tables. Therefore, those tables are used as input for any further executions of the Offline 1099 Process as the 1099 Journal as Input check box must be set to *false* for Corrected Mode. A new record is created on 1099R, 1099ER or 1042R for each record processed (based on the Processing Mode and Input criteria). The only exception occurs when the input record has a Processing Indicator of New or Updated. In this case, no new record is added, but instead the Generation Date and Processing Indicator are updated on the existing record. If the Processing Indicator is *New* or *Updated*, multiple changes can be applied to the record using the Edit Reported Income link.

If the 1099-S Reporting indicator on 1099P is set to *Property*, 1099-S records will not be inserted onto 1099R by the Offline 1099 Process. In this case, all of the 1099-S records must be added to 1099R manually using the 1099 Maintenance (M1099) transaction or directly onto the 1099R table using the Add New 1099 Reported Income link. Each property added will be tracked by the 1099-S Form Number allowing multiple records for the same 1099 Reporting Payer, TIN and TIN Type for 1099-S forms. If the 1099-S Transactions by Vendor Report check box is selected, a report will be produced to aid in data entry of the 1099-S records. However, if the 1099-S Reporting indicator on 1099P is set to *TIN/TIN Type* then 1099-S records will be inserted onto 1099R by the Offline 1099 Process for each CY, 1099 Reporting Payer, TIN, TIN Type, Form Type, and 1099-S Form Number. If text is not provided in the Form 1099-S, Box 3 field on 1099RP, Box 3 of all 1099-S records will default to 0.00 unless sites manually update the address or property description for 1099-S, Box 3 to meet the IRS requirement for the 1099-S reporting.

The Last Processing Mode field on the 1099 Processing Parameters window indicates in what mode the Offline 1099 Process was previously executed. This indicator is initially [spaces] and gets updated by the Offline 1099 process with the corresponding processing mode. When the indicator is [spaces], the Offline 1099 process uses the 1099 Journal as input. The Last Processing Mode also determines what Processing Mode the Offline 1099 Process can be executed is as follows:

Processing Mode	Last Processing Mode
Testing	[spaces] or Testing
Forms	[spaces] or Testing
Magnetic Media	[spaces], Testing, or Forms
Corrected	Magnetic Media or Corrected

The Options and Controls tab contains settings that help control the 1099, Backup Withholding, 1042-S Withholding, and 3402(t) Contract Withholding functionality.

> Fields in this tab include:

- The 1099 Backup Withholding, 1042-S Withholding, and Contract Withholding fields activate the corresponding reporting and withholding in the system. Even if your site will not impose backup withholding, these indicators are also used to evaluate and report income for reportability.
- Values in the 1099 Backup Withholding Rate, 1042-S Backup Withholding Rate, 1042-S and Chapter 4 Tax Rate will be used in Backup Withholding calculations on disbursement transactions. The 1042-S tax rates are also used in reporting 1042-S forms as default backup withholding rates.
- 1099 Backup Withholding, IRS Penalty Amount, and Compliance Days fields are used by the Backup Withholding batch process for the printed B Notices.
- The 1099-S Reporting CVL controls how 1099-S forms are produced. The choices are by TIN/TIN Type or by Property.
- The 1099 Account Number Format CVL on 1099P controls the format of the Account Number assigned on 1099R records. The *Form Type/TIN/TIN Type/Unique Number* is the default value and results in an Account Number that consists of the Form Type, TIN, TIN Type, and the next unique number from the 1099 Next Unique Number field on 1099P. The *CY/Rept Payer/Date/Unique Number* results in an Account Number that consists of the Calendar Year, Reporting Payer, Date the record is added to 1099R, and the next unique number from the 1099 Next Unique Number field on 1099P. It is also used for 1099ER records if the Account Number is blank on the input file for the Upload 1099 External Reported Income chain job.
- 1099 Next Unique Number indicates the next unique number to be used for the generated Account Number for 1099 records.

- 1042-S Next Unique Form Identifier is a system-generated number that uniquely identifies each 1042-S information return. This is a required field on all 1042-S forms for Calendar Year 2017 and later. This is a 10-character, numeric, protected field, with a format of CCYYNNNNNN. For example, the value of this field is automatically set to 2017000001 for Calendar Year 2017 on the 1099 Processing Options and Controls (1099P) page. Each time a record is added to the 1042-S Reported Income (1042R) page via the Offline 1099 Process or manually, the system will infer the value from the Next 1042-S Unique Form Identifier field on 1099P to the Next Unique Number field on 1042R and will increase the Next 1042-S Unique Form Identifier by 1 on 1099P.
- IRS Penalty Amount allows each site to specify the penalty amount on the 1st and 2nd B Notices for vendors that are subject to Backup Withholding
- Compliance Days allows each site to define the time limit in days that the Taxpayer has in order to return information that was requested in the 1st or 2nd "B" Notices.
 - The number of days specified in this field will be used as a selection criterion by the Initiate Backup Withholding process to select records from the 1099 Reporting Information table, for which the number of days since the 1st or 2nd "B" Notice was sent, is greater than or equal to the number of Compliance Days. The calculated date will exclude weekends and holidays as defined on the CLDT table.
 - This field will also be used by the Print Backup Withholding Notices batch process during the record processing. This process populates the Backup Withholding Notice Printing History table with information about vendors, for which the 1st or 2nd "B" Notice has been generated. The number of days specified in the 'Compliance Days' field will be added to the Application Control Date and this date will be populated by the batch process in the 'Compliance Date' field on BWNPH table. The calculated date will exclude weekends and holidays as defined on the CLDT table. The calculation will include a verification to ensure that the last prior business day is selected if the 'Compliance Date' falls on weekends and/or holidays.
- The Contract Withholding Rate field indicates the percentage to withhold if the Contract Withholding check box is selected.
- The Contract Withholding Threshold field indicates the minimum disbursement threshold that needs to be reached in order for Advantage to determine eligibility for Contract Withholding. During Automated Disbursement, the Contract Withholding Threshold is compared to the total Line Amount less Discounts and Retainage for each payment grouping. On a manual disbursement, the Contract Withholding Threshold is compared to the vendor line amount less Discounts and Retainage.
- The Apply Contract Withholding to PCard Payments field indicates if the site will apply contract withholding to payments made for Procurement Card activities. If this check box is selected, the disbursement process will apply Contract Withholding on PCard payments that meet the contract withholding threshold and that are not exempt from contract withholding. A value is not allowed in this field if the Contract Withholding check box is not selected.
- ADVANTAGE Tax Reporting flag is used to indicate if the Advantage Tax Reporting functionality is being used for the Tax Year. This field cannot be set if the Tax Year is prior to 2016 as Advantage Tax Reporting functionality was not available prior to 2016. In addition to this flag, you must also set the Application Parameter (APPCTRL) of USE_ADV_TAX_REPORTING to Yes if Advantage Tax Reporting flag on this table is set to *True* (selected).

1099 Reporting Payer Information (1099RP)

The 1099 Reporting Payer Information (1099RP) table allows payer records to be defined for the Advantage site. It supports the Offline 1099 Process and allows sites to have more than one payer.

If the Multiple 1099 Reporting Payers flag has been checked on the System Options (SOPT) table, then the 1099 Reporting Payer value will be retrieved from the Department Fiscal Year Controls (DEPTFY) table and will be used instead of the default 1099 Reporting Payer value from SOPT. This allows a site to have a Reporting Payer per department to send the 1099 data files instead of one Reporting Payer per calendar year.

This table has the following sections:

- **Payer Information** - This section allows each site to enter their own TIN, TIN Type, and Contact Information. In addition, it includes the Global Intermediary Identification (GIIN) and Foreign Taxpayer ID to be used for 1042-S records as well as the Combined Federal/State Filer check box, Permit Number, and Transmitter Control Code (TCC) and 1042-S TCC. This information will be included in the Payer data file that Advantage generates as part of the Offline 1099 Process and will be updated to the Payer's fields on the 1099 Forms. For sites issuing 1042-S forms, Name (Cont.) field is required to be entered as the Withholding Agent's Department Title. This field is needed in positions 318-362 of the W Record of the 1042-S transmittal data file.
- **Form Input Information** - This section is used to provide data to specific boxes/fields on both the 1099-S and 1042-S forms.

The combination of Calendar Year (CY) and Transmitter Control Code (TCC) must be valid on the 1099 Transmitter Information (1099TI) table in order to save a record on the 1099RP table. A pick is available for the TCC to the 1099TI table. If the Multiple 1099 Reporting Payers flag on the SOPT table is set to Yes; then more than one Payer record may be defined per calendar year on this table. However, if the Multiple 1099 Reporting Payers flag is set to No, then only one Payer record will be allowed on the 1099RP table for the given calendar year.

Batch Parameters

Please refer to the Offline 1099 Process run sheet in the *CGI Advantage Financial Accounts Payable Run Sheets Guide* for information on the job's parameters.

Backup Withholding

In Advantage Financial, the administration of 1099 Processing Options and Control (1099P), the 1099 Type of Income (TINC), 1099 Reporting Information (1099I), and 1042-S Reporting Information (1042I) can control the behavior of the Backup Withholding process. Backup Withholding can apply to most kinds of income that are reported on Form 1099. These include: interest payments, dividends, patronage dividends, rents, profits, gains, commissions, fees, independent contractor income, royalty payments, and payments by brokers. Under Tab 3406 of the Internal Revenue Code, a payer making certain payments to payees is required to withhold and pay to the IRS a specified percentage of applicable payments if one or more of the following conditions are met:

- The vendor does not furnish a Tax Identification Number (TIN) in the required manner.
- The IRS notifies the payer using CP2100 or CP2100A that the TIN number supplied by the vendor is incorrect.

- The vendor is required, but fails, to certify that they are not subject to Backup Withholding.
- The IRS notifies the payer using Notice CP543 to start withholding on interest or dividends because the vendor has underreported interest or dividends on their tax return.

The amount of tax withholding will be reported to the individual vendor on Form 1099/1042-S along with the detail of earned income. The payer must remit the total backup withholding amount to the IRS during the tax year. The frequency of this remittance is determined by the cumulative dollar amount that the payer withholds from vendor payments.

Backup withholding deductions will occur for a specific TIN when:

- 1099P has the Backup Withholding option selected for the Calendar Year,
- The 1099 Reportable flag is selected on 1099I for a specific TIN,
- The 1099 Backup Withholding Status is *Eligible* on 1099I for a specific TIN, and the Chart of Account element (Object, Sub Object, Balance Sheet Account or Sub Balance Sheet Account) used on the transaction is 1099 Reportable or the 1099 Backup Withholding status is not *Eligible* but the 1099-INT Backup Withholding flag is checked on 1099I for a specific TIN, and the Chart of Account element (Object, Sub Object, Balance Sheet Account or Sub Balance Sheet Account) used on the transaction has a 1099 Type of Income associated with the 1099-INT form,
- The Type of Income record (TINC) associated with the Chart of Account element has the Backup Withholding flag selected,
- The 1042-S Reportable flag is selected on 1042I for a specific TIN,
- The 1042-S Backup Withholding Status is *Eligible* on 1042I for a specific TIN, and the Chart of Account element (Object, Sub Object, Balance Sheet Account or Sub Balance Sheet Account) used on the transaction is 1042-S Reportable, and
- The 1042-S Type of Income (1042T) associated with the Chart of Account element has the Backup Withholding flag selected.

The actual withholding for Backup Withholding occurs when the disbursement is issued using a Manual Disbursement (MD) transaction or an Automated Disbursement (AD/EFT) transaction. Please refer to the "Calculate Backup Withholding on a Manual Disbursement" topic in the *Advantage Disbursement User Guide* for more discussion on the calculation and rules for taking backup withholding or the *CGI Advantage Financial Accounts Payable Run Sheets Guide* "Backup Withholding" section in the Automated Disbursement Chain job run sheet.

› [1099 Backup Withholding Exemption](#)

The 1099 Backup Withholding Exemption (1099E) table allows you to define possible combinations of department and/or fund codes, along with the Fiscal Year that should be exempt from Backup Withholding. This table is validated by the Automated Disbursement (AD) Chain batch process when determining if Backup Withholding should be calculated, as well as the Manual Disbursement (MD) transaction type, when an MD is processed that has the Manual Check or Adjusting Entry flags unchecked. When a match is found, no backup withholding will be taken even if the Vendor and TIN/TIN Type are eligible for backup withholding.

When saving records on this table, a "wildcard" value of "ALL" can be specified for a Department or Fund. However, when a record with a DEPT value of ALL is saved, then the

associated Fund code cannot be defined with other specific Department codes on this table and vice versa.

› [1099 Transmitter Information](#)

Advantage supports the ability to have multiple 1099 Transmitters as part of the 1099 reporting process. The 1099 Transmitter Information (1099TI) table provides the ability to define each valid Transmitter Control Codes. It is used throughout the 1099 reporting process. This table is also used as selection criteria for the Print Backup Withholding Notices batch process when selecting records from the IRS Backup Withholding file.

Optional Transmitter Software Vendor Information

Software Indicator: Vendor

Name: CGI

Address: 11325 Random Hills Rd

City: Fairfax

State: VA

Zip: 22030

Contact Name: CGI

Contact Phone: 800-321-0267

Contract Withholding

What should have started on January 1, 2012 was, a federal law that mandated federal, state, and local governments withhold 3% from payments for goods and services. The law was included in section 511 of the Tax Reconciliation Act of 2005. The law was also referred to by the reference numbers Public Law 109-222 and House Resolution 4297. The IRS referred to it as Withholding Under Internal Revenue Code section 3402(t). CGI Advantage refers to that withholding as Contract Withholding. The law stated that vendors were subject to 3% withholding for payments, with exceptions.

Summary of the law is below.

- Generally, withholding is required on all payments to all persons providing property or services to the government, including individuals, trusts, estates, partnerships, associations, and corporations. Withholding is required at the time of payment, and applies to payment in any form (cash, check, credit card or payment card). If the government entity fails to withhold the tax required under tab 3402(t), it becomes liable for the payment of the tax.
- Sites can be excluded if they make annual payments for property or services of less than \$100 million.
- Payments under \$10,000 are excluded. For Advantage, a payment under \$10,000 is interpreted to mean payments where the total of all accounting lines for a given Vendor Line within a disbursement is under \$10,000 (net of discounts).
- Some types of payment that are exempt from withholding,
- payments of interest,

- payments for real property,
- payments to government entities, tax-exempt organizations, foreign governments, or Indian Tribal governments,
- payments made pursuant for a classified or confidential contract,
- payments in connection with a public welfare or public assistance plan, and
- payments to a government employee with respect to service as an employee.
- The existing model for backup withholding still applies. Tab 3406 of Internal Revenue Code has rules for the existing withholding rules, and the law made it clear that section 3406 backup withholding takes precedence over the 3402(t) withholding.

All 3402(t) withholding must be reported by the government entity on Form 1099-MISC, Box 4, at the end of the calendar year. After Advantage was enhanced to handle 3042(t) withholding, the mandate was revoked by the federal government but the feature still exists in Advantage.

Tax Form Printing

Advantage allows sites to print 1099 and 1042-S tax forms for data captured or loaded to Advantage Financial. The Tax Form Printing process can be used to print single forms online or used for bulk printing offline. The forms are printed with records from the Form Reporting tables (F1099A, F1099C, F1099G, F1099I, F1099M, F1099N, F1099R, F1099S, or F1042S).

Options for tax form printing are available on the [Tax Form Options and Parameters \(TAXOPT\)](#) page. The TAXOPT page allows you to specify copies, print order, etc. by Form Type by Tax Year. Sites must configure the page each tax year. Note that print options may be limited by your printer and Form Type. TAXOPT is not included in the baseline NYTI file; however, sites may choose to add it to your local NTYI file. It is important to verify options are current and fields such as Print Job Code is accurate.

Some form layout may change if the IRS published changes for the given tax year. If the tax form did change for the given year, sites must set up the correct BIRT form on TAXOPT in order to print the correct form layout. The latest year of the form change is included in the Print Job Code value. Example: Suppose 1099-MISC was created in 2016 and the initial Job Code Name was assigned with FORM_1099MISC. In 2017, there were no changes to Form 1099-MISC so a new form was not created. In 2018, IRS made updates to the Form 1099-MISC so a new form was created and was assigned the FORM_1099MISC_2018.

Two envelope models, 3-up (#7950862) and 2-up (#7990E) are supported for the printed mailing address, see TAXOPT page tab for specification of the envelope sizes. The envelope size that may be used depends on the form type being printed and the number of forms to be printed on the page. Sites that use other envelopes models must modify the BIRT forms as necessary.

There may be data passed to the XML file generated by the Tax Form Printing process that are not printed on the physical baseline forms. Because not all sites want the information printed, the data has been passed to the XML file. Sites will need to update their BIRT report design to print the data to the mailing address or IRS form.

> **Row-level Actions**

- Select **Related Pages > Print Tax Form** from the row-level menu to print a tax form for the selected form record. This link transitions you to the Online Tax Form Printing Parameters page, which allows you to provide the parameters required for printing the selected form.

The **Print Tax Form** row-level action on each of the Forms Reporting page is used to print a single tax form for the selected form record. This link transitions you to the Online Tax Form Printing Parameters page, which allows you to provide the parameters required for printing the selected form. Default values will be inferred from TAXOPT but you can change it before printing the form.

Refer the *Accounts Payable Run Sheets Guide* for details of the Tax Form Printing process.

Tax Form Data Transmittal to the IRS

Sites can transmit 1099 and 1042-S tax form information to the IRS within Advantage Financial using the IRS Transmittal File Generation batch process. The process will generate data files that conform to the IRS specifications (see publications 1187 and 1220). The form data are retrieved from the Form Reporting tables (F1099A, F1099C, F1099G, F1099I, F1099M, F1099N, F1099R, F1099S, and F1042S).

The IRS Transmittal File Generation process will support the creation of “K” records for sites who is participates in reporting the State information to the IRS. The 1099 Reporting Payer record on 1099RP must have the Combined Federal/State Filer (CF/SF) checked. The process will only create “K” records for the recipient state that participates in the CF/SF program. The option to specify whether a state participates in the CF/SF program is on the State (ST) table.

For Tax Years 2018 and 2019 only, the IRS Transmittal File Generation batch process can be executed to select only 1099-MISC records with non-employee compensation (NEC), Box 7. This can be accomplished by setting the appropriate batch parameter. Starting in Tax Year 2020, the non-employee compensation should be reported on the Non-employee Compensation form (1099-NEC).

The [Tax Box Cross Reference \(TAXBXRF\)](#) page must be updated with the current year’s form information in order to generate the files correctly for the amount codes. Refer the *Accounts Payable Run Sheets Guide* for details of the IRS Transmittal File Generation process.

1042-S Processing

The IRS requires US companies to withhold a specific percentage of money paid to foreign individuals, companies, and non-resident aliens based on their country of origin and the type of income classification of the money being paid to that company or individual. Form 1042-S is the tax form used to report such income.

In Advantage Financial, 1042-S transaction data is captured in 1099 Reporting Journal throughout the calendar year. A transaction is considered reportable for 1042-S reporting if the following are true:

- The vendor is established as a 1042-S vendor as specified on the Vendor/Customer (VCUST) table based on the 1042-S Reportable flag on the 1042I table and
- The Object, Sub Object, Balance Sheet Account or Sub Balance Sheet Account is associated with a 1042-S Income Code (on INCM) and a Type of Income.

Depending on the application's setup, records can be added to the 1042-S Reporting Information (1042I) table by submitting a Vendor/Customer Creation (VCC) transaction. Records can be modified on this table by submitting a Vendor/Customer Modification (VCM) transaction. In addition, for users with the appropriate security, records may be added or modified directly on the 1042I table.

Understanding the 1042 Reporting Process

Entities that provide payments to non-resident aliens, foreign individuals and companies must file an information return (Form 1042-S) with the IRS. The information return shows how much reportable income the vendor earned during the course of the tax year.

In addition to the 1099 forms discussed in the previous section, the Offline 1099 Process will also process 1042-S transactions and report the vendor income to both the IRS and the vendor for the calendar year. The Offline 1099 Process is made up of three stages. The process is described in detail in the 1099 Processing tab. This tab only describes additional information related to the processing of 1042-S transactions:

1. [Data Collection for 1042-S](#)
2. [Execute the Offline 1099 Process](#)
3. [1042-S Corrections Processing](#)

Data Collection for 1042-S

1042-S transaction data is recorded throughout the calendar year in the 1099 Reporting Journal. This journal serves as the primary input into the Offline 1099 Process as mentioned above. All the set up for collection of 1042-S data is the same as 1099 data.

Please refer to the "[1042-S Reporting Setup](#)" topic under the "Advanced - Setup" section for setup pages related to 1042-S reporting.

Execute the Offline 1099 Process

The Offline 1099 Process will also generate 1042-S Forms when 1042-S reportable data is found on the 1099 Reporting Journal. This batch job runs at the end of a calendar year end, but can be run at any point

in the year if you should choose to do so. More information on this process is discussed in the 1099 Processing section of this user guide. This topic discusses only the differences for the generation of 1042-S Forms.

› [Determining 1042-S reportability](#)

The Offline 1099 Process evaluates each record on the 1099 Reporting Journal for reportability (records that should be reported to the IRS) for 1099 and 1042-S payments. Those records that are reportable are picked up for further processing. Non-reportable records are skipped. A record is considered reportable based on type of income, vendor/taxpayer eligibility, and chart of accounts classification. The Offline 1099 Process can also exclude PCard records based on the batch parameter (records associated with payments paid to vendors through credit cards). These records can be reported by the issuer of the card instead of the person/company that holds the card related to the credit card.

› [1042-S Type of Income](#)

The valid combinations of 1042-S Income Code, 1042-S Ch. 3 Recipient Code or 1042-S Ch. 4 Status Code, and 1042-S Type of Income used in the 1042-S reporting process are defined on the 1042-S Type of Income (1042T) table. This table contains the following fields relevant to generation of 1042-S forms:

- 1042-S Income Code - This field is used to identify the type of income paid to the recipient.
- 1042-S Ch. 3 Recipient Code - This field will provide the valid IRS identifier for foreign vendors subject to Ch. 3 withholding.
- 1042-S Ch. 4 Status Code - This field provides the valid IRS identifier for foreign vendors subject to Ch. 4 withholding.
- 1042-S Type of Income - As with the current 1042 Type of Income table (1042T), this field represents the actual box number on the 1042-S form. This field will be required and will be a CVL with two values: 2 (Gross Income) and 9 (Overwithheld tax repaid to recipient pursuant to adjustment procedures).
- Threshold Amount - This field will be used to determine the reporting threshold amount for 1042-S reporting. The field will default to 0.00. Included for future IRS threshold requirement.
- BWH (Backup Withholding Indicator) - This field will indicate if Income Code/Ch. 3 Recipient Code or Ch. 4 Status Code/Type of Income is applicable for backup withholding.

INCM is linked to the Object (OBJ), Sub Object (SOBJ), Balance Sheet Account (BSA), and Sub Balance Sheet Account (SBSA) tables, and it is used in defining the valid 1042-S Income Code. The fields on those Chart of Accounts (COA) tables relevant to 1042-S reporting include the following:

- 1042-S Income Code - This field identifies the Income Code such as 01, 06, or 09.

- 1042-S Income Code Name - This field displays the name of the Income Code such as Interest paid by US obligators (for Income Code 01) or Dividends paid by US Corporations (for Income Code 06) as defined on the 1042-S Income Code (INCM) table. This is provided for informational purposes only and not used when determining reportability.
- 1042-S Type of Income - This field displays the Type of Income for the Income Code. This is inferred from INCM based on the Income Code selected. This field is provided for informational purposes only and not used when determining reportability.

› [Vendor/Taxpayer Eligibility](#)

Vendor income is reported to the IRS by TIN, TIN Type, 1042-S Recipient Account Number, and Income Code. Therefore, the TIN and TIN Type must be tied to a Vendor Code and a 1042-S Recipient Account Number if the vendor is 1042-S reportable. This relationship is built by defining taxpayer information on the 1099 Information (1099I) table, then associating that TIN and TIN Type with a Recipient Account Number on the 1042-S Reporting Information (1042I) table and setting the 1042-S Reportable flag to true, as well as updating the Vendor Customer (VCUST) table with the TIN, TIN Type and 1042-S Recipient Account Number. This can be done when creating a vendor using a VCC transaction, updating a vendor using a VCM transaction, or directly on VCUST. The IRS Country Code and Sub Country code should also be defined on the vendor record.

The Offline 1099 Process also uses the following criteria to determine reportable 1042-S transactions:

- The 1042-S Ch. 3 Recipient Code is entered/selected for the Vendor Code on the VCUST table, AND
- The 1042-S Recipient Account Number associated with the Vendor Code on the VCUST table is defined as 1042-S Reportable on the 1042I table, AND
- The combination of 1042-S Income Code/1042-S Income Type associated with the applicable COA (Object, Sub Object, BSA or Sub BSA) and the 1042-S Ch. 3 Recipient Code associated with the Vendor Code is defined on the 1042T table.

OR

- The 1042-S Ch. 4 Status Code is selected for the Vendor Code on the VCUST table, AND
- The 1042-S Recipient Account Number associated with the Vendor Code on the VCUST table is defined as 1042-S Reportable on the 1042I table, AND
- The combination of 1042-S Income Code/1042-S Income Type associated with the applicable COA (Object, Sub Object, BSA or Sub BSA) and the 1042-S Ch. 4 Status Code associated with the Vendor Code is defined on the 1042T table.

During the record selection of the Offline 1099 Process, the transaction is considered for 1042-S reporting if the transaction contains a Vendor Code with a Recipient Account Number.

› [Chart of Accounts Classification](#)

1042-S reportability is also defined by the Object, Sub Object, Balance Sheet Account, or Sub Balance Sheet Account recorded on the 1099 Reporting Journal (J1099) record.

Prior to running the Offline 1099 Process, an Object, Sub Object, Balance Sheet Account, or Sub Balance Sheet Account code is defined as reportable by linking the code on its respective chart of accounts table to a valid 1042-S Income Code. For example, to define an Object code as reportable, you need to locate the code on the OBJ table, then select the 1042-S Income Code ID using the pick to the 1042T table. Based on the set up on 1042T, the Income Code and Name, plus the 1042-S Type of Income is displayed.

Income is considered reportable for 1042-S if its Object, Sub Object, Balance Sheet Account, or Sub Balance Sheet Account is associated with a valid 1042-S Income Code.

› [Consolidating 1042-S Income](#)

1099 Reporting Journal records deemed eligible for 1042-S reporting are then consolidated by the following fields:

- 1099 Reporting Payer (inferred from SOPT or DEPTFY based on the Department Code on the 1099 Journal record),
- 1042-S Recipient Account Number (inferred from the VCUST table),
- 1042-S Country of Residence and IRS Country Sub Code (inferred from the 1099 Journal),
- IRS Tax Rate (inferred from the 1099 Journal),
- 1042-S Ch.3 Recipient Code or 1042-S Ch. 4 Status Code (inferred from the VCUST table),
- 1042-S Income Code (inferred from applicable COA code), and
- 1042-S Ch.3 Exemption Code (inferred from the 1042-S Income Code/Ch.3 Tax Rate (ICTX) table) or the 1042-S Ch. 4 Exemption Code (inferred from the 1042-S Income Code/Ch. 4 Tax Rate (ICTX4) table). Note: Ch. 3 Exemption Code will be blank if the Ch. 3 Tax Rate equals the 1042-S Backup Withholding Tax Rate on 1099P and the Ch. 4 Exemption Code will be 00 if the Ch. 4 Tax Rate equals the 1042- S Chapter 4 Tax Rate on 1099P.

All consolidated records, even those that cause exceptions will be updated to the 1042-S Reported Income (1042R) table. Records that do not pass 1042-S validations are written to the 1042-S Exception Report. This report is necessary so a determination can be made if any changes were made to the setup during the reporting period.

› [Generating 1042-S Forms](#)

(No difference from the “[1099 Processing](#)” topic).

› [Generating Data Files](#)

The Offline 1099 Process will also create the following data files for 1042-S reporting:

- Withholding Agent (i.e. Payer) extract file
- Recipient (i.e. Payees) extract file
- 1042-S Form extract file

› [Updating 1042-S Reported Income table](#)

The 1042-S Reported Income (1042R) table records vendor income that has been consolidated/ summarized by Calendar Year, 1099 Reporting Payer, 1042-S Recipient Account Number, 1042-S Ch.3 Recipient Code/1042-S Ch. 4 Status Code, 1042-S Income Code, 1042-S Country of Residence, and 1042-S Exemption Code. The table is initially updated with records from the 1099 Journal the first time the Offline 1099 Process is executed for a calendar year. During subsequent runs, updates are made to individual records depending on what processing mode is chosen and the value in the Use 1099 Journal as Input flag on the 1099 Processing Options and Controls (1099P) table. The record's Processing Date and Current indicator provide a log of the processing history. This allows users to identify if a record was reported to the IRS or corrected (if applicable). In addition, new records may be manually added directly to 1042R.

› [Reports](#)

One additional report is generated for 1042-S reporting:

- 1042-S Exception Report is generated as part of the Offline 1099 Process when exceptions are found. The report is produced in all processing modes.

1042-S Corrections Processing

In Advantage Financial, corrections to 1042-S reporting information are entered directly on the 1042-S Reported Income (1042R) table.

While 1099 uses the terminology of Corrected, 1042-S uses the term Amended. Both these terms indicate an error was found and changes to the record have occurred. Correction Processing for 1042-S are the same as that for 1099 reporting with the exception that the M1099 transaction cannot be used for corrections to 1042R records. Please refer to the “[Corrections Processing](#)” topic within 1099 Processing for more information on this subject. This topic discusses only the differences for the correction of 1042-S Forms.

1042-S Type 1 and Type 2 corrections include the following errors:

- Type 1 – It includes changes for incorrect amount, incorrect codes or check boxes, incorrect address, or if a form was submitted in error (return should not have been filed).
- Type 2 – It includes changes in TIN, name, and both name & address.

Common Business Tasks

This section includes instructions for common tasks performed within the Tax Reporting area.

- [Set up 1042 in Advantage](#)
- [Change TIN after form has been sent to IRS](#)
- [1099 Business Tasks](#)

Set up 1042 in Advantage

To issue 1042-S forms in Advantage, set up the following tables:

1. 1042-S Income Code (INCM) page (delivered with application)
2. 1042-S Tax Rate (ITAX) page (delivered with application)
3. 1042-S Ch. 3 Recipient Code (RECP) and/or 1042-S Ch. 4 Status Code (CHP4) pages (delivered with application)
4. 1042-S Organization Type/Ch. 3 Recipient Code Crosswalk (OTRC) and/or 1042-S Organization Type/Ch. 4 Status Code Crosswalk (OT4C) page (delivered with application)
5. IRS Country of Residence (ICTRY) page (delivered with application)
6. 1042-S Exemption Code (EXMP) page (delivered with application)
7. 1042-S Income Code/Tax Rate (ICTX) page for countries who qualify for alternate rates than the standard backup withholding rate. ICTX4 is used for Chapter 4 recipients.
8. 1042-S Type of Income (1042T) page.
9. Object (OBJ), Sub Object (SOBJ), Balance Sheet Account (BSA), or Sub BSA (SBSA) pages to relate income codes to the COA code. The COA code is linked to an income code on 1042T.
10. VCC or VCM to add taxpayer information to 1099I, 1042I, and VCUST.
 - 1099I will create/store the taxpayer's TIN, name, and address
 - 1042I will create/store the taxpayer's foreign address, Recipient Account Number, and 1042-S Reporting indicator.
 - The Vendor record will specify the 1042-S Recipient Account Number from 1042I, IRS Country of Residence, IRS Country Sub Code, and 1042-S Ch.3 Recipient Code or 1042-S Ch. 4 Status Code.

Change TIN after form has been sent to IRS

To change any of the following; TIN, TIN Type, Name, and/or address for a taxpayer, after a form has been sent to the IRS, follow these steps:

1. Create a new TIN/TIN Type record via the VCM transaction or a direct table update to the 1099I table.

2. Find the record on 1042I with the old TIN. Update the 1042I record with the new TIN and/or TIN Type and Save.
3. Go to the 1042R table and search for the record to correct. Click the **Apply Corrections** link and add text to the **Comment** field. Select **OK**. When OK is selected, the record should be saved and the new TIN is inferred from 1042I.

Follow the same steps above to change the name and/or address for a taxpayer.

1099 Business Tasks

Select from the list of the common business tasks for detailed information:

- [Verifying TIN and Name with IRS](#)
- [Modify Taxpayer Information \(including TIN\) before Creating Forms](#)
- [Change Vendor's TIN During the Calendar Year](#)
- [Modify Taxpayer Information / Change the Dollar Amount after Forms have been Generated](#)
- [Define Reportability for Corporate Income](#)
- [Type 1 Corrections Using the 1099R, 1099ER, 1042R Update Page](#)
- [Type 1 Corrections Using the M1099 transaction](#)
- [Making a TIN Change on Reported Income Page for Nonconsolidated 1099 Tax Records](#)
- [Making a TIN Change using the M1099 Transaction for Nonconsolidated 1099 Tax Records](#)
- [Making a Name/Address Change on Reported Income Page for Nonconsolidated 1099 Tax Records](#)
- [Making a Name/Address Change using the M1099 Transaction for Nonconsolidated 1099 Tax Records](#)
- [Making a Type 2 Correction on Consolidated 1099 Tax Records \(users of Advantage Tax Reporting\)](#)
- [TIN Change for 1042-S record](#)
- [Name or Address Change for 1042-S record](#)

Verifying TIN and Name with IRS

The Certification tab on 1099I allows you to track whether the taxpayer's 1099 Reporting Information has been verified with the IRS using the Advantage IRS TIN/Name Match Extract process. Certification fields indicate when and how the information was verified. The Certification tab also allows you to indicate whether the 1099 Reporting Information entry is ready to be selected by the IRS TIN/Name Match Extract process. The process extracts Taxpayer ID information so that it can be matched to IRS records using the IRS TIN/Name Match e-Service. This job selects all eligible records from 1099I where the **Taxpayer ID** and **TIN Type** are populated and the **Send to IRS** and **1099 or 1042-S Reportable** flags are checked. The IRS TIN/Name Match Update process updates the records based on the file received back from the

IRS. The **IRS Match Status** field captures the match status received from the IRS as part of the IRS TIN/Name Match e-Service.

Selecting records for TIN/Name Matching

If a record should be selected by the IRS TIN/Name Match process, select the **Send to IRS** flag on 1099I. Note that only records that are 1099 or 1042-S Reportable will be selected. When ready to do so, run the IRS TIN/Name Match Extract batch process. This process selects records that have not been submitted to the IRS. If the record is selected by the batch, the **Send to IRS** flag will be unchecked. Note that any error produced from 1099I will be issued when the record is being saved. The error may not be related to the batch process. When this occurs, the error must be resolved in the source whether it be on 1099I, VCUST, or other. The IRS TIN/Name Matching process will produce an output file with a file name IRS TIN Name Match yyyyymmdd.txt. If a record needs to be sent to the IRS more than once for any reason, manually select the **Send to IRS** flag on the 1099I record.

File Submission to IRS

An authorized user will manually retrieve the bulk file, log in to their IRS e-service account, and submit the bulk file for processing. The IRS provides a Tracking Number for each bulk file submitted. This information can be used to follow up with the IRS regarding any technical issues with the file returned from the TIN/Name Match process. The Tracking Number can also be used for future documentation in the unlikely event of a penalty or other issue arising from an incorrect TIN/Name combination on a submitted 1099 form.

Receiving IRS TIN/Name Match Status File

The IRS will process the bulk file submitted and then return the original file and include a result indicator (that is, the match status) as an additional column in the file. An email notification is sent to the user that submitted the bulk file to let them know that the file has been processed. An authorized user will manually load the IRS file to the Advantage Export/Import directory for further processing.

Updating the IRS Match Status in Advantage

The IRS TIN/Name Match Update batch job in Advantage reads the returned IRS file and updates the following fields on 1099I: IRS Match Status, IRS Match Status Date, and IRS Tracking Number (IRS Tracking Number is updated only if selected on batch parameter). Any records that do not have a status '0 – Name/TIN Combination matches IRS records' will be written to an exception report for additional research. Records where a matching entry is not found on 1099I will also be written to the exception report. 1099I will always reflect the most recent IRS Tracking Number in the event that the TIN/Name combination was submitted to the IRS on more than one bulk file.

Although unlikely, it is possible that the Name on 1099I is changed between the time an entry is extracted to send to the IRS and the status is updated based on the information returned from the IRS. If a difference is found, the Name update will still be applied on 1099I but an entry will be written to the exception report.

Sites may choose to manually maintain the IRS Match Status information instead of using the IRS TIN/Name Match process. The IRS Match Status information can be maintained directly on the 1099I table, VCC or VCM transactions.

Modify Taxpayer Information (Including TIN) Before Creating Forms

Because 1099 and 1042-S data are obtained from the 1099 Reporting Journal during the execution of the Offline 1099 Process based on a Vendor Customer Code, taxpayer information such as the name or 1099

mailing address can be changed at any time before forms are generated without affecting the reported income and forms output.

A Vendor Customer Modification (VCM) transaction is used to modify or add to an existing vendor or customer record. This transaction is used to update the VCUST table information, Customer Account Options (CACT) table information, 1099 Reporting Information (1099I) table and 1042-S Reporting Information (1042I) table information. For more information on the VCM transaction, refer to the "Vendor/Customer Modification (VCM) Transaction" topic in the *CGI Advantage Procurement User Guide*.

In addition, with proper security, changes can be made directly on the VCUST, 1099I, and 1042I tables.

Change Vendor's TIN During the Calendar Year

If a vendor notifies you during the calendar year that their TIN has changed or a TIN was entered incorrectly, there is an easy way in Advantage Financial to record the change in TIN/TIN Type that will ensure that all reportable transactions for that vendor are reported under the new TIN going forward.

1. Create a record on the 1099 Reporting Information table (1099I) for the new TIN/TIN Type. This may be done directly on **1099I** with the correct security or via the **VCM** transaction.
2. Once the new TIN record is saved, navigate to the old TIN record on 1099I. Once on the old TIN record,
 1. Open the **Change TIN** tab on the page
 2. Enter the new **TIN** and **TIN Type** in the TIN Change tab
 3. Select **Update all Vendors** so that all vendors with this TIN will be updated at the same time
 4. Click **Save**.

By following these instructions, all vendor customer records (both Headquarters and Location records) as well as any 1042-S Reporting Information record that contains the 'old' TIN/TIN Type combination will be updated with the new TIN/TIN Type. In addition, you will have established an audit trail on 1099I as the old TIN will be updated to the 'Previous TIN' field of the new record. However, if transactions have been processed with the old TIN and updated to the 1099 Reporting journal, the new TIN will not be updated to the 1099 Reporting Journal. The above can also be done manually by looking up the vendors assigned to the old TIN and updating it with the new/correct TIN.

IMPORTANT NOTE: The second step in these instructions must be done directly on the 1099I record. You cannot execute the Change TIN functionality when updating 1099I using either the VCC or VCM transaction.

Modify Taxpayer Information / Change the Dollar Amount after Forms have been Generated by Running the Offline 1099 Process

Sometimes it is necessary to modify the information on a form after the 1099 or 1042-S form has been generated. This may occur either before or after a paper form has been created and mailed to the vendor.

If changes are required after the Offline 1099 Process has been run in Forms or Magnetic Media Mode but before the forms have been printed and mailed to the vendors, changes can be made in two ways:

1. Make the changes directly in Advantage reference tables or process transaction and run the Offline 1099 Process again making sure that the Use 1099 Journal as Input flag is set to true. This will pick up any vendor changes (for example a new Legal Address entered on 1099I) as well as any transaction adjustments that were processed and updated to the 1099 Journal (so long as these changes are dated so that the Date of Record is within the Calendar Year in which you are reporting, or within the date range specified on 1099D).

Once you have run the Offline 1099 Process, then you can produce your forms.

Note: If you choose this method and have already imported any form information into the Form Reporting table (or another forms reporting tool) you will need to delete those records and begin the process of loading/importing records into the forms reporting tool from scratch.

2. If you prefer to make the changes directly to the generated form record, you can go directly to either 1099R or 1042R and modify the form record by selecting the Apply Corrections, Edit 1099 Reported Income or Modify Existing Record row-level actions on 1099R, or the Apply Corrections or Edit 1042-S Reported Income row-level actions on 1042R.

Once the changes have been made and saved, you will need to run the Offline 1099 Process in the next mode. The updated 1099R and 1042R records will be selected and included in a new data file that can then be loaded into the Form Reporting tables.

Define Reportability for Corporate Income

There are situations where a type of income may not be reportable for the Corporation classification (as established on the 1099 Type of Income table) but certain objects of expenditure are considered always reportable by the IRS. An example of this type of reportable situation is Legal Services. As per the IRS, a corporation may not be generally reportable for a specific type of income unless this income is listed by the IRS as reportable payments for corporations.

The way to define this type of reportability within Advantage is to select the Always 1099 Reportable flag on an Object, Sub Object, Balance Sheet Account or Sub Balance Sheet Account record. In this situation, even though the TINC table may indicate that a type of income is not reportable for a corporation, a vendor that has an Organization Type, 1099 Classification, and TIN Type combination corresponding to a 1099 Reporting Classification of Corporation on the Valid Vendor Organization and 1099 Reporting Classification table will still be selected by the Offline 1099 Process.

Type 1 Corrections Using the 1099R, 1099ER, 1042R Update Page

Type 1 corrections are identified by the IRS as changes in amounts, codes, or indicators. Corrections are required when the IRS has received the form data. To perform the Type 1 correction on the tables, follow these steps:

1. Go to the Reported Income page (1099R, 1099ER, 1042R) where the change needs to be made.
2. Find the most current record on the page you want to correct (Current Record = Yes).
3. If the IRS Reported field is Yes, the Apply Corrections link should be enabled.
4. Select Apply Corrections link. You will be transitioned to the Update page.
5. Change the data as needed (change Box amount from \$100 to \$200).

6. Select OK.
7. Your changes have been made and you will be returned to the Reported Income page. The updated record will have a Processing Indicator of 'Updated'.
8. When the Offline 1099 Process is executed, the updated record will be processed and a corrected record will be created and appear in the text file(s).
9. For Tax Reporting sites, when the corrected record is updated to the Form Reporting page, a new version will be inserted.

Some changes to Advantage fields will not be recognized as corrections because the IRS does not capture those fields or think they are pertinent fields (Comments, Name 2, Payer's State no, etc.). For these types of fields, if changes are made, they will be accepted on 1099R, 1099ER, and 1042R tables. The changes will remain on the table and not passed to the next process or tables until a type 1 or type 2 correction has been made to those records. When the type 1 or type 2 corrections are made, those corrections will be processed and passed along including prior changes that were not recognized as corrections.

Type 1 Corrections Using the M1099 transaction

Type 1 corrections are identified by the IRS as changes in amounts, codes, or indicators. Corrections are required when the IRS has received the form data. To perform the Type 1 correction using the M1099 transaction, follow these steps:

1. Find your record on 1099R where Current Record = Yes.
2. Select the Modify Existing Record (to create an M1099 transaction). You will be transitioned to Create Transaction page to enter the transaction number.
3. Once entered, select the Create Transaction link.
4. The M1099 transaction will be created and the Header section will be displayed. If no entry is required on the Header, go to the Reported Income section.
5. On the Reported Income Information tab, change the amount(s) or boxes as needed.
6. Valid and Submit the transaction.
7. A new record will be inserted to the 1099R page with the updated changes and the record should have a Processing Ind of 'Updated'.
8. When the Offline 1099 Process is executed, the updated record will be processed and a corrected record will be created and appear in the text file(s).
9. For Tax Reporting sites, when the corrected record is updated to the Form Reporting page, a new version will be inserted.

Making a TIN Change on Reported Income Page for Nonconsolidated 1099 Tax Records

Corrections are required when the IRS has received the form data. A TIN change is considered a Type 2 or Two Transaction correction. For sites that do not use Advantage Tax Reporting functionality or the

consolidation option on TAXOPT is not chosen, the following steps should be taken to process a TIN change from the 1099 Reported Income pages (1099R/1099ER).

1. If the TIN and/or TIN Type needs to be changed, the new TIN needs to be added to 1099I table before making the changes on 1099R table. This may be done directly on **1099I** with the correct security or via the **VCM** transaction.
2. From 1099R table, find the recent record and select the 'Apply Corrections' link.
3. You will be transitioned to an Update 1099 Reported Income page. Change the TIN for the selected record and select OK to save the record.
4. A new record will be inserted to the Reported Income page with the updated changes and the record should have a Processing Ind of 'Updated'.
5. When the Offline 1099 Process is executed, the updated record will be processed and a corrected record will be created and appear in the text file(s).
6. For Tax Reporting sites, when the corrected record is updated to the Form Reporting page, a new version will be inserted.

Making a TIN Change using the M1099 Transaction for Nonconsolidated 1099 Tax Records

Corrections are required when the IRS has received the form data. A TIN change is considered a Type 2 or Two Transaction correction. For sites that do not use Advantage Tax Reporting functionality or the consolidation option on TAXOPT is not chosen, the following steps should be taken to process a TIN change using an M1099 transaction. The M1099 transaction allows users to make updates to records on 1099R table without having direct access to the table.

When the M1099 transaction is used to make a TIN Change, the record with the incorrect TIN will need to be zeroed out and a new TIN record will be created with the reported amounts. The reason for the two step process is that the M1099 transaction uses the TIN to find the 1099R record.

1. When the TIN needs to be changed, the new TIN needs to be added to 1099I table before making the changes on 1099R table. This may be done directly on **1099I** with the correct security or via the **VCM** transaction.
2. From 1099R table, find the current record and select the 'Modify Existing Record' link to create an M1099 transaction with the existing record's data.
3. You will be transitioned to the Create Transaction page to enter the transaction number.
4. Once the transaction number is entered, select the 'Create Transaction' link.
5. The M1099 transaction will be created and the Header section will be displayed. If no entry is required on the Header, go to the Reported Income section.
6. On the General Information tab, copy Line 1 (old TIN and it will have an Action of Modify) and select the Insert Copied Line button to paste and create Line 2.
7. On Line 2, change the Action to 'New' and enter the correct TIN, add a Comment if needed. The name and address will be inferred from 1099I table and the amounts will remain from the copied values.

8. Return to Line 1, go to the Reported Income Information tab and reduce all the amounts to zero.
9. Verify all fields are as expected then validate/submit the transaction and close the transaction.
10. A new record will be inserted to the 1099R page with the updated changes from the transaction and the record should have a Processing Indicator of 'Updated' for the old TIN record. The amounts for this record should be zeroes.
11. Another record will be inserted with the Processing Indicator of 'New' for the new TIN. This record should contain the correct TIN along with the data in the boxes.
12. When the Offline 1099 Process is executed, the updated record will be processed and the corrected records will be created and appear in the text files.
13. For Tax Reporting sites, when the corrected record is updated to the Form Reporting page, a new version will be inserted for each TIN.

Making a Name/Address Change on Reported Income Page for Nonconsolidated 1099 Tax Records

Corrections are required when the IRS has received the form data. A name change is considered a Type 2 or Two-transaction Correction. An address change is considered a Type 1 or One-transaction Correction. For sites that do not use Advantage Tax Reporting functionality or the consolidation option on TAXOPT is not chosen, the following steps should be taken to process a name or address change from the 1099 Reported Income pages (1099R/1099ER).

1. From 1099R table, find the recent record and select the 'Apply Corrections' link.
2. You will be transitioned to the Update Reported Income page.
3. Change the name and/or address information and select OK to save the record. A new record will be inserted to the 1099R page with the updated name/address and the record should have a Processing Indicator of 'Updated'.
4. When the Offline 1099 Process is executed, the updated record will be processed and a corrected record will be created and appear in the text files.
5. For Tax Reporting sites, when the corrected record is updated to the Form Reporting page, a new version will be inserted.
6. Note: If you want the new name and address to be used in future reporting years, the taxpayer record on 1099I should be updated directly on **1099I** table with the correct security or via the **VCM** transaction.

Making a Name/Address Change using the M1099 Transaction for Nonconsolidated 1099 Tax Records

Corrections are required when the IRS has received the form data. A name change is considered a Type 2 or Two-transaction Correction. An address change is considered a Type 1 or One-type Correction. For sites that do not use Advantage Tax Reporting functionality or the consolidation option on TAXOPT is not chosen, the following steps should be taken to process a name or address change using the M1099 transaction.

1. From 1099R table, find the current record and select the 'Modify Existing Record' link to create an M1099 transaction.
2. You will be transitioned to Create Transaction page to enter the transaction number.
3. Once the transaction number is entered, select the 'Create Transaction' link.
4. The M1099 transaction will be created and the Header section will be displayed. If no entry is required on the Header, go to the Reported Income section.
5. On the General Information tab, change the name and/or address information and select OK to save the record.
6. Verify all fields are as expected then validate/submit the transaction and close the transaction.
7. A new record will be inserted to the 1099R page with the updated changes from the transaction and the record should have a Processing Indicator of 'Updated'.
8. When the Offline 1099 Process is executed, the updated record will be processed and a corrected record will be created and appear in the text files.
9. For Tax Reporting sites, when the corrected record is updated to the Form Reporting page, a new version will be inserted.
10. Note: If you want the new name and address to be used in future reporting years, the taxpayer record on 1099I should be updated directly on **1099I** table with the correct security or via the **VCM** transaction.

Making a Type 2 Correction on Consolidated 1099 Tax Records (users of Advantage Tax Reporting)

If using Advantage Tax Reporting functionality and the consolidation option is chosen, there are situations where a Type 2 correction for a TIN/TIN Type or Form Type change is required. When a tax record on a Form Reporting table is a consolidation of Advantage tax data and a data source external to Advantage, a Type 2 correction cannot be made by the system because the system is unable to determine whether the correction only applied to the specific tax record or to the consolidation as a whole. For example, a F1099G Form Reporting table record was created as a consolidation between internal (1099R) and external (1099ER) 1099-G records based on Form Type, TIN, and TIN Type. If a Type 2 correction, such as TIN change, was made on the internal 1099-G tax record on 1099R, the system would not know whether the TIN change only applied to the internal 1099-G record on 1099R, meaning that the record should not have been consolidated with the external record in the first place, or does the Type 2 TIN change apply to not just the internal tax record, but to the consolidated record as a whole. Type 2 corrections for TIN/TIN Type or Form Type changes must be made manually on the 1099R and 1099ER tables.

To make a Type 2 (TIN/TIN Type or Form Type) correction for a tax record that has been consolidated from internal and external tax records, the following procedures are to be used.

If a Type 2 Correction only applies to the external record:

1. Navigate to the 1099 External Reported Income (1099ER) page.
2. Select the tax record to be corrected.
3. Select the **Apply Corrections** action.

4. Zero out all numbered dollar amount fields.
5. Select **Ok**.
6. On the 1099ER page, select the **Add New 1099 External Reported Income** action.
7. On the Update 1099 External Reported Income page, enter the new tax record information.
8. Select **Ok**.

If a Type 2 Correction only applies to the internal record:

1. Navigate to the 1099 Reported Income (1099R) page.
2. Select the tax record to be corrected.
3. Select the **Apply Corrections or Modify Existing Record** action.
4. Zero out all numbered dollar amount fields.
5. Select **Ok** on the page or submit the M1099 transaction to Final.
6. On the 1099R page, select the **Add New 1099 Reported Income** or **Create New Record** action.
7. On the Update 1099 Reported Income page, enter the new tax record information. If using the M1099 transaction, enter the new tax information and submit to final.
8. Select **Ok**.

If the Type 2 Correction applies to the consolidation record (both internal and external):

1. Perform steps listed under the Type 2 Correction applies to external record only tab above.
2. Perform steps listed under the Type 2 Correction applies to internal record only tab above.

To make a Type 2 (Name Change) correction on a tax record that has been consolidated from internal and external tax records, the following procedures should be used.

1. Navigate to 1099 Reported Income (1099R) page.
2. Select the tax record to be corrected.
3. Select the **Apply Correction** action.
4. Make the name changes to the tax record.
5. Select **Ok**.

TIN Change for 1042-S record

To make a TIN correction for a 1042-S taxpayer record, follow these steps:

1. The new TIN needs to be added to 1099I. This may be done directly on 1099I with the correct security or via the **VCM** transaction.
2. The new TIN needs to be updated to 1042I record before making the changes on 1042R table. This may be done directly on **1042I** with the correct security or via the **VCM** transaction.

3. From 1042R table, find the current record where the TIN needs to be corrected and select the 'Apply Corrections' link.
4. You will be transitioned to an Update 1042-S Reported Income page, add text in the Comment field (e.g. "TIN updated from 123-45-6789 to 123-45-9876") and select OK to save the record.
5. When the record is saved, it will infer the updated data from 1042I table that includes the TIN. 1042R table uses the Recipient's Account Number to retrieve the updated data from 1042I.
6. A new record will be inserted to the 1042R page with the updated changes and the record should have a Processing Indicator of 'Updated'.
7. When the Offline 1099 Process is executed, the updated record will be processed and a corrected record will be created and appear in the text file.
8. For Tax Reporting sites, when the corrected record is updated to the F1042S Form Reporting page, a new version will be inserted.

Name or Address Change for 1042-S record

To make a name or address correction for a 1042-S taxpayer record, follow these steps:

1. The updated name and/or address need to be updated to 1042I record before making the changes on 1042R table. This may be done directly on **1042I** with the correct security or via the **VCM** transaction.
2. From 1042R table, find the current record that needs to be corrected and select the 'Apply Corrections' link.
3. You will be transitioned to an Update 1042-S Reported Income page, add text in the Comment field (e.g. "Changed house number from 3025 to 5203" or "Name changed from John Smith to Jerry Smith") and select OK to save the record.
4. When the record is saved, it will infer the updated name/address from 1042I table. 1042R table uses the Recipient's Account Number to retrieve the updated data from 1042I.
5. A new record will be inserted to the 1042R page with the updated changes and the record should have a Processing Indicator of 'Updated'.
6. When the Offline 1099 Process is executed, the updated record will be processed and a corrected record will be created and appear in the text file.
7. For Tax Reporting sites, when the corrected record is updated to the F1042S Form Reporting page, a new version will be inserted.

Inquiries

The following table lists the inquiries for tax reporting in Advantage:

Name	Page Code	Description
1042-S Reported Income	1042R	This page records the consolidated income from the 1099 Journal per Calendar Year, 1099 Reporting Payer, TIN, Recipient Account Number, Country of Residence, IRS Tax Rate, 1042-S Ch. 3 Recipient Code or 1042-S Ch. 4 Status Code, 1042-S Income Code, and 1042-S Exemption Code. Records are initially updated to this table from the Offline 1099 Process.
1099 External Reported Income	1099ER	This page records the consolidated income from the external agencies per Calendar Year, Form Type, 1099 Reporting Payer, TIN and TIN Type. Records are initially updated to this table from the Upload 1099 External Income Chain process.
1099 Reported Income	1099R	This page records the consolidated income from the 1099 Journal per Calendar Year, 1099 Reporting Payer, TIN, TIN Type and Form Type. Records are initially updated to this table from the Offline 1099 Process.
Backup Withholding Date Range Summary	BWRSI	This page displays information for withheld and paid amounts summarized by Fund, Sub Fund, BSA and Sub BSA for a range of Record Dates. It also enables you to search for records that have been stored on the Backup Withholding History Daily Balance table and view the summarized information in a single record.
Backup Withholding Notice Print History	BWNPH	This page stores historical information of printed First and Second Backup Withholding Notices. This table is populated by the Print Backup Withholding Notices batch process. You may also request that First or Second B Notices be reprinted from this page.
Backup Withholding Record Date	BWRDI	This page enables you to search for and view information associated with backup withholding on the Backup Withholding History Daily Balance table. Amounts for each record on this table are summarized by the Record Date, Fund, Sub Fund, BSA and Sub BSA.
Form 1042-S Reporting	F1042S	This page stores the data necessary to print the 1042-S Form and generate the associated transmittal file to the IRS.

Form 1099-A Reporting	F1099A	This page stores the data necessary to print the 1099-A Form and generate the associated transmittal file to the IRS.
Form 1099-C Reporting	F1099C	This page stores the data necessary to print the 1099-C Form and generate the associated transmittal file to the IRS.
Form 1099-G Reporting	F1099G	This page stores the data necessary to print the 1099-G Form and generate the associated transmittal file to the IRS.
Form 1099-INT Reporting	F1099I	This page stores the data necessary to print the 1099-INT Form and generate the associated transmittal file to the IRS.
Form 1099-MISC Reporting	F1099M	This page stores the data necessary to print the 1099-MISC Form and generate the associated transmittal file to the IRS.
Form 1099-NEC Reporting	F1099N	This page stores the data necessary to print the 1099-NEC Form and generate the associated transmittal file to the IRS.
Form 1099-R Reporting	F1099R	This page stores the data necessary to print the 1099-R Form and generate the associated transmittal file to the IRS.
Form 1099-S Reporting	F1099S	This page stores the data necessary to print the 1099-S Form and generate the associated transmittal file to the IRS.
Tax Form Printing Management	TAXM	This page allows you to mark specific forms or groups of forms as excluded from printing or available for reprinting. You can also update the Exclude Print and User Defined fields.
Tax Form Options and Parameters	TAXOPT	This page allows you to control consolidation and printing for each Form Type for each Tax Year.

1042-S Reported Income (1042R)

The 1042-S Reported Income inquiry records vendor income that has been consolidated/ summarized by Calendar Year, 1099 Reporting Payer, TIN, Recipient Account Number, Income Code, 1042-S Ch. 3 Recipient Code or 1042-S Ch. 4 Status Code, Exemption Code, Tax Rate, and Country of Residence. The table is initially updated with records from the 1099 Journal the first time the Offline 1099 Process is executed for a calendar year. From that point on, any updates or corrections to 1099 information can be done via the following ways:

- > Page-level Actions/Links
 - The **Add New 1042-S Reported Income** link allows a new record to be inserted to the table.

› Row-level Actions/Links

- The **Edit 1042-S Reported Income** link allows the record to be changed if the Processing Indicator is *Updated*. This link will be enabled if a record has initially been updated after the Offline 1099 Process by using the Apply Corrections link. This link is also enabled after a record is manually inserted and has not been processed by the Offline 1099 Process.
- The **Apply Corrections** link allows a record to be updated after the record has been inserted to the table. This link is enabled when the record needs to be updated initially after the Offline 1099 Process inserted it.
- The **1042-S Information** link transitions you to the 1042-S Reporting Information page.
- The **1099 Journal** link transitions you to the 1099 Journal page and filters the results based on the Calendar Year, TIN, and TIN Type from the record selected on the 1042-S Reported Income page.
- The **Form 1042-S Reporting** link transitions and filters the results based on the Calendar Year, Reporting Payer, TIN, and TIN Type from the selected record.

Each record has a Generation Date, Processing Indicator, and an IRS Reported indicator. This provides a log of the processing history and identifies which records have been reported to the IRS.

› [Update 1042S Reported Income](#)

Update 1042S Reported Income is accessed when the **Edit 1042-S Reported Income**, **Add 1042-S Reported Income** or **Apply Corrections** links are selected on 1042-S Reported Income (1042R). This page allows you to enter or modify information in both the General Information as well as Reported Income Information tabs.

On Update 1042-S Reported Income, after entering information select **OK** to add a new record to the 1042R table and return to 1042R. If the **Edit 1042-S Reported Income** link or the **Apply Corrections** link is selected, then a new record is added to 1042R and the **Current Record** field on 1042R is changed to *No* for the old record. This step is important because the 1099 Batch Process picks up records on the 1099 Reported Income and 1042-S Reported Income tables when the **Processing Indicator** is *New* or *Updated* and exports only modified records that meet IRS threshold requirements to the data files.

Select **Cancel** on this page to return to 1042R without saving any changes.

If adding a new 1042-S, the system uses the 1099-Reporting Payer field and the Account Number data to retrieve necessary information for the protected fields. The system will then populate the protected fields once the record is saved. This data will be visible after the record is saved.

The system defaults the new 1042-S record with the calendar year value. Box numbers vary depending on calendar year. As a result, you should enter your calendar year if it is different than the calendar year displayed. When the page is refreshed such as selecting the Reporting Payer from a pick list, the captions will correspond to the calendar year. Enter all necessary fields and select OK. Error messages will be displayed for missing or incorrect data.

Please refer to the "[1042-S Processing](#)" topic of this guide for more information.

1099 External Reported Income (1099ER)

The 1099 External Reported Income page (1099ER) records the income from the external agencies per Calendar Year, 1099 Reporting Payer, Form Type, TIN and TIN Type. The page is initially updated with records when the Upload 1099 External Reported Income chain job is executed for a calendar year. From that point on, any updates or corrections to 1099 information are done here via the following ways:

- › Page-level Actions/Links
 - The **Add New 1099 External Reported Income** link allows a new record to be inserted to this table. This link transitions you to the Update 1099 External Reported Income page
- › Row-level Actions/Links
 - The **Edit 1099 Reported Income** link allows the record to be changed if the Processing Indicator is *Updated*. This links transitions you to the Update 1099 External Reported Income page.
 - The **Apply Corrections** link allows a record to be updated after the record has been inserted to the table. This link is enabled when the record needs to be updated initially after the Offline 1099 Process inserted it.
 - The **Form <Form Type> Reporting** link transitions to the corresponding Form Reporting page and filters the results based on the Calendar Year, Form Type, Reporting Payer, TIN, and TIN Type from the selected record.

Each record has a Generation Date, Processing Indicator, and an IRS Reported indicator. This provides a log of the processing history and identifies records that have been reported to the IRS.

When adding/modifying records on this page, if the 1099_CITY_ST_ZIP_VALIDATION parameter on the Application Parameters (APPCTRL) table is Yes, and the Country associated with the State is US or USA, then the address is validated against the City State ZIP (CSZ) table. If a matching record is not found for the City/State/ZIP combination, then an error is received.

If fields are changed/updated that are not IRS pertinent fields, they alone will not be picked up during Corrections processing. Some examples of those fields include Comments and Name 2. If other corrections (name or amount change) are made during Corrections processing, the non-pertinent fields will be passed at that time.

1099 Reported Income (1099R)

The 1099 Reported Income inquiry records the consolidated income from the 1099 Journal per Calendar Year, 1099 Reporting Payer, Form Type, TIN, TIN Type and 1099-S Form Number. The 1099-S Form Number allows for the insertion of more than one record per TIN and TIN Type combination for the 1099-S form when the 1099-S Reporting field on the 1099P is set to Property even if they have the same 1099 Reporting Payer. The page is initially updated with records from the 1099 Journal, the first time the 1099 reporting process is executed for a calendar year. From that point on, any updates or corrections to 1099 information can be done via the following ways:

- › Page-level Actions/Links
 - The **Create New Record** link creates a M1099 transaction with the Action Code of New and new information can be entered.

- The **Add New 1099 Reported Income** link allows a new record to be inserted to the table.
- › Row-level Actions/Links
 - The **Modify Existing Record** link creates a M1099 transaction with the Action Code of *Modified* and it will infer the existing information for the record from the 1099R table.
 - The **Edit 1099 Reported Income** link allows the record to be changed if the Processing Indicator is *Updated*. This link will be enabled if a record has initially been updated after the Offline 1099 Process by using the Apply Corrections link.
 - The **Apply Corrections** link allows a record to be updated after the record has been inserted to the table. This link is enabled when the record needs to be updated initially after the Offline 1099 Process inserted it.
 - **The 1099 Information** link transitions you to the 1099 Reporting Information page.
 - The **1099 Journal** link transitions you to the 1099 Journal page and filters the results based on the Calendar Year, TIN, and TIN Type from the record selected on the 1099 Reported Income page.
 - The **Form <Form Type> Reporting** link transitions to the corresponding Form Reporting page and filters the results based on the Calendar Year, Form Type, Reporting Payer, TIN, and TIN Type from the selected record.

Each record has a Generation Date, Processing Indicator and an IRS Reported indicator. This provides a log of the processing history and identifies records that have been reported to the IRS.

If fields are changed/updated that are not IRS pertinent fields, they alone will not be picked up during Corrections processing. Some examples of those fields include Comments and Name 2. If other corrections (name or amount change) are made during Corrections processing, the non-pertinent fields will be passed at that time.

Please refer to the "[1099 Processing](#)" topic of this guide for more information.

Tasks

Refer to the following topics for 1099 related tasks:

- Modify Taxpayer Information (including TIN) Before Creating Forms
- Change Vendor's TIN during the Calendar Year
- Modify Taxpayer Information / Change the dollar amount after forms have been generated

Backup Withholding Date Range Summary (BWRSI)

The Backup Withholding Date Range Summary (BWRSI) inquiry enables you to search for records that have been stored on the system maintained Backup Withholding History Daily Balance table and view the summarized information in a single record. By utilizing this page, you may also view information for withheld and paid amounts that have been summarized for all applicable records by Fund, Sub Fund, BSA and Sub BSA by a range of Record Dates, as well as Fiscal Year if "Search FY" criterion is used during search.

Note: This page infers the Fund (and Sub Fund if not blank) and BSA (and Sub BSA if not blank) short names from their associated reference tables.

› Grid-level Actions/Links

- Select **Export > Viewable Columns** or **Export > Available Columns** from the **Grid Actions** menu to export only the selected records to a CSV file.
- Select **Export All > Viewable Columns** or **Export All > Available Columns** from the **Grid Actions** menu to download all data returned by the inquiry to a CSV file.
- Select **Export All > Spreadsheet** from the **Grid Actions** menu to download all data returned by the inquiry to a spreadsheet. The maximum number of records that can be downloaded is 2000. If more than 2000 records have been returned in your search results, then an error is received. Refine your search results until the maximum number of records returned is 2000 or less. The spreadsheet will not include the Total Withheld/Refunded, Total Cancelled/Remitted, and Total Backup Withholding Balance amounts.
- Select **Print** from the **Export** menu to print the records in this inquiry.

Note: Refer to the “Export Grid Results to CSV” topic in the *CGI Advantage Page/Table User Guide* for detailed instructions on how to export the results to a CSV file and how to use an import wizard to open the file in Microsoft Excel.

› Row-level Actions/Links

- Select **Related Pages > Backup Withholding Record Date** from the row-level menu to navigate to the Backup Withholding Record Date Inquiry page.

Backup Withholding Notice Print History (BWNPH)

The Backup Withholding Notice Print History (BWNPH) inquiry stores historical information of printed First and Second Backup Withholding Notices. This table is populated by the Print Backup Withholding Notices batch process. You may also request that First or Second Backup Notices be reprinted from this page. The page also has a Comments field that allows you to enter text as needed.

Backup Withholding Record Date (BWRDI)

The Backup Withholding Record Date (BWRDI) inquiry enables you to search for and view information associated with backup withholding on the Backup Withholding History Daily Balance table. Amounts for each record on this table are summarized by the Record Date, Fund, Sub Fund, BSA and Sub BSA. If the "Search FY" search criterion is used, each record returned by the search will also include summarization by the corresponding Fiscal Year.

You may perform a search on this page by leaving all search fields blank; as there are no required fields in order to perform a search, and in doing so, the system will return all records that exist on the Backup Withholding History Daily Balance page.

The top grid will always be a single record; it shows the calculated grand total amounts for the entire set of records returned by the search. This tab consists of the following columns:

- Total Withheld/Refunded
- Total Cancelled/Remitted

- Total Backup Withholding Balance

The bottom grid portion displays the listing of records returned by the search including these calculated amounts:

- Withheld/Refunded Amount – This amount represents the Credit Amount of the selected record on the Accounting Journal for the corresponding Fund, BSA, and Record Date. This amount corresponds to the withheld money from issued payments or deposited refunds received from IRS because of errors in withholding
- Cancelled/Remitted Amount – This amount represents the Debit Amount of the selected record on the Accounting Journal for the corresponding Fund, BSA and Record Date. This amount corresponds to money withheld from cancelled payments or amount paid to the IRS with withheld money.
- Backup Withholding Balance – This amount represents the system-calculated amount for each record on the grid; the amount is calculated as: Withheld/Refunded Amount - Cancelled/Remitted Amount.

› Grid-level Actions/Links

- Select **Export > Viewable Columns** or **Export > Available Columns** from the **Grid Actions** menu to export only the selected records to a CSV file.
- Select **Export All > Viewable Columns** or **Export All > Available Columns** from the **Grid Actions** menu to download all data returned by the inquiry to a CSV file.
- Select **Export All > Spreadsheet** from the **Grid Actions** menu to download all data returned by the inquiry to a spreadsheet. The maximum number of records that can be downloaded is 2000. If more than 2000 records have been returned in your search results, then an error is received. Refine your search results until the maximum number of records returned is 2000 or less. The spreadsheet will not include the Total Withheld/Refunded, Total Cancelled/Remitted, and Total Backup Withholding Balance amounts.
- Select **Print** from the **Export** menu to print the records in this inquiry.

Note: Refer to the “Export Grid Results to CSV” topic in the CGI Advantage Page/Table User Guide for detailed instructions on how to export the results to a CSV file and how to use an import wizard to open the file in Microsoft Excel.

› Row-level Actions/Links

- Select **Related Pages > Backup Withholding Date Range Summary** from the row-level menu to navigate to the Backup Withholding Date Range Summary Inquiry page.
- Select **Related Pages > Accounting Journal** from the row-level menu to navigate to the Accounting Journal page, which provides detailed accounting information for the corresponding BWRDI record. Advantage will perform the search on Accounting Journal records using all information associated with the corresponding record on BWRDI page.

Form 1042-S Reporting (F1042S)

The Form 1042-S Reporting (F1042S) page stores the data necessary to print the 1042-S Form and generate the associated transmittal file to the IRS. Records can only be inserted by the Forms Reporting

Table Load batch process. Only the Reprint, Exclude Print, User-Defined 1, and User-Defined 2 fields can be updated on this page; all other fields are protected. Updates should be made to the most current record (Current Record=Yes). The data from this page is taken from the output files of the Offline 1099 Process. Any changes required to the data should be initiated by correcting records on the 1042-S Reported Income (1042R) table.

This page has the following tabs:

- General Information – This tab includes common tax form related fields.
- Processing Information – This tab includes system tracking related fields such as Last Modified Date, Last Modified By, Transaction Date, Last Print Run ID, and Last Transmitted Run ID.
- Reported Income Information – This tab includes tax form data fields specific to the IRS Form 1042-S for the tax year.
- > Grid-level Actions/Links
 - Select **Export > Viewable Columns** or **Export > Available Columns** from the **Export** menu to export only the selected records to a CSV file.
 - Select **Export All > Viewable Columns** or **Export All > Available Columns** from the **Export** menu to download all data returned by the inquiry to a CSV file.
 - Select **Export All > Spreadsheet** from the **Export** menu to download all data returned by the inquiry to a spreadsheet. The maximum number of records that can be downloaded is 2000. If more than 2000 records have been returned in your search results, then an error is received. Refine your search results until the maximum number of records returned is 2000 or less.

Note: Refer to the “Export Grid Results to CSV” topic in the *CGI Advantage Page/Table User Guide* for detailed instructions on how to export the results to a CSV file and how to use an import wizard to open the file in Microsoft Excel.

- > Row-level Actions/Links
 - Select **Related Pages > Print Tax Form** from the row-level menu to print a tax form for the selected form record. The link transitions you to the Online Tax Form Printing Parameters page, where parameters are supplied to print the selected form.
 - The **1042-S Reported Income** link transitions and filters the results based on the Calendar Year, Reporting Payer, TIN, and TIN Type from the selected record.

Form 1099-A Reporting (F1099A)

The Form 1099-A Reporting (F1099A) page stores the data necessary to print the 1099-A Form and generate the associated transmittal file to the IRS. Records can only be inserted by the Forms Reporting Table Load batch process. Only the Reprint, Exclude Print, User-Defined 1, and User-Defined 2 fields can be updated on this page; all other fields are protected. Updates should be made to the most current record (Current Record=Yes). The data from this page is taken from the output files of the Offline 1099 Process. Any changes required to the data should be initiated by correcting records on the 1099 External Reported Income (1099ER) table.

This page has the following tabs:

- General Information – This tab includes common tax form related fields.
 - Processing Information – This tab includes system tracking related fields such as Last Modified Date, Last Modified By, Transaction Date, Last Print Run ID, and Last Transmitted Run ID.
 - Reported Income Information – This tab includes tax form data fields specific to the IRS Form 1099-A for the tax year.
 - › Grid-level Actions/Links
 - Select **Export > Viewable Columns** or **Export > Available Columns** from the **Export** menu to export only the selected records to a CSV file.
 - Select **Export All > Viewable Columns** or **Export All > Available Columns** from the **Export** menu to download all data returned by the inquiry to a CSV file.
 - Select **Export All > Spreadsheet** from the **Export** menu to download all data returned by the inquiry to a spreadsheet. The maximum number of records that can be downloaded is 2000. If more than 2000 records have been returned in your search results, then an error is received. Refine your search results until the maximum number of records returned is 2000 or less.
- Note:** Refer to the “Export Grid Results to CSV” topic in the *CGI Advantage Page/Table User Guide* for detailed instructions on how to export the results to a CSV file and how to use an import wizard to open the file in Microsoft Excel.
- › Row-level Actions/Links
 - Select **Related Pages > Print Tax Form** from the row-level menu to print a tax form for the selected form record. The link transitions to the Online Tax Form Printing Parameters page, where required parameters are entered for printing the selected form.
 - The **1099 External Reported Income** link transitions and filters the results based on the Calendar Year, Reporting Payer, Form Type, TIN, and TIN Type from the selected record.

Form 1099-C Reporting (F1099C)

The Form 1099-C Reporting (F1099C) page stores the data necessary to print the 1099-C Form and generate the associated transmittal file to the IRS. Records can only be inserted by the Forms Reporting Table Load batch process. Only the Reprint, Exclude Print, User-Defined 1, and User-Defined 2 fields can be updated on this page; all other fields are protected. Updates should be made to the most current record (Current Record=Yes). The data from this page is taken from the output files of the Offline 1099 Process. Any changes required to the data should be initiated by correcting records on the 1099 External Reported Income (1099ER) table.

This page has the following tabs:

- General Information – This tab includes common tax form related fields.
- Processing Information – This tab includes system tracking related fields such as Last Modified Date, Last Modified By, Transaction Date, Last Print Run ID, and Last Transmitted Run ID.
- Reported Income Information – This tab includes tax form data fields specific to the IRS Form 1099-C for the tax year.

> Grid-level Actions/Links

- Select **Export > Viewable Columns** or **Export > Available Columns** from the **Export** menu to export only the selected records to a CSV file.
- Select **Export All > Viewable Columns** or **Export All > Available Columns** from the **Export** menu to download all data returned by the inquiry to a CSV file.
- Select **Export All > Spreadsheet** from the **Export** menu to download all data returned by the inquiry to a spreadsheet. The maximum number of records that can be downloaded is 2000. If more than 2000 records have been returned in your search results, then an error is received. Refine your search results until the maximum number of records returned is 2000 or less.

Note: Refer to the “Export Grid Results to CSV” topic in the *CGI Advantage Page/Table User Guide* for detailed instructions on how to export the results to a CSV file and how to use an import wizard to open the file in Microsoft Excel.

> Row-level Actions/Links

- Select **Related Pages > Print Tax Form** from the row-level menu to print a tax form for the selected form record. The link transitions to the Online Tax Form Printing Parameters page, where required parameters are entered for printing the selected form.
- The **1099 External Reported Income** link transitions and filters the results based on the Calendar Year, Reporting Payer, Form Type, TIN, and TIN Type from the selected record.

Form 1099-G Reporting (F1099G)

The Form 1099-G Reporting (F1099G) page stores the data necessary to print the 1099-G Form and generate the associated transmittal file to the IRS. Records can only be inserted by the Forms Reporting Table Load batch process. Only the Reprint, Exclude Print, User-Defined 1, and User-Defined 2 fields can be updated on this page; all other fields are protected. Updates should be made to the most current record (Current Record=Yes). The data from this page is taken from the output files of the Offline 1099 Process. Any changes required to the data should be initiated by correcting records on the 1099 Reported Income (1099R) or 1099 External Reported Income (1099ER) tables.

Records on 1099R can also be corrected using the M1099 transaction. Refer the “[1099 Business Tasks](#)” topic in this user guide for guidance on corrections.

If records were consolidated from 1099R and 1099ER (i.e., On TAXOPT, Consolidate Internal and External Income was set), the internal record from 1099R will be loaded first as version 1 then the external record from 1099ER will be loaded as version 2. The Account Number on F1099G will be Account Number of the source record. The Consolidated Account Number will be the Account Number of the first record that was loaded first. For example, the Account Number on the 1099R record was 123 for \$400. The Account Number of the record on 1099ER was 456 for \$100. When the records were loaded to F1099G, the records will appear as follows:

Account Number	Consolidated Account Number	Version	Amount
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123	123	1	\$400
456	123	2	\$500

If data differs between internal and external records for the same field, data from the internal (1099R) record will be kept. For example, the Name on 1099R is Johnathon Smith and the Name field on 1099ER is John Smith. Since 1099R records will be loaded first, Johnathon Smith will be displayed in the Name field.

This page has the following tabs:

- General Information – This tab includes common tax form related fields.
- Processing Information – This tab includes system tracking related fields such as Last Modified Date, Last Modified By, Transaction Date, Last Print Run ID, and Last Transmitted Run ID.
- Reported Income Information – This tab includes tax form data fields specific to the IRS Form 1099-G for the tax year.
- > Grid-level Actions/Links
 - Select **Export > Viewable Columns** or **Export > Available Columns** from the **Export** menu to export only the selected records to a CSV file.
 - Select **Export All > Viewable Columns** or **Export All > Available Columns** from the **Export** menu to download all data returned by the inquiry to a CSV file.
 - Select **Export All > Spreadsheet** from the **Export** menu to download all data returned by the inquiry to a spreadsheet. The maximum number of records that can be downloaded is 2000. If more than 2000 records have been returned in your search results, then an error is received. Refine your search results until the maximum number of records returned is 2000 or less.

Note: Refer to the “Export Grid Results to CSV” topic in the *CGI Advantage Page/Table User Guide* for detailed instructions on how to export the results to a CSV file and how to use an import wizard to open the file in Microsoft Excel.

- > Row-level Actions/Links
 - Select **Related Pages > Print Tax Form** from the row-level menu to print a tax form for the selected form record. The link transitions to the Online Tax Form Printing Parameters page, where required parameters are entered for printing the selected form.
 - The **1099 Reported Income** link transitions and filters the results based on the Calendar Year, Reporting Payer, Form Type, TIN, and TIN Type from the selected record.
 - The **1099 External Reported Income** link transitions and filters the results based on the Calendar Year, Reporting Payer, Form Type, TIN, and TIN Type from the selected record.

Form 1099-INT Reporting (F1099I)

The Form 1099-INT Reporting (F1099I) page stores the data necessary to print the 1099-INT Form and generate the associated transmittal file to the IRS. Records can only be inserted by the Forms Reporting Table Load batch process. Only the Reprint, Exclude Print, User-Defined 1, and User-Defined 2 fields can be updated on this page; all other fields are protected. Updates should be made to the most current record (Current Record=Yes). The data from this page is taken from the output files of the Offline 1099 Process. Any changes required to the data should be initiated by correcting records on the 1099 Reported Income (1099R) or 1099 External Reported Income (1099ER) tables.

Records on 1099R can also be corrected using the M1099 transaction. Refer the “[1099 Business Tasks](#)” topic in this user guide for guidance on corrections.

If records were consolidated from 1099R and 1099ER (i.e., On TAXOPT, Consolidate Internal and External Income was set), the internal record from 1099R will be loaded first as version 1 then the external record from 1099ER will be loaded as version 2. The Account Number on F1099G will be Account Number of the source record. The Consolidated Account Number will be the Account Number of the first record that was loaded first. For example, the Account Number on the 1099R record was 123 for \$400. The Account Number of the record on 1099ER was 456 for \$100. When the records were loaded to F1099G, the records will appear as follows:

Account Number	Consolidated Account Number	Version	Amount
123	123	1	\$400
456	123	2	\$500

If data differs between internal and external records for the same field, data from the internal (1099R) record will be kept. For example, the Name on 1099R is Johnathon Smith and the Name field on 1099ER is John Smith. Since 1099R records will be loaded first, Johnathon Smith will be displayed in the Name field.

This page has the following tabs:

- General Information – This tab includes common tax form related fields.
- Processing Information – This tab includes system tracking related fields such as Last Modified Date, Last Modified By, Transaction Date, Last Print Run ID, and Last Transmitted Run ID.
- Reported Income Information – This tab includes tax form data fields specific to the IRS Form 1099-INT for the tax year.
- Grid-level Actions/Links
 - Select **Export > Viewable Columns** or **Export > Available Columns** from the **Export** menu to export only the selected records to a CSV file.
 - Select **Export All > Viewable Columns** or **Export All > Available Columns** from the **Export** menu to download all data returned by the inquiry to a CSV file.

- Select **Export All > Spreadsheet** from the **Export** menu to download all data returned by the inquiry to a spreadsheet. The maximum number of records that can be downloaded is 2000. If more than 2000 records have been returned in your search results, then an error is received. Refine your search results until the maximum number of records returned is 2000 or less.

Note: Refer to the “Export Grid Results to CSV” topic in the *CGI Advantage Page/Table User Guide* for detailed instructions on how to export the results to a CSV file and how to use an import wizard to open the file in Microsoft Excel.

> Row-level Actions/Links

- Select **Related Pages > Print Tax Form** from the row-level menu to print a tax form for the selected form record. The link transitions to the Online Tax Form Printing Parameters page, where required parameters are entered for printing the selected form.
- The **1099 Reported Income** link transitions and filters the results based on the Calendar Year, Reporting Payer, Form Type, TIN, and TIN Type from the selected record.
- The **1099 External Reported Income** link transitions and filters the results based on the Calendar Year, Reporting Payer, Form Type, TIN, and TIN Type from the selected record.

Form 1099-MISC Reporting (F1099M)

The Form 1099-MISC Reporting (F1099M) page stores the data necessary to print the 1099-MISC Form and generate the associated transmittal file to the IRS. Records can only be inserted by the Forms Reporting Table Load batch process. Only the Reprint, Exclude Print, User-Defined 1, and User-Defined 2 fields can be updated on this page; all other fields are protected. Updates should be made to the most current record (Current Record=Yes). The data from this page is taken from the output files of the Offline 1099 Process. Any changes required to the data should be initiated by correcting records on the 1099 Reported Income (1099R) or 1099 External Reported Income (1099ER) tables.

Records on 1099R can also be corrected using the M1099 transaction. Refer the “[1099 Business Tasks](#)” topic in this user guide for guidance on corrections.

If records were consolidated from 1099R and 1099ER (i.e., On TAXOPT, Consolidate Internal and External Income was set), the internal record from 1099R will be loaded first as version 1 then the external record from 1099ER will be loaded as version 2. The Account Number on F1099G will be Account Number of the source record. The Consolidated Account Number will be the Account Number of the first record that was loaded first. For example, the Account Number on the 1099R record was 123 for \$400. The Account Number of the record on 1099ER was 456 for \$100. When the records were loaded to F1099G, the records will appear as follows:

Account Number	Consolidated Account Number	Version	Amount
123	123	1	\$400
456	123	2	\$500

If data differs between internal and external records for the same field, data from the internal (1099R) record will be kept. For example, the Name on 1099R is Johnathon Smith and the Name field on 1099ER is John Smith. Since 1099R records will be loaded first, Johnathon Smith will be displayed in the Name field.

This page has the following tabs:

- General Information – This tab includes common tax form related fields.
- Processing Information – This tab includes system tracking related fields such as Last Modified Date, Last Modified By, Transaction Date, Last Print Run ID, and Last Transmitted Run ID.
- Reported Income Information – This tab includes tax form data fields specific to the IRS Form 1099-MISC for the taxyear.
- › Grid-level Actions/Links
 - Select **Export > Viewable Columns** or **Export > Available Columns** from the **Export** menu to export only the selected records to a CSV file.
 - Select **Export All > Viewable Columns** or **Export All > Available Columns** from the **Export** menu to download all data returned by the inquiry to a CSV file.
 - Select **Export All > Spreadsheet** from the **Export** menu to download all data returned by the inquiry to a spreadsheet. The maximum number of records that can be downloaded is 2000. If more than 2000 records have been returned in your search results, then an error is received. Refine your search results until the maximum number of records returned is 2000 or less.

Note: Refer to the “Export Grid Results to CSV” topic in the *CGI Advantage Page/Table User Guide* for detailed instructions on how to export the results to a CSV file and how to use an import wizard to open the file in Microsoft Excel.

- › Row-level Actions/Links
 - Select **Related Pages > Print Tax Form** from the row-level menu to print a tax form for the selected form record. The link transitions to the Online Tax Form Printing Parameters page, where required parameters are entered for printing the selected form.
 - The **1099 Reported Income** link transitions and filters the results based on the Calendar Year, Reporting Payer, Form Type, TIN, and TIN Type from the selected record.
 - The **1099 External Reported Income** link transitions and filters the results based on the Calendar Year, Reporting Payer, Form Type, TIN, and TIN Type from the selected record.

Form 1099-NEC Reporting (F1099N)

The Form 1099-NEC Reporting (F1099N) page stores the data necessary to print the 1099-NEC Form and generate the associated transmittal file to the IRS. Records can only be inserted by the Forms Reporting Table Load batch process. Only the Reprint, Exclude Print, User-Defined 1, and User-Defined 2 fields can be updated on this page; all other fields are protected. Updates should be made to the most current record (Current Record=Yes). The data from this page is taken from the output files of the Offline 1099 Process. Any changes required to the data should be initiated by correcting records on the 1099 Reported Income (1099R) or 1099 External Reported Income (1099ER) tables.

Records on 1099R can also be corrected using the M1099 transaction. Refer the “[1099 Business Tasks](#)” topic in this user guide for guidance on corrections.

This page has the following tabs:

- General Information – This tab includes common tax form related fields.
- Processing Information – This tab includes system tracking related fields such as Last Modified Date, Last Modified By, Transaction Date, Last Print Run ID, and Last Transmitted Run ID.
- Reported Income Information – This tab includes tax form data fields specific to the IRS Form 1099-NEC for the tax year.
- Grid-level Actions/Links
 - Select **Export > Viewable Columns** or **Export > Available Columns** from the **Export** menu to export only the selected records to a CSV file.
 - Select **Export All > Viewable Columns** or **Export All > Available Columns** from the **Export** menu to download all data returned by the inquiry to a CSV file.
 - Select **Export All > Spreadsheet** from the **Export** menu to download all data returned by the inquiry to a spreadsheet. The maximum number of records that can be downloaded is 2000. If more than 2000 records have been returned in your search results, then an error is received. Refine your search results until the maximum number of records returned is 2000 or less.

Note: Refer to the “Export Grid Results to CSV” topic in the *CGI Advantage Page/Table User Guide* for detailed instructions on how to export the results to a CSV file and how to use an import wizard to open the file in Microsoft Excel.

- Row-level Actions/Links
 - Select **Related Pages > Print Tax Form** from the row-level menu to print a tax form for the selected form record. This link transitions you to the Online Tax Form Printing Parameters page, which allows you to provide the parameters required for printing the selected form.
 - The **1099 Reported Income** link transitions and filters the results based on the Calendar Year, Reporting Payer, Form Type, TIN, and TIN Type from the selected record.
 - The **1099 External Reported Income** link transitions and filters the results based on the Calendar Year, Reporting Payer, Form Type, TIN, and TIN Type from the selected record.

Form 1099-R Reporting (F1099R)

The Form 1099-R Reporting (F1099R) page stores the data necessary to print the 1099-R Form and generate the associated transmittal file to the IRS. Records can only be inserted by the Forms Reporting Table Load batch process. Only the Reprint, Exclude Print, User-Defined 1, and User-Defined 2 fields can be updated on this page; all other fields are protected. Updates should be made to the most current record (Current Record=Yes). The data from this page is taken from the output files of the Offline 1099 Process. Any changes required to the data should be initiated by correcting records on the 1099 External Reported Income (1099ER) table.

This page has the following tabs:

- General Information – This tab includes common tax form related fields.
 - Processing Information – This tab includes system tracking related fields such as Last Modified Date, Last Modified By, Transaction Date, Last Print Run ID, and Last Transmitted Run ID.
 - Reported Income Information – This tab includes tax form data fields specific to the IRS Form 1099-R for the calendar year.
 - › Grid-level Actions/Links
 - Select **Export > Viewable Columns** or **Export > Available Columns** from the **Export** menu to export only the selected records to a CSV file.
 - Select **Export All > Viewable Columns** or **Export All > Available Columns** from the **Export** menu to download all data returned by the inquiry to a CSV file.
 - Select **Export All > Spreadsheet** from the **Export** menu to download all data returned by the inquiry to a spreadsheet. The maximum number of records that can be downloaded is 2000. If more than 2000 records have been returned in your search results, then an error is received. Refine your search results until the maximum number of records returned is 2000 or less.
- Note:** Refer to the “Export Grid Results to CSV” topic in the *CGI Advantage Page/Table User Guide* for detailed instructions on how to export the results to a CSV file and how to use an import wizard to open the file in Microsoft Excel.
- › Row-level Actions/Links
 - Select **Related Pages > Print Tax Form** from the row-level menu to print a tax form for the selected form record. The link transitions to the Online Tax Form Printing Parameters page, where required parameters are entered for printing the selected form.
 - The **1099 External Reported Income** link transitions and filters the results based on the Calendar Year, Reporting Payer, Form Type, TIN, and TIN Type from the selected record.

Form 1099-S Reporting (F1099S)

The Form 1099-S Reporting (F1099S) page stores the data necessary to print the 1099-S Form and generate the associated transmittal file to the IRS. Records can only be inserted by the Forms Reporting Table Load batch process. Only the Reprint, Exclude Print, User-Defined 1, and User-Defined 2 fields can be updated on this page; all other fields are protected. Updates should be made to the most current record (Current Record=Yes). The data from this page is taken from the output files of the Offline 1099 Process. Any changes required to the data should be initiated by correcting records on the 1099 Reported Income (1099R) or 1099 External Reported Income (1099ER) tables.

Records on 1099R can also be corrected using the M1099 transaction. Refer the “[1099 Business Tasks](#)” topic in this user guide for guidance on corrections.

If records were consolidated from 1099R and 1099ER (i.e., On TAXOPT, Consolidate Internal and External Income was set), the internal record from 1099R will be loaded first as version 1 then the external record from 1099ER will be loaded as version 2. The Account Number on F1099G will be Account Number of the source record. The Consolidated Account Number will be the Account Number of the first record that was loaded first. For example, the Account Number on the 1099R record was 123 for

\$400. The Account Number of the record on 1099ER was 456 for \$100. When the records were loaded to F1099G, the records will appear as follows:

Account Number	Consolidated Account Number	Version	Amount
123	123	1	\$400
456	123	2	\$500

If data differs between internal and external records for the same field, data from the internal (1099R) record will be kept. For example, the Name on 1099R is Johnathon Smith and the Name field on 1099ER is John Smith. Since 1099R records will be loaded first, Johnathon Smith will be displayed in the Name field.

This page has the following tabs:

- General Information – This tab includes common tax form related fields.
 - Processing Information – This tab includes system tracking related fields such as Last Modified Date, Last Modified By, Transaction Date, Last Print Run ID, and Last Transmitted Run ID.
 - Reported Income Information – This tab includes tax form data fields specific to the IRS Form 1099-S for the tax year.
 - > Grid-level Actions/Links
 - Select **Export > Viewable Columns** or **Export > Available Columns** from the **Export** menu to export only the selected records to a CSV file.
 - Select **Export All > Viewable Columns** or **Export All > Available Columns** from the **Export** menu to download all data returned by the inquiry to a CSV file.
 - Select **Export All > Spreadsheet** from the **Export** menu to download all data returned by the inquiry to a spreadsheet. The maximum number of records that can be downloaded is 2000. If more than 2000 records have been returned in your search results, then an error is received. Refine your search results until the maximum number of records returned is 2000 or less.
- Note:** Refer to the “Export Grid Results to CSV” topic in the *CGI Advantage Page/Table User Guide* for detailed instructions on how to export the results to a CSV file and how to use an import wizard to open the file in Microsoft Excel.
- > Row-level Actions/Links
 - Select **Related Pages > Print Tax Form** from the row-level menu to print a tax form for the selected form record. This link transitions you to the Online Tax Form Printing Parameters page, which allows you to provide the parameters required for printing the selected form.
 - The **1099 Reported Income** link transitions to the 1099 Reported Income page and filters the results based on the Calendar Year, Reporting Payer, Form Type, TIN, and TIN Type from the selected record.

- The **1099 External Reported Income** link transitions and filters the results based on the Calendar Year, Reporting Payer, Form Type, TIN, and TIN Type from the selected record.

Tax Form Printing Management (TAXM)

The Tax Form Printing Management (TAXM) page allows you to update a specific record or a group of records on the Forms Reporting pages.

The Filters section in this page provides many search fields for narrowing your search results. Tax Year and Form Type are the only required fields in this section and only a single value can be entered for each. An error is issued if more than the allowed number of records that can be returned by the search is reached. If this occurs, enter additional search criteria to narrow your search results. Depending on the entered value, the results are displayed in the grid.

You must select the selection check box for one or more than one row in the grid to activate the Mass Update option available via the Grid Actions menu. The action will be applied to all selected transactions.

The following update fields are present in the TAXM page:

- Reprint – Set this flag to Yes if you need to mark previously printed tax forms for reprinting by the Tax Form Printing batch job.
- Exclude Print – Set this flag to Yes if you need to mark specific tax forms as excluded from printing by the Tax Form Printing batch job.
- User-Defined 1 – This is a free-form text field that can be used for any information. It can also be printed on a specific tax form or used to group forms. In order to have this field printed on the tax form in the proper location, the report design for the tax form must be modified by a forms developer.
- User-Defined 2 - This is a free-form text field that can be used for any information. It can also be printed on a specific tax form or used to group forms. In order to have this field printed on the tax form in the proper location, the report design for the tax form must be modified by a forms developer.
- Clear User-Defined 1 - Set this field to Yes if you need to clear the User-Defined 1 field of the selected record(s).
- Clear User-Defined 2 - Set this field to Yes if you need to clear the User-Defined 2 field of the selected record(s).

> Page-level Actions/Links

You can navigate to each of the Tax Form pages using the page-level actions/links on this page. If transitioning to a Tax Form page that matches the Form Type for the record selected on TAXM, then the Tax Form page is filtered to show that record; otherwise, no filtering is performed.

- Select **Related Pages** > <<**Tax Form**>> from the page-level menu to navigate to the respective form:
 - Form 1042-S
 - Form 1099-A

- Form 1099-C
- Form 1099-G
- Form 1099-INT
- Form 1099-MIS
- Form 1099-NEC
- Form 1099-R
- Form 1099-S

Tax Form Options and Parameters (TAXOPT)

The Tax Form Options and Parameters (TAXOPT) page is used by the Advantage Tax Reporting process to control processing for each of the Form Types for the specified tax year.

Please refer the “[Tax Form Options and Parameters \(TAXOPT\)](#)” topic under the Tax Reporting References Pages section in this user guide for more information.

Advanced - Setup

Options and controls with Advantage Financial allow you to tailor your system to meet your accounting procedures and reporting requirements. It is recommended that you do not change these options in the middle of the fiscal year. If changed, the integrity of your accounting records is jeopardized because the fiscal year will be governed by two different sets of accounting standards.

This topic includes the following areas:

- [Reference Pages Outside of Tax Reporting](#)
- [Tax Reporting References Pages](#)

Reference Pages Outside of Tax Reporting

This topic includes the reference pages used in other areas outside of Tax Reporting. Pages for security, workflow, accounting, and transaction configuration are not included.

- [Application Parameters \(APPCTRL\)](#)
- [Chart of Accounts Setup \(OBJ, SOBJ, BSA, SBSA\)](#)
- [City State Zip \(CSZ\)](#)
- [Department Fiscal Year \(DEPTFY\)](#)
- [System-wide Options and Controls \(SOPT\)](#)
- [Vendor/Customer \(VCUST\)](#)

Application Parameters (APPCTRL)

Although officially listed as an Infrastructure table, the Application Parameter (APPCTRL) table is one that is part of general system configuration. Options on this table are set once and do not vary by year, fund, department, transaction, or other factors. The table is very generic in its design so that it can host many different types of options with the Parameter Name and Parameter Value fields. Of the controls on this table, those listed below directly relate to the Tax Reporting area.

Note: Any changes to records on this table should be followed by a bounce of all servers used for Advantage Financial.

Parameter	Description
1099 Domestic Address Validation (1099_CITY_ST_ZIP_VALIDATION)	This parameter indicates whether the system will use the City State ZIP (CSZ) table to validate address information on the 1099 Reporting Information (1099I), 1099 Reported Income (1099R), and 1099 External Reported Income (1099ER) tables when the Country associated with the State is US or USA. The delivered

	value for this parameter is <i>No</i> . The value should be changed to <i>Yes</i> to enable this functionality.
1099 Reportable Flag Default (DFLT_1099_RPT_FL)	This parameter controls how the 1099 Reportable flag will default on the VCUST and 1099I tables and the VCC/VCM transactions. If set to <i>True</i> the 1099 reportable flag will default to Checked, if <i>False</i> it defaults to Unchecked.
Manage TIN by Department (1099_TIN_BY_DEPT)	This parameter indicates whether the system will use the 1099 Reporting Information by Department (1099ID) table to evaluate the TIN reportability. If this parameter is set to <i>True</i> , 1099ID will be updated and used to evaluate the TIN reportability and details by the batch job or transactions. If set to <i>False</i> , then the 1099I table will be used. The delivered value for this parameter is <i>False</i> .
Require TIN for Miscellaneous Vendors on 1099 Journal Updates (REQ_TIN_1099_JRNL_UPD)	If the parameter value is blank, then applicable posting lines for miscellaneous vendors without a Taxpayer Identification Number (TIN) will be posted to the 1099 Journal. If the value is <i>True</i> , then applicable posting lines for miscellaneous vendors without a TIN will not be posted to the 1099 Journal.
Require Vendor on 1099 Journal Updates (REQ_VEND_1099_JRNL_UPD)	If the parameter value is blank, then applicable posting lines without a vendor/customer code will be posted to the 1099 Journal. If the value is <i>True</i> , applicable posting lines without a vendor/code will not be posted to the 1099 Journal.
VSS Send to IRS (VSS_SEND_TO_IRS)	This parameter determines the default value that will be set for the Send to IRS flag on the 1099 Reporting Information table as new registrations are created in VSS or legal name changes are processed via VSS Account Maintenance.
Use Advantage Tax Reporting (USE_ADV_TAX_REPORTING)	Indicates whether site is using Advantage Tax Reporting. Note that the Advantage Tax Reporting flag on 1099P still must be set up by Calendar Year.

Chart of Accounts Setup (OBJ, SOBJ, BSA, SBSA)

The Object codes and its sub as well as Balance Sheet accounts and its sub can be set up for 1099 or 1042-S Reporting. If the account is reportable, set up the fields in the 1099 Info/1042-S Info section of the page. Reported Income for 1099 are selected from the 1099 Type of Income (TINC) table. Reported

Income for 1042-S are selected from the 1042-S Income Code (INCM) table. For 1042-S, the Type of Income must also be associated to the COA codes.

To learn more about the Always Reportable flag, refer the [“Define Reportability for Corporate Income”](#) topic in this user guide.

City State ZIP

The City State ZIP (CSZ) table is used by Advantage to validate domestic addresses entered on the 1099 Reporting Information (1099I), 1099 Reported Income (1099R), and 1099 External Reported Income (1099ER) tables when the 1099_CITY_ST_ZIP_VALIDATION parameter on the Application Parameters (APPCTRL) table is Yes. The table is delivered with data acquired from the United States Postal Service (USPS). Records can be added, updated, or deleted on this table.

Department Fiscal Year (DEPTFY)

When the Multiple 1099 Reporting Payers flag is select on SOPT page, Reporting Payers must be entered on the DEPTFY page to link the department code to the Reporting Payer. When transactions are processed using the department code, Advantage will derive the Reporting Payer from DEPTFY during the Offline 1099 batch process. When records are consolidated, it will be grouped by Reporting Payers.

System Options (SOPT)

The System Options (SOPT) table controls the behavior of the system on a global level. These options may specify certain defaults or rules. Others may specify the type of accounting model to be implemented for disbursements, specific business rules to apply to disbursements, and parameters for the implementation of the business rules. These options are specified during the initial setup of Advantage Financial.

The following System Options fields are critical to tax reporting:

Option/Control	Description
Multiple 1099 Reporting Payees	When checked indicates whether or not the system will allow multiple 1099 Reporting Payers and/or transmitters.
Reporting Payer	The 1099 Reporting Payer indicates the party who is paying for services for which the 1099 forms and magnetic media that is being submitted to the IRS. The default is blank but this field is required if the Multiple 1099 Reporting Payers check box is not selected.

For more information about the System-wide Options and Controls (SOPT) table, refer to the "System Options" topic in the *CGI Advantage - Financial Administration User Guide*.

Vendor/Customer (VCUST)

The Vendor/Customer (VCUST) table includes information about whether a vendor is subject to 1099 Reporting.

> Few Important Field Information

- Organization Type -For 1099 Reporting, you must choose the type of organization; two options are available (Individual, Company).
- 1099 Classification - For 1099 vendors, you must choose the classification that best describes the vendor. If this field is blank for 1099 vendors, then the vendor is not evaluated for 1099 reporting. For 1042-S vendors, this is optional.
- 1042-S Ch. 3 Recipient Code - This field allows you to enter or select the Recipient Code for the vendor if they are Chapter 3 1042-S reportable. The field will be a pick to the 1042-S Organization Type/Recipient Code Crosswalk (OTRC) table. If this field is entered before the Organization Type field, the associated Organization Type will be inferred to the Organization Type field. If the 1042-S Ch. 4 Status Code field is populated then this field must be blank.
- 1042-S Ch. 4 Status Code - This field allows you to enter or select the Ch. 4 Status Code for the vendor if they are Chapter 4 1042-S reportable. The field will be a pick to the 1042-S Organization Type/Chapter 4 Status Code Crosswalk (OT4C) table. If this field is entered before the Organization Type field, the associated Organization Type will be inferred to the Organization Type field. If the 1042-S Ch. 3 Recipient Code field is populated then this field must be blank.
- 1042-S Recipient Account Number - This field allows you to enter or select the Recipient Code for the vendor if they are 1042-S reportable. This field provides a pick to the Recipient Account Number field on the 1042-S Reporting Information table. This field is required if the 1042-S Indicator field is Yes.
- 1099 Indicator - This field specifies if the vendor is 1099 reportable. It is inferred from 1099I.
- 1042-S Indicator - This field specifies if the vendor is 1042-S reportable. It is inferred from the 1042-S Reporting Information table upon the entry of a TIN Number/TIN Type. Either 1042-S Ch. 3 Recipient Code or 1042-S Ch. 4 Status Code must be populated, if 1042-S Indicator is Yes.
- IRS Country of Residence -This field specifies the IRS Country code required for 1042-S reporting. It is a pick to the IRS Country of Residence (ICTRY) table.
- IRS Country Sub Code - This field specifies the IRS Sub Country code required for 1042-S reporting. This value is required because the IRS assigns the same IRS Country Code to be used with multiple countries (for example, territories belonging to other countries).
- Contract Withholding Exempt - This field indicates whether the payment line is exempt from contract withholding. If the Contract Withholding Exempt check box is selected for a vendor record on the VCUST table, then the vendor is exempt from Contract Withholding. If a vendor is exempt, all commodity lines and accounting lines for the vendor are exempt from Contract Withholding.

- Taxpayer ID and TIN Type - These fields are conditionally required, when the TIN Enforcement flag is selected on the Vendor Customer Configuration (VCNFG) page for all active vendors except the miscellaneous and internal vendors, if the 1099 Classification, 1042-S Ch. 3 Recipient Code, and 1042-S Ch. 4 Status Code fields are left blank.

> [1099 Information Entry page](#)

The 1099 Information Entry page can only be accessed by clicking **Related Pages > Add 1099 Information Entry** from the row-level menu on the Vendor/Customer (VCUST) table. This page allows you to create a 1099 Reporting Information record without having to navigate to the 1099I table. After selecting **OK**, if no errors are found, a new record is added to the 1099 Reporting Information (1099I) table. This new record can then be chosen in the **Taxpayer ID Number** field on VCUST.

Select **Cancel** to return to VCUST without saving any changes made on the 1099 Information Entry page.

> [1042-S Information Entry page](#)

The 1042-S Information Entry page can only be accessed by clicking **Related Pages > Add 1042-S Reporting Information Entry** from the row-level menu on the Vendor/Customer (VCUST) table. This page allows you to create a 1042-S Reporting Information record without having to navigate to the 1042I table. After selecting **OK**, if no errors are found, a new record is added to the 1042-S Reporting Information (1042I) table. This new record can then be chosen in the **1042-S Recipient Account Number** field on VCUST.

Select **Cancel** to return to VCUST without saving any changes made on the 1042-S Information Entry page.

Tax Reporting References Pages

This topic includes all reference pages within Tax Reporting.

- [1042-S Reporting Setup](#)
- [1099 Reporting Setup](#)
- [1099 and 1042-S Reporting Setup](#)

1042-S Reporting Setup

In Advantage Financial, 1042-S reporting includes defining reportability for Vendors, Objects, Sub Objects, Balance Sheet Accounts, and Sub Balance Sheet Accounts. It also includes the collection of information for events that are subject to 1042-S reporting, and reporting the income to the Internal Revenue Service (IRS).

The following are setup pages necessary for 1042-S reporting.

Page Name	Page Code	Description
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1042-S Tax Rate	ITAX	This page stores valid tax rates from the Internal Revenue Service (IRS) required for 1042-S reporting. The Tax Rate values specified on this table are used by other 1042-S reference tables and updates Box 3b or Box 4b on the 1042-S Form. The Chapter 3 and/or Chapter 4 flag(s) must be checked to save a record on ITAX.
IRS Country of Residence	ICTRY	This page stores country codes in the required IRS format that is used as input to the 1099 Batch process. In addition, the this table allows a site to specify if that country has a treat with the United States allowing an exemption or reduced tax rates for 1042-S reporting. This table comes pre-loaded with valid IRS Country Codes.
1042-S Exemption Code	EXMP	This page provides the classifications for the types of income exempted from the tax base when processing 1042-S forms. The values on this table are used to populate Box 3a or Box 4a on the 1042-S Form. This table includes valid IRS Exemption codes.
1042-S Ch. 3 Recipient Code	RECP	This page provides the IRS classification for the 1042-S Ch. 3 Recipient Code for the recipient being paid. Values on this table are used by other 1042-S reference tables and used to populate Ch. 3 status code boxes on the 1042-S Form. It is also used to identify the Ch. 3 status code for the Reporting Payer on the 1099RP table.
1042-S Chapter 4 Status Code	CHP4	This page provides the IRS classification for the 1042-S Ch. 4 Status Code of the recipient being paid. Values on this table are used by other 1042-S reference tables and used to populate Ch. 4 status code boxes on the 1042-S Form. It is also used to identify the Ch. 4 status code for the Reporting Payer on the 1099RP table.
1042-S Income Code	INCM	This page provides the classification of the type of income paid by a taxpayer. Values on this table are used by other 1042-S reference tables and used to populate Box 1 on the 1042-S Form. This table includes valid IRS Income codes and their associated withholding allowance setting.
1042-S Reporting Information	1042I	This page stores the name and mailing address information for foreign vendors who are subject to Form 1042-S reporting. A record is entered on this table for any individual or company that is eligible for 1042-S reporting by the Offline 1099 Process.

		<p>Note: The 1099I table remains as the primary reference table for Taxpayer Identification Number information. Records are added to 1042I in addition to the TIN/TIN Type also being present on the 1099 Reporting Information table.</p> <p>While the 1099 Reporting Information table contains mailing information that is used on 1099 forms, the 1042I table contains mailing address information that is used by the Offline 1099 Process to populate the mailing address on the 1042-S forms. The mailing information on the 1042I page is not inferred from the 1099I page. The user is required to enter the mailing address for 1042-S reporting separately on 1042I. This is because the IRS strongly recommends that 1042-S forms be sent to the vendor's foreign address (home country) and not their US address, which is the address that is stored on 1099I.</p>
1042-S Income Code/Ch. 3 Tax Rate	ICTX	This page defines Ch. 3 withholding tax rates including exemptions (i.e. tax rate is 00.00) per the 1042-S Income Code for countries with which the US has entered into an income tax treaty. Two factors determine population of this table. The first factor is the IRS data in IRS Publication 515. Second, only countries with Treaty Indicator set to "true" on the IRS Country Code table may be defined on this table.
1042-S Income Code/Ch. 4 Tax Rate	ICTX4	This page defines Ch. 4 withholding tax rates including exemptions (that is, tax rate is 00.00) per the 1042-S Income Code for countries with which the US has entered into an income tax treaty. Two factors determine population of this table. The first factor is the IRS data in IRS Publication 515. Second, only countries with Treaty Indicator set to "true" on the IRS Country Code table may be defined on this table.
1042-S Type of Income	1042T	This page identifies valid combinations of 1042-S Income Code, 1042-S Ch. 3 Recipient Code, 1042-S Ch. 4 Status Code, and 1042-S Type of Income used in the 1042-S reporting process. BWH Applicable and/or a Threshold amounts can be indicated for each valid combination. Combination validations may be enforced if defined on 1042-S Income Code/Ch. 3 Recipient Code Exception table (ICRC) or 1042-S Income Code/Ch. 4 Status Code Exception table (IC4RC).
1042-S Organization Type/Recipient Code Crosswalk	OTRC	This page stores valid Organization Types and 1042-S Ch. 3 Recipient Code combinations and is used to help ensure that only valid Organization Type and 1042-S Ch. 3 Recipient Code combinations are selected on the Vendor Customer (VCUST) table and the VCC and VCM transactions.

<p>1042-S Organization Type/Ch. 4 Status Code Crosswalk</p>	<p>OT4C</p>	<p>This page stores valid Organization Types and 1042-S Ch. 4 Status Code combinations and is used to help ensure that only valid Organization Type and 1042-S Ch. 4 Status Code combinations are selected on the Vendor Customer (VCUST) table and the VCC and VCM transactions.</p>
<p>1042-S Income Code/Ch. 3 Recipient Code Exception</p>	<p>ICRC</p>	<p>This page identifies 1042-S Income Codes that can only be associated with certain 1042-S Ch. 3 Recipient Codes on the 1042-S Type of Income table (1042T). When a record is saved on 1042T and the 1042-S Ch. 3 Recipient Code is populated, the system will look for a matching Income Code value on ICRC and, if a matching Income Code record is found, determine if the Income Code/Recipient Code combination specified on 1042T exists on ICRC. If it does not, an error will be issued that the specified Income Code/Recipient code combination is invalid. Income Codes that are not defined on ICRC may be used with any valid 1042-S Ch. 3 Recipient Codes on 1042T.</p>
<p>1042-S Income Code/Ch. 4 Status Code Exception</p>	<p>IC4SC</p>	<p>This page identifies 1042-S Income Codes that can only be associated with certain 1042-S Ch. 4 Status Codes on the 1042-S Type of Income table (1042T). When a record is saved on 1042T and the 1042-S Ch. 4 Status Code is populated, the system will look for a matching Income Code value on IC4SC and, if a matching Income Code record is found, determine if the Income Code/Status Code combination specified on 1042T exists on IC4SC. If it does not, an error will be issued that the specified Income Code/Status code combination is invalid. Income Codes that are not defined on IC4SC may be used with any valid 1042-S Ch. 4 Status Codes on 1042T.</p>
<p>1042-S Ch. 3 Withholding Allowance</p>	<p>1042W</p>	<p>This page stores eligible withholding allowance amounts by Calendar Year for a specific IRS Recipient Account Number, 1042-S Income Code, 1042-S Ch. 3 Recipient Code and IRS Country of Residence combination.</p>
<p>1042-S Ch. 4 Withholding Allowance</p>	<p>1042W4</p>	<p>This page stores eligible withholding allowance amounts by Calendar Year for a specific Vendor Code, 1042-S Income Code, 1042-S Ch. 4 Status Code and IRS Country of Residence combination.</p>
<p>1042-S Limitation of Benefits</p>	<p>LOB</p>	<p>This page defines the Limitation of Benefits categories under which a beneficial owner qualifies for a reduced rate of withholding under an income tax treaty. The primary keys to this table are Calendar Year and 1042-S Limitation of Benefits Code. This table is populated as part of day zero data, based on values provided by the Internal Revenue Service (IRS).</p>

		LOB Codes are loaded for each tax year, starting with 2017. Refer to Instructions for Form 1042-S for details on the LOB codes.
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1099 Reporting Setup

In Advantage Financial, the 1099 Reporting Process includes defining reportability for Vendors, Objects, Sub Objects, Balance Sheet Accounts, and Sub Balance Sheet Accounts . 1099 Reporting also includes the collection of information for events that are subject to 1099 reporting, and reporting the 1099 income to the Internal Revenue Service (IRS).

The following are key pages that are used to set up 1099 Reporting.

Page Name	Page Code	Description
1099/1042-S Date and Transaction Parameters	1099D	This page allows users to specify 1099 reporting parameters by date and transaction code. This table is used as input to the 1099 process. While the 1099 process normally selects records on a calendar year, this process will allow you to select records based on a date range. Entries on this table are not required. If a record is not entered into the Date and Transaction Parameters table, Advantage will follow the current logic of processing on a Calendar Year.
1099 Type of Income	TINC	This page allows you to define the valid values for an income type and the Form Type used in the 1099 reporting process. This table is linked to the Object, Sub-Object, Balance Sheet Account, and Sub-Balance Sheet Account pages to define the valid Types of Income. The 1099 Type of Income table supports the 1099-S, 1099-MISC, 1099-INT, 1099-G, 1099-A, 1099-C, and 1099-R Form Types. The 1099 Type of Income page is also used to define the threshold amounts for each type of income associated with a 1099 Form. You can add, modify, and delete information on this page. Note: Consolidation for 1099-S Box 5 is not supported by the Offline 1099 process. Data must be updated through the 1099R page to report this amount on the form.
1099 Reporting Classification	1099CL	This page establishes valid 1099 Reporting Classification codes. It is also used to establish the relationship between the Vendor Organization Type, Vendor Organization Classifications, TIN Types and 1099 Classifications.
Valid Vendor Organization and	VORGCL	This page establishes the valid combinations of Organization Type, Organization Classification, TIN Type, and 1099 Reporting Classification. The system validates the vendor record against this table when creating or modifying vendor

Page Name	Page Code	Description
1099 Reporting Classification		records using either the vendor page or the vendor transactions.

1099 and 1042-S Reporting Setup

In Advantage Financial, the 1099 Reporting Process contain a few common tables used by both the 1099 and 1042-S process to define reporting payer information, transmitter information, and some common parameters used by transactions, tables, and batch jobs.

The following are key pages that are used to set up 1099 Reporting for both 1099 and 1042-S. Refer to page help for each of the pages, for more information.

Page Name	Page Code	Description
1099 Reporting Information	1099I	This page stores taxpayer information, such as TIN and TIN Type, to support 1099 Processing. Taxpayer information is then linked to individual vendors. 1099 and 1042-S taxpayers must be defined on this table. If the taxpayer is used for 1099 then the 1099 Reportable flag should be selected. If the taxpayer is used for 1042-S, then 1042-S Reportable flag will be inferred from 1042I.
1099 Reporting Information by Department	1099ID	This page stores taxpayer information, such as TIN, TIN Type, and Department to support 1099 Processing. This page allows you to create and manage Taxpayer ID by department and provides the ability to restrict view and update access by department. If the taxpayer is used for 1099, then the 1099 Reportable flag should be selected. If a TIN and TIN Type should not be 1099 reportable, then deselect the 1099 Reportable flag when creating a new record.
1099 Processing Options and Control	1099P	This page accepts user parameters, and is used as input to drive 1099 Processing. For sites using Tax Reporting, the indicator must be selected for the specified calendar year.
1099 Reporting Payer Information	1099RP	This page allows for multiple payees in one calendar year. This page allows you define the TIN, TIN Type, Name, Address, and Contact Information, for each Reporting Payer for whom you report to the IRS.
1099 Transmitter Information	1099TI	This page provides the ability to define valid Transmitter Control Codes (the Payer) and stores transmitter information used by 1099 Processing.

Chart of Accounts pages	OBJ/SOBJ BSA/SBSA	These pages link the chart of accounts code to the 1099 or 1042-S reportable type of income. For 1099, the type of income is defined on TINC. For 1042-S, the type of income is defined on 1042T.
Department Fiscal Year Controls	DEPTFY	This page allows Departments to set controls that differ from one Fiscal Year to another. DEPTFY contains a 1099 Reporting Payer field that may be used define the 1099 Reporting Payer associated with the Department Fiscal Year record. This field is required when the 'Multiple 1099 Reporting Payers' flag on the SOPT table is checked for the same FY value. If the 'Multiple 1099 Reporting Payers' flag is unchecked, then this field must be blank.
Tax Form Box Cross Reference	TAXBXRF	This page provides the Box Number and caption for each tax form for a given Tax Year.
Tax Form Options and Parameters	TAXOPT	This page is used by the Advantage Tax Reporting process to control processing for each of the Form Types for the specified tax year. It primarily provides defaults and configuration for Forms Table Load Chain and Tax Form Printing processes.

1042-S Ch. 3 Recipient Code (RECP)

The 1042-S Ch. 3 Recipient Code (RECP) table provides the IRS classification for the type of recipient being paid. The records entered on this table can be selected on various tables including the Vendor Customer (VCUST) table when the taxpayer is 1042-S reportable. Valid IRS Recipient Codes are provided for this table. Recipient Codes loaded are those that are valid in the current year and previous years. There are no validations to ensure that the Recipient Code selected is valid for the calendar year of the form, please look at IRS guidelines to ensure the correct Recipient Code is selected. Changes or new codes to this table will be provided to you in the annual tax updates.

1042-S Ch. 3 Withholding Allowance (1042W)

The 1042-S Ch.3 Withholding Allowance (1042W) table is used to provide eligible withholding allowance amounts by Calendar Year for a specific IRS Recipient Account Number, 1042-S Income Code, 1042-S Ch. 3 Recipient Code and IRS Country of Residence combination. For the combination, the withhold allowance amount will be updated to the 1042R record.

1042-S Ch. 4 Withholding Allowance (1042W4)

The 1042-S Ch. 4 Withholding Allowance (1042W4) table is used to provide eligible withholding allowance amounts by Calendar Year for a specific Vendor Code, 1042-S Income Code, 1042-S Ch. 4 Status Code and IRS Country of Residence combination. For the combination, the withhold allowance amount will be updated to the 1042R record.

1042-S Ch. 4 Status Code (CHP4)

The 1042-S Chapter 4 Status Code (CHP4) table provides the IRS classification for the 1042-S Chapter 4 status code of the recipient being paid. The records entered on this table can be selected on various tables including the Vendor Customer (VCUST) table when the taxpayer is 1042-S reportable. The values specified on this table are used for the recipient's Ch. 4 status code on the 1042-S form.

Valid IRS 1042-S Chapter 4 Status Codes are provided for this table. 1042-S Chapter 4 Status Codes loaded are those that are valid in the current year. There are no validations to ensure that the 1042-S Chapter 4 Status Code selected is valid for the calendar year of the form, please look at IRS guidelines to ensure the correct 1042-S Chapter 4 Status Code is selected. Changes or new codes to this table will be provided to you in the annual tax updates.

1042-S Exemption Code (EXMP)

The 1042-S Exemption Code (EXMP) table provides the classification of the types of income exempted from the tax base. The records entered on this table can be selected on the 1042-S Income Code/Tax Rate (ICTX) table. Valid 1042-S Exemption Codes are provided for this table. Exemption Codes provided are those that are valid in the current year and previous years. There are no validations to ensure that the Exemption Code selected is valid for the calendar year of the form, please look at IRS guidelines to ensure the correct Exemption Code is selected. Changes or new codes to this table will be provided to you in the annual tax updates.

The Chapter 3 flag should be checked if the exemption record is associated with Chapter 3. The Chapter 4 flag should be checked if the exemption record is associated with Chapter 4. The Chapter 3 flag and Chapter 4 flag cannot be selected at the same time unless the exemption code is 00.

1042-S Income Code (INCM)

The 1042-S Income Code (INCM) table provides the type of income paid by a taxpayer. The records entered on this table are used on other 1042-S tables to associate an Income Code to a recipient type or expenditure type. It is also used for reporting income on 1042-S form.

Valid IRS Income Codes and their associated withholding allowance settings are provided for this table. Income Codes loaded are those that are valid in the current year and previous years. There are no validations to ensure that the Income Code selected is valid for the calendar year of the form, please look at IRS guidelines to ensure the correct Income Code is selected. Changes or new codes to this table will be provided to you in the annual tax updates.

1042-S Income Code/Ch. 3 Recipient Code Exception (ICRC)

The 1042-S Income Code/Ch. 3 Recipient Code Exception (ICRC) table identifies 1042-S Income Codes that can only be associated with certain 1042-S Ch. 3 Recipient Codes on the 1042-S Type of Income table (1042T). When a record is saved on 1042T, the system looks for a matching 1042-S Income Code value on ICRC and, if a matching 1042-S Income Code record is found, determines if the Income Code/Recipient Code combination specified on 1042T exists on ICRC. If it does not, an error is issued that the specified Income Code/Recipient Code combination is invalid. Income Codes that are not defined on ICRC can be used with any valid 1042-S Ch. 3 Recipient Code on 1042T.

1042-S Income Code/Ch. 3 Tax Rate (ICTX)

The 1042-S Income Code/Ch. 3 Tax Rate (ICTX) table defines Ch. 3 withholding tax rates including exemptions (that is, tax rate is 00.00) per the 1042-S Income Code for countries with which the US has entered into an income tax treaty. Two factors determine the population of this table:

- IRS data in IRS Publication 515
- Only countries with the **Treaty Indicator** selected on the IRS Country of Residence (ICTRY) table may be defined on this table.

Note: Reportable 1042-S transactions for undefined **1042-S Income Code/IRS Country Code** combinations for Ch.3 recipients are taxed at the rate specified in the **1042-S Backup Withholding Rate** field on the 1099 Processing Options and Controls (1099P) table.

1042-S Income Code/Ch. 4 Status Code Exception (IC4SC)

The 1042-S Income Code/ Ch. 4 Status Code Exception (IC4SC) table identifies 1042-S Income Codes that can only be associated with certain 1042-S Ch. 4 Status Codes on the 1042-S Type of Income table (1042T). When a record is saved on 1042T, the system looks for a matching 1042-S Income Code value on IC4SC and, if a matching 1042-S Income Code record is found, determines if the Income Code/Ch. 4 Status Code combination specified on 1042T exists on IC4SC. If it does not, an error is issued that the specified Income Code/Ch. 4 Status Code combination is invalid. Income Codes that are not defined on IC4SC can be used with any valid 1042-S Ch. 4 Status Code on 1042T.

1042-S Income Code/Ch. 4 Tax Rate (ICTX4)

The 1042-S Income Code/Ch. 4 Tax Rate (ICTX4) table defines Ch. 4 withholding tax rates including exemptions (that is, tax rate is 00.00) per the 1042-S Income Code for countries with which the US has entered into an income tax treaty. Two factors determine the population of this table:

- IRS data in IRS Publication 515
- Only countries with the **Treaty Indicator** selected on the IRS Country of Residence (ICTRY) table may be defined on this table.

Note: Reportable 1042-S transactions for undefined **1042-S Income Code/IRS Country Code** combinations for Ch. 4 recipients are taxed at the rate specified in the **1042-S Ch. 4 Tax Rate** field on the 1099 Processing Options and Controls (1099P) table.

1042-S Limitations of Benefits (LOB)

The 1042-S Limitation of Benefits (LOB) page defines the Limitation of Benefits categories under which a beneficial owner qualifies for a reduced rate of withholding under an income tax treaty. This table is populated as part of day zero data, based on values provided by the Internal Revenue Service (IRS), starting with 2017. LOB Codes will receive updates as updates are provided by the IRS through the annual tax release. Refer to Instructions for Form 1042-S for details on the LOB codes.

1042-S Organization Type/Ch. 4 Status Code Crosswalk (OT4C)

The 1042-S Organization Type/Ch. 4 Status Code Crosswalk (OT4C) page stores valid Organization Type and 1042-S Ch. 4 Status Code combinations and ensures that only valid Organization Type and 1042-S Ch. 4 Status Code combinations are selected on the Vendor Customer (VCUST) table and the Vendor Customer Creation (VCC) and Vendor Custom Modification (VCM) transactions.

1042-S Organization Type/Recipient Code Crosswalk (OTRC)

The 1042-S Organization Type/Recipient Code Crosswalk (OTRC) table stores valid Organization Type and 1042-S Ch. 3 Recipient Code combinations and ensures that only valid Organization Type and 1042-S Ch. 3 Recipient Code combinations are selected on the Vendor Customer (VCUST) table and the VCC and VCM transactions. Valid Organization Type and 1042-S Ch. 3 Recipient Code combinations are provided for this table.

1042-S Reporting Information (1042I)

The 1042-S Reporting Information (1042I) table stores the name and mailing address information for foreign vendors who are subject to Form 1042-S reporting. A record must be entered on this table for any individual or company that is eligible for 1042-S reporting. As the 1099 Reporting Information (1099I) table is the primary reference table for Taxpayer Identification Number information, records added to 1042I require that the TIN/TIN Type were already set up on the 1099I table.

While the 1099I table contains mailing information that is used on 1099 forms, 1042I also contain mailing address information, which is used by the 1099 process to populate the mailing address on the 1042-S forms. The mailing information on the 1042I page is not inferred from the 1099I page; instead you must enter the mailing address for 1042-S reporting separately on 1042I. The IRS strongly recommends that 1042-S forms be sent to the vendor's foreign address (home country) and not their US Address, which is the address that is stored on 1099I.

Even though 1042I table may have additional name fields, these field values are not used elsewhere for reporting. In the current 1042-S form, it does not allow for additional names. If entered, it will provide additional information only. Also on this table, you may specify the LOB code for the taxpayer as needed. When specified, it will be inferred to the 1042-S Reported Income page when records are inserted.

The following fields on 1042I enables you to validate the US address on 1042I and allows 1042-S taxpayers with US address to print and transmit their data without the IRS Transmittal file being rejected by the IRS:

- US Address Indicator
- Recipient Address Country Code

The US Address Indicator field validates whether it is a US or foreign address and transmits the Country Code value to the F1042S table. If it is a US address, it will not print Country Code Name in the mailing address and Country value on F1042S and it will not be transmitted and vice-versa.

If the US Address Indicator flag is not selected and a US address is entered on the Recipient Address Country Code field, then the system issues an error upon the save action on 1042I. Similarly, if the US Address Indicator flag is selected and a US address is not entered on the Recipient Address Country Code field, then the system issues an error upon the save action on 1042I.

The US Address Indicator and Recipient Address Country Code fields also exist on the Vendor/Customer Creation (VCC) and Vendor/Customer Modification (VCM) transactions.

- If the US Address Indicator flag is not selected and a user tried to enter US/USA in the Recipient Address Country Code field in the 1042-S Reporting Information tab of the VCC/VCM transactions, the system will issue an error upon the validate/submit action of the transactions.

The 1042-S Backup Withholding Status field indicates if a specific TIN is eligible for 1042-S backup withholding. The value must be set manually on 1042I table. Valid values for this field are: *Blank*, *Pending*, and *Not Eligible*:

- *Blank* – (default) – The taxpayer will have 1042-S withholding taken if other criteria have been satisfied. The disbursement transaction will use rates from 1042-S Income Code/Ch. 3 Tax Rate (ICTX) or 1042-S Income Code/Ch. 4 Tax Rate (ICTX4) if available. If not available, it will use the tax rates from 1099 Processing Options and Control (1099P).
- *Pending* – The taxpayer has not provided all pertinent tax information and therefore 1042-S withholding will be taken at either the 1042-S Backup Withholding rate or the 1042-S Ch. 4 Tax Rate on 1099P. The rates on ICTX/ICTX4 will not be used since the taxpayer's setup is still pending.
- *Not Eligible* – The taxpayer shall not have 1042-S withholding taken even if the associated Income Code/Country is eligible for withholding.

1042-S Tax Rate (ITAX)

The 1042-S Tax Rate (ITAX) table provides valid tax rates from the Internal Revenue Service (IRS) that is required for Form 1042-S reporting. The Tax Rate values specified on this table are used on 1042-S tables and update certain boxes on the 1042-S Form based on the type of recipient. Each tax rate is identified as Ch. 3 and/or Ch. 4 income.

All valid tax rates from the IRS required for Form 1042-S reporting are provided for the ITAX table. Changes by the IRS will be provided to you during the annual tax release updates.

1042-S Type of Income (1042T)

The 1042-S Type of Income (1042T) table identifies valid combinations of **1042-S Income Code**, **1042-S Ch. 3 Recipient Code** or **1042-S Ch. 4 Status Code**, and **1042-S Type of Income** used in the 1042-S reporting process. If the combination is not found on this table, the income will not be 1042-S reportable on the transaction.

- If the value entered in the **1042-S Income Code** field exists on the 1042-S Income Code/Ch.3 Recipient Code Exception table (ICRC) table, then the values entered in the **1042-S Income Code** and **1042-S Ch. 3 Recipient Code** fields on 1042T must exist as a valid combination on the ICRC table.
- If the value entered in the 1042-S Income Code field exists on the 1042-S Income Code/Ch.4 Status Code Exception table (IC4SC) table, then the values entered in the **1042-S Income Code** and **1042-S Ch. 4 Status Code** fields on 1042T must exist as a valid combination on the IC4SC table.

- If the value entered in the 1042-S Income Code field does not exist on the 1042-S Income Code/Ch.3 Recipient Code Exception table (ICRC) table, then any valid code can be entered in the **1042-S Ch. 3 Recipient Code** field on 1042T.
- If the value entered in the 1042-S Income Code field does not exist on the 1042-S Income Code/Ch.4 Status Code Exception table (IC4SC) table, then any valid code can be entered in the **1042-S Ch. 4 Status Code** field on 1042T.

1099 and 1042-S Reporting Setup

In Advantage Financial, the 1099 Reporting Process contain a few common tables used by both the 1099 and 1042-S process to define reporting payer information, transmitter information, and some common parameters used by transactions, tables, and batch jobs.

The following are key pages that are used to set up 1099 Reporting for both 1099 and 1042-S. Refer to page help for each of the pages, for more information.

Page Name	Page Code	Description
1099 Reporting Information	1099I	This page stores taxpayer information, such as TIN and TIN Type, to support 1099 Processing. Taxpayer information is then linked to individual vendors. 1099 and 1042-S taxpayers must be defined on this table. If the taxpayer is used for 1099 then the 1099 Reportable flag should be selected. If the taxpayer is used for 1042-S, then 1042-S Reportable flag will be inferred from 1042I.
1099 Processing Options and Control	1099P	This page accepts user parameters, and is used as input to drive 1099 Processing. For sites using Tax Reporting, the indicator must be selected for the specified calendar year.
1099 Reporting Payer Information	1099RP	This page allows for multiple payees in one calendar year. This page allows you define the Taxpayer Identification Number (TIN), TIN Type, Name, Address, and Contact Information, for each Reporting Payer for whom you report to the IRS.
1099 Transmitter Information	1099TI	This page provides the ability to define valid Transmitter Control Codes (the Payer) and stores transmitter information used by 1099 Processing.
Chart of Accounts pages	OBJ/SOBJ BSA/SBSA	These pages link the chart of accounts code to the 1099 or 1042-S reportable type of income. For 1099, the type of income is defined on TINC. For 1042-S, the type of income is defined on 1042T.

Department Fiscal Year Controls	DEPTFY	This page allows Departments to set controls that differ from one Fiscal Year to another. DEPTFY contains a 1099 Reporting Payer field that may be used define the 1099 Reporting Payer associated with the Department Fiscal Year record. This field is required when the 'Multiple 1099 Reporting Payers' flag on the SOPT table is checked for the same FY value. If the 'Multiple 1099 Reporting Payers' flag is unchecked, then this field must be blank.
Tax Form Box Cross Reference	TAXBXR	This page provides the Box Number and caption for each tax form for a given Tax Year.
Tax Form Options and Parameters	TAXOPT	This page is used by the Advantage Tax Reporting process to control processing for each of the Form Types for the specified tax year. It primarily provides defaults and configuration for Forms Table Load Chain and Tax Form Printing processes.

1099 Reporting Classification (1099CL)

The 1099 Reporting Classification (1099CL) page allows you to establish a 1099 Reporting Classification code that may be used by the 1099 reporting process. These codes are used on the Valid Vendor Organization and 1099 Reporting Class (VORGCL) page to establish the vendor's classification for 1099 reporting. Six values are delivered with the baseline software. The five 1099 classifications include Individual, Corporation, Trust, Sole Proprietor, and Partnership. Each of these corresponds to a classification on the Type of Income (TINC) table. When the vendor is classified as one of these five classifications, the 1099 process can determine if the income is reportable based on the TINC setting. The last classification is Not Reportable which indicates the vendor is not reportable.

1099 Reporting Information (1099I)

The 1099 Reporting Information (1099I) page allows you to define valid Taxpayer ID Number (TIN) and TIN Type combinations and provide tax related information for the 1099 Reporting process. In addition, you can designate if a record is 1099 Reportable or subject to Backup Withholding.

Depending on your site's security setup, records can be added to this table manually or through the Vendor/Customer Creation (VCC) or Vendor/Customer Modification (VCM) transaction. Records may also be modified on this table manually or through a Vendor/Customer Modification (VCM) transaction. You can use the Create New Record or Modify Existing Record actions that are available on the Vendor/Customer table to easily create these transactions. You can also create these transactions from the Transaction Catalog. In some cases, a record can be automatically created on this page by information from a Payment event. This occurs when a Miscellaneous Vendor is used on a Payment Request and a TIN/TIN Type is provided on that Payment Request that does not exist on 1099I. When this occurs, the TIN/TIN Type and Payment Address are used to create a new record on 1099I.

When adding/modifying records on this page, if the 1099_CITY_ST_ZIP_VALIDATION parameter on the Application Parameters (APPCTRL) table is Yes, and the Country associated with the State is US or USA, then the address is validated against the City State ZIP (CSZ) table. If a matching record is not found for the City/State/ZIP combination, then an error is received.

The name, address, and Name Control on this table should follow guidelines allowed by the IRS as they are reported to the IRS. Unallowable characters will be removed. Name Control is inferred based on the TIN Type. For unique names or special circumstances, Name Control should be manually entered.

Due to the many rules for Name Control, it will be inferred if the field is blank. Inference will be based on whether the vendor is an individual or business. Name Control allows up to four alpha-numeric characters. Blanks may only be present at the end. For individuals, only hyphen or space is allowed but not in the first positions. Name Control will be set based on the last name (Mary Cedar-Hawthorn -> CEDA or Sunny Ming Lo -> LO). If the Last Name field is not entered, it will be set based on the last word of the name. For businesses, hyphen, ampersand, and space are allowed but not in the first position. Name Control will be set to the first four characters of the Name field. If the first word is 'The', it will be disregarded unless it is followed by only one other word.

Selection of the 1099 Reportable flag indicates that the associated TIN and TIN Type combination are eligible for 1099 reporting. This field will default to checked when creating a new record if the Default 1099 Reportable parameter on the Application Control (APPCTRL) table is set to *True*. In this situation, if a TIN and TIN Type should not be 1099 reportable you will have to deselect the flag when creating a new record.

The 1042-S Reportable check box is automatically selected by Advantage, if the TIN/TIN Type combination on 1099I has an associated record on 1042I with the 1042-S Reportable check box *selected*.

- Select **Related Pages > 1042-S Reporting Information** from the page-level menu to transition to the 1042-S Reporting Information (1042I) table. Records on 1042I are filtered based on the TIN/TIN Type selected on the 1099I table. If the TIN/TIN Type selected on 1099I does not already exist on 1042I then the first record on the 1042I table is displayed.

A TIN/TIN Type's eligibility for Backup Withholding is also defined on 1099I by changing the status in the 1099 Backup Withholding Status field. Valid values for this field include *Blank*, *Pending* and *Eligible*.

- *Blank* – No value is selected.
- *Pending* – Confirmation of eligibility for Backup Withholding is currently ongoing. This value may be set to Pending manually or by the Print Backup Withholding Notices batch process when a file is received from the IRS to initiate Backup Withholding.
- *Eligible* – A TIN/TIN Type is eligible for Backup Withholding. The value may be set manually or by the Initiate Backup Withholding batch process.

A specific TIN is subject to Backup Withholding and deductions will occur when:

- The 1099 Processing Options and Control (1099P) table has the 1099 Backup Withholding option selected for the Calendar Year,
- The Backup Withholding field is set to *Eligible* on 1099I for a specific TIN/TIN Type combination,
- The Chart of Account element (Object, Sub Object, Balance Sheet Account or Sub Balance Sheet Account) used on Transaction is 1099 Reportable, and not set to excluded on the 1099 Backup Withholding Exemption, and
- The Type of Income record (TINC) associated with the Chart of Account element has the Backup Withholding flag selected.

The **Backup Withholding Exemption** field allows you to indicate whether the taxpayer is exempt from Backup Withholding, by selecting a valid value from the drop-down.

The **Exemption from FATCA Reporting Code** field allows you to indicate whether the taxpayer is exempt from FATCA Reporting, by selecting a valid value from the drop-down.

This page contains one record for each Taxpayer ID Number (TIN) and TIN Type combination. If TIN for an existing vendor has changed, enter the new TIN/TIN Type record, and then complete the information in the TIN Change section on the original TIN/TIN Type record and select the Update All Vendor's check box. Selecting the Update All Vendors check box with the new TIN Information option will update all vendors and 1042-S Reporting table records that share the same TIN and TIN Type information.

If the Send to IRS Enforcement flag is selected on the Vendor Customer Configuration (VCNFG) page and when a new record is added on the 1099 Reporting Information (1099I) page through the Vendor/Customer Creation (VCC) and Vendor/Customer Modification (VCM) transactions or the Name field is modified in the existing record on 1099I or the Name field is modified through the VCM transaction, the Send to IRS flag is automatically selected on 1099I.

The Certification tab allows you to track whether the vendor's 1099 Reporting Information has been verified. Certification fields indicate when and how the information was verified. The Certification section also allows you to indicate whether the 1099 Reporting Information entry is ready to be selected by the IRS TIN/Name Match Extract process. The IRS TIN/Name Match Extract batch process extracts Taxpayer ID information so that it can be matched to IRS records using the IRS TIN/Name Match e-Service. This job selects all eligible records from 1099I where the **Taxpayer ID** and **TIN Type** are populated and the **Send to IRS** and **1099 or 1042-S Reportable** flags are checked. The IRS TIN/Name Match Update process updates the records based on the file received back from the IRS. The **IRS Match Status** field captures the match status received from the IRS as part of the IRS TIN/Name Match e-Service. Refer to the *Accounts Payable User Guide* and *Accounts Payable Run Sheets Guide* for more information.

1099 Reporting Information by Department (1099ID)

The 1099 Reporting Information by Department (1099ID) page allows you to define valid Taxpayer ID Number (TIN), TIN Type, and Department combinations and provide tax related information for the 1099 Reporting process. If the taxpayer is used for 1099, then the 1099 Reportable flag should be selected. If a TIN and TIN Type should not be 1099 reportable, then deselect the 1099 Reportable flag when creating a new record.

Depending on your site's security setup, records can be added to this table manually or through the Vendor/Customer Creation (VCC) or Vendor/Customer Modification (VCM) transactions. Records may also be modified on this table manually or through a Vendor/Customer Modification (VCM) transaction. You can use the Create New Record or Modify Existing Record actions that are available on the Vendor/Customer table to easily create these transactions. You can also create these transactions from the Transaction Catalog. In some cases, a record can be automatically created on this page by information from a Payment event. This occurs when a Miscellaneous Vendor is used on a Payment Request and a TIN/TIN Type is provided on that Payment Request that does not exist on 1099I and 1099ID. When this occurs, the TIN/TIN Type and Payment Address are used to create a new record on 1099I and the TIN/TIN Type, Department, and Payment Address on the Payment Request are used to create a new record on 1099ID.

Please refer to the "[1099 Reporting Information \(1099I\)](#)" topic in this user guide for more information.

1099 Transmitter Information (1099TI)

Advantage supports the ability to have multiple 1099 Transmitters as part of the 1099 reporting process. The 1099 Transmitter Information (1099TI) table provides the ability to define each valid Transmitter Control Codes (the Payer). TCC can be requested from the IRS. Typically, one TCC is issued for 1099 forms and another is issued for 1042-S reporting. This table is used for 1099 reporting and as selection criteria for the Print Backup Withholding Notices batch process when selecting records from the IRS Backup Withholding file.

1099 Type of Income (TINC)

The 1099 Type of Income (TINC) page allows you to define valid values for an income type and the Form Type used in the 1099 reporting process. This table is linked to the Object, Sub-Object, Balance Sheet Account, and Sub-Balance Sheet Account pages to define the valid **Types of Income**. The 1099 Type of Income table supports the *1099-A*, *1099-C*, *1099-G*, *1099-INT*, *1099-MISC*, *1099-R*, and *1099-S* Form Types. The 1099 Type of Income page is also used to define the threshold amounts for each Type of Income associated with a 1099 Form. You can add, modify, and delete information on this page. Each box should also define the type of data it expects by selecting the Data Type values list. 1099R and 1099ER will validate to ensure the box value entered is the correct data type.

This page is required to use the Advantage 1099 functionality. It is used by transactions, tables, and batch processes for 1099 reporting.

IRS Country of Residence (ICTRY)

The IRS Country of Residence (ICTRY) table provides country codes in the required IRS format that is used as input to the Offline 1099 Process. In addition, the IRS Country of Residence table allows a site to specify if that country has a treaty with the United States allowing an exemption or reduced tax rates for 1042-S reporting.

The valid IRS country codes are provided for the ICTRY table. Note that IRS Country of Residence is different than the Advantage Country (CTRY) table. The values on the two tables may have the same value or different values for the same country.

Tax Form Options and Parameters (TAXOPT)

The Tax Form Options and Parameters (TAXOPT) page is used by the Advantage Tax Reporting process to control processing for each of the Form Types for the specified tax year. For each Form Type for a given tax year, you can define the following:

- The Forms Load Consolidation Information tab contains the consolidation option used when processing internal and external tax records by the Tax Forms Table Load Chain process. When a consolidation option is chosen, records from 1099ER and 1099R are consolidated when they are loaded to their corresponding tax form tables. **Note:** When the consolidation option is chosen, Type 2 corrections for TIN/TIN Type or Form Type changes cannot be made by the system for tax records that have been consolidated. Type 2 Name changes must be made on the internal tax record for tax records that have been consolidated. Refer to the [“Making Type 2 Correction on Consolidated Tax Records”](#) topic for procedures on making a Type 2 correction on a consolidated record.

- The Forms Printing Option tab contains options on form selection, options on how to print the selected tax forms, what form copies to print, and where the forms are to be printed.
 - The **Active for Printing** check box indicates whether the record is active for forms printing. If a TAXOPT record is not active for a given form for the tax year, the form will not be printed.
 - Tax forms can be printed for specific criteria such as Reporting Payers or Permit Number.
 - Tax forms can be printed with different options such as printing in duplex with TIN masking or printing instructions on the same page as the form.
 - Different copies of Tax forms can be printed by choosing the 'Copy' preferences.
 - The number of forms per page can be indicated by selecting the appropriate Forms Per Page option.
 - Printing of forms and instructions will be varied based on selection of the Form Type, copies selected in 'Copy' fields, Forms Per Page selected, Print Instructions, and Print Instructions on Same Page as Copy field options. The form Copy and instructions, if selected, will be printed in the same order as defined by the IRS (for example, MISC form order: Copy 1, Copy B, Recipient Instruction, Copy 2, Copy C, Payer Instruction).

Example 1: If printing Form Type 1099-MISC and user chose to print 2 forms per page with no instructions and only chosen two copies (that is, B & 2) then it will not achieve 2 forms per page. On page 1, the mailing address will be printed on the top section and Copy B will be printed on the bottom section of the page; on page 2, Copy 2 will be printed. Due to the size of Form Type 1099-MISC, two copies cannot be printed at the bottom section of page 1.

Example 2: For 1099-MISC, Copy 1, B, and C were selected with 2 forms per page and no instructions. On page 1, the mailing address will be printed on the top section and Copy 1 will be printed on the bottom section of the page; on page 2, Copy B and Copy C will be printed.
- The Forms Printing Sorting Options tab contains options to specify what order the tax form should be printed (Reporting Payer, Zip Code, Permit Number, and Source Department) by specifying the order of precedence.
 - Printed tax forms can be sorted in a number of ways. No two sorting order fields may have the same sort order value unless the value is 0. When all options are set to zero, the forms will be sorted by Reporting Payer, TIN, and TIN Type.

The options for online printing and setting default values for the parameters can be made on the Online Tax Form Printing Parameters page.

› [Online Tax Form Printing Parameters page](#)

The Online Tax Form Printing Parameters page allows you to print a single tax form on an ad-hoc basis. This page can only be accessed by selecting **Related Pages > Print Tax Form** from the row-level menu on the tax form reporting pages. Upon transitioning to this page, the system infers information from the tax form page and from the Tax Form Options and Parameters (TAXOPT) record corresponding to the Tax Year and the Form Type for the tax record selected. If an active TAXOPT record does not exist, then the user is not transitioned to this page when the Print Tax Form link was selected on the tax form pages.

You can specify the printer to be used for printing or send the PDF for viewing online on the View Forms (FORMS) page by setting the View Forms option to Yes. Once the print options are specified, the Print action executes the Tax Form Printing Process in the background to print the tax form. The Verify Print Status action transitions you to a page that displays the latest status of the tax form printing.

The Online Tax Form Printing Parameters page obtains these values from TAXOPT:

- Form Name
- Print Job Code
- Print Resource ID
- › [More Info](#)

The IRS allows only a certain Copy of each form. The table below shows what Copy is available by form.

Form Type	Available Copy
1042-S	A, B, C, D, and E
1099-G	1, 2, A, B, and C
1099-INT	1, 2, A, B, and C
1099-MISC	1, 2, A, B, and C
1099-NEC	1, 2, A, B, and C
1099-S	A, B, and C
1099-A	A, B, and C
1099-C	A, B, and C
1099-R	1, 2, A, B, C, and D

The Advantage tax forms printing will be delivered to support printing for specific envelope models. To print forms so that the addresses are displayed correctly for any other envelopes will require sites to make modifications to the BIRT report designs.

Note: Envelope manufacturers may vary the size of the envelope even though the model number is the same. Adjustments maybe necessary for each site depending on the manufacturer of the envelope model being used.

The supported envelope models are shown below:

Envelope Specifications

3-up Model #7950862

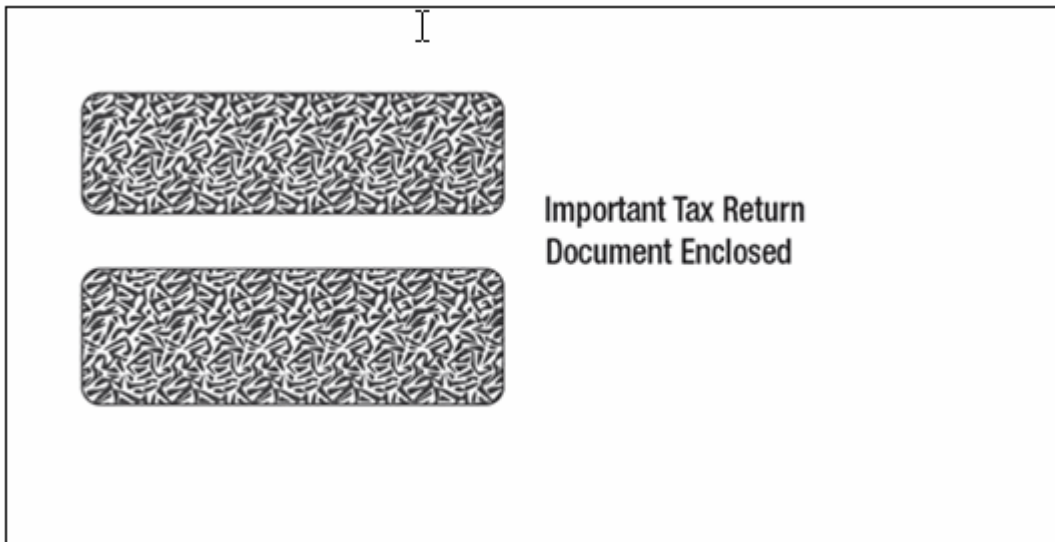
Note: The form must be folded exactly 3-5/8" from the top of the page in order to fit the 3-up envelope.

Dimensions

Envelope: 3-3/4" x 8-1/2"

Top Window: 1" x 3-1/2"; 1/2" from Top; 1/2" from the left-hand edge

Bottom Window: 1-1/8" x 3-1/2"; 1/2" from Bottom; 1/2" from the left-hand edge



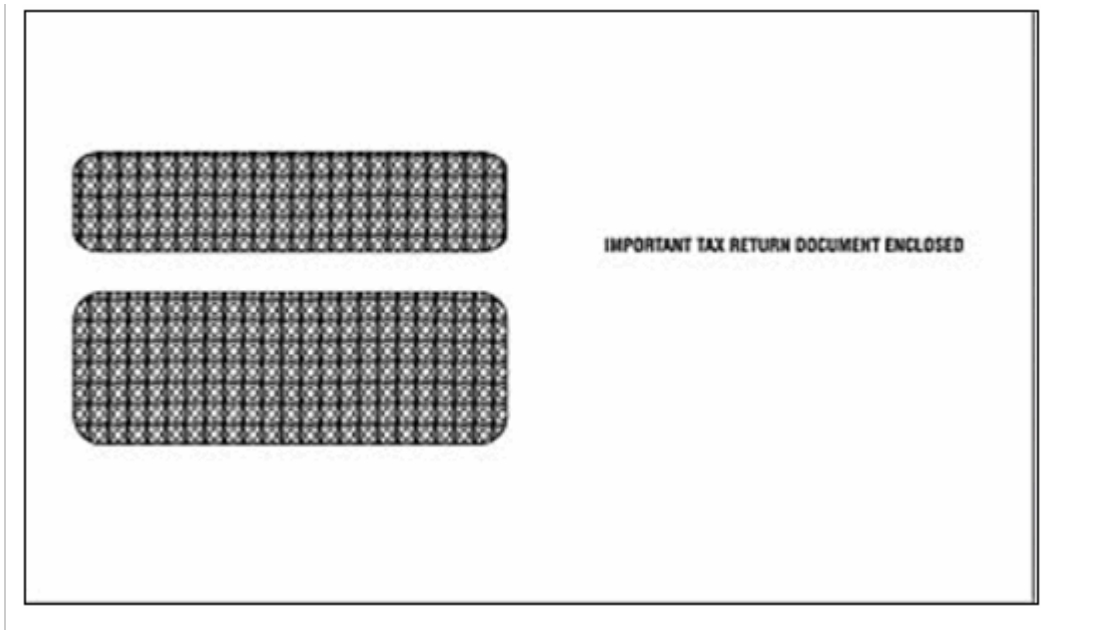
2-up Model #7990E

Dimensions

Envelope: 5-5/8" x 9"

Top Window: 15/16" x 4-1/16"; 3-11/32" from Bottom; 1/2" from the left-hand edge

Bottom Window: 1-7/16" x 4-1/16"; 1-1/2" from Bottom; 1/2" from the left-hand edge



Depending on the Form Type being printed, the envelope that the form can be printed for is limited. The table below shows the envelope option(s) that can be chosen for each form type.

Form Type	Limitations	Print Instructions same page*	Comments
1042-S	<ul style="list-style-type: none"> • 3-up envelopes only • Only one copy per page 	No	Instructions are too long to fit on same page as one form.
1099-G	<ul style="list-style-type: none"> • 3-up envelopes • 2-up envelopes 	Yes	
1099-INT	<ul style="list-style-type: none"> • 3-up envelopes • 2-up envelopes 	No	Instructions are too long to fit on same page as one form.
1099-MISC	<ul style="list-style-type: none"> • 3-up envelopes • 2-up envelopes 	Yes	
1099-NEC	<ul style="list-style-type: none"> • 3-up envelopes 	Yes	

	<ul style="list-style-type: none"> • 2-up envelopes 		
1099-S	<ul style="list-style-type: none"> • 3-up envelopes • 2-up envelopes 	Yes	
1099-A	<ul style="list-style-type: none"> • 3-up envelopes only 	Yes	
1099-C	<ul style="list-style-type: none"> • 3-up envelopes • 2-up envelopes 	Yes	
1099-R	<ul style="list-style-type: none"> • 3-up envelopes • 2-up envelopes 	No	Instructions are too long to fit on same page as one form.

* If instructions are to be printed on same page of form, only Copy B will be printed and only the recipient instructions will be printed.

Tax Form Box Cross Reference (TAXBXRF)

The IRS publishes changes to tax forms on an annual basis. For a tax form, the purpose for a given box number on the form can be changed, moved to a different box, or no longer used. The Tax Form Field Box Cross Reference (TAXBXRF) page provides the Box Number and Caption for each tax form for a given Tax Year that can be printed by the Tax Form Printing process. Records cannot be added/deleted/modified directly on this page. Instead, table records are defined for each Tax Year for each IRS tax form and each box on the form as part of the annual statutory tax changes beginning with 2016. This table is also used by the IRS Transmittal File Generation process to obtain the amount codes for the specific Form Type for the tax year.

Valid Vendor Organization and 1099 Reporting Class (VORGCL)

The Valid Vendor Organization and 1099 Reporting Class (VORGCL) page allows you to establish the valid combinations of Organization Type, Organization Classification, TIN Type, and 1099 Reporting Classification. The 1099 reporting process uses the classification to determine reportability.

You may specify if the TIN is required for the VORGCL record. The system validates the vendor record against this table when creating or modifying vendor records using either the vendor page or the vendor transactions. If the combination of Organization Type + 1099 Classification + Taxpayer ID Number Type matches a value on the VORGCL page OR the combination of Organization Type + 1099 Classification matches a value on the VORGCL page and:

- If the TIN Required flag is checked, the system requires the user to specify a Taxpayer ID Number.
- If the TIN Required flag is not checked, the system does not require the user to specify a Taxpayer ID Number.

Advanced - Batch Processing

Batch Processing for the Tax Reporting area includes the following categories:

- [Batch Jobs](#)
- [Chain Jobs](#)
- [Recommended Sequence for 1099 Job Execution](#)

Batch Jobs

The Batch jobs for tax reporting are listed alphabetically in the below table and the last column indicates the location in the Batch Catalog. For detailed information on the jobs (such as when to run, input, output, and process parameters) refer to the associated run sheet in the *CGI Advantage Financial Accounts Payable Run Sheets Guide*.

Job Name	Description	Batch Catalog Section
Backup Withholding History	This process will select applicable records associated with Backup withholding from the Accounting Journal and populate them in the Backup Withholding History Detail (BWNPH).	Accounts Payable
Initiate Backup Withholding	<p>The process will flag selected Taxpayer records on the 1099I table as subject for Backup Withholding. The process will select applicable records from the 1099I table, for which the number of calendar days since the last B Notice was sent is greater than or equal to the number of Compliance Days (the number of Compliance Days is defined on 1099P table for the current Calendar Year).</p> <p>In addition to updating appropriate records on the 1099I table, the batch process will generate a Backup Withholding Initialization Report. This report will lists all records selected from the 1099I and flagged as subjects to Backup Withholding (this means the report will reflect the state of the records after they have been updated by the Initiate Backup Withholding job).</p>	Accounts Payable
IRS TIN/Name Match Extract	This process extracts Taxpayer ID information from vendor registration information so that it can be matched to IRS records using the IRS TIN/Name Match e-Service. This job selects all eligible records from 1099I where the Taxpayer ID and TIN Type are populated and the Send to IRS and 1099 or 1042-S Reportable flags are checked. When completed, it will set to the Send to IRS flag to unchecked.	Accounts Payable

IRS TIN/Name Match Update	This process updates entries on the 1099 Reporting Information (1099I) table based on the IRS TIN/Name Match Status file that is returned from the IRS TIN/Name Match e-service.	Accounts Payable
IRS Transmittal File Generation	This process generates the transmittal files required for electronic filing of 1099 and 1042-S tax information with the Internal Revenue Service (IRS). Additionally, the IRS Transmittal File Generation batch process will produce an IRS Transmittal File report listing summary information from the generated IRS Transmittal Files.	Accounts Payable
Offline 1099 Process	The Offline 1099 process consolidates vendor income by predetermined criteria and generates IRS form and data files that can then be imported into the Forms tables or a third party tool to generate 1099-A, 1099-C, 1099-MISC, 1099-NEC, 1099INT, 1099-G, 1099-R, 1099-S and 1042-S forms as well as the IRS Transmittal file.	Accounts Payable
Tax Form Printing	This process allows you to print IRS tax forms for data captured in Advantage Financial for tax forms supported by Advantage.	Accounts Payable

Chain Jobs

The Chain jobs for tax reporting are listed alphabetically in the below table and the last column indicates the location in the Batch Catalog. For detailed information on the jobs (such as when to run, input, output, and process parameters) refer to the associated run sheet in the *CGI Advantage Financial Accounts Payable Run Sheets Guide*.

Job Name	Description	Batch Catalog Section
Forms Table Load	This chain job loads the payee, payer, and tax form data into the Forms Reporting Detail tables (database only tables) and Form Reporting tables from the data generated by the Offline 1099 Process. This chain job is part of Advantage Tax Reporting.	Accounts Payable
Print Backup Withholding Notices	This job prints Backup Withholding 1st and 2nd B Notices. The job will select records from the 1099 Reporting Information and Backup Withholding Notice Printing History tables for taxpayers, for whom the generation of the 1st or 2nd B Notice is required. Both tables will be updated by the process, as well as serve as input for identifying records that require printing (as per '1099I table setup) or were scheduled	Accounts Payable

	for re-printing (as per BWNPH table setup) of a corresponding B Notice.	
Upload 1099 External Reported Income Process	The Upload 1099 External Reported Income Process uploads external 1099 reported income by Calendar Year, 1099 Reporting Payer, TIN and TIN Type, updating the consolidated income on the 1099 External Reported Income Table (1099ER). The Offline 1099 Process uses these records to create a text file that may be used by the Forms table Load or a third party tool to generate IRS forms or a data file (original submission and corrections).	Accounts Payable

Recommended Sequence for 1099 Job Execution

There are several batch jobs or chain jobs used for tax reporting. Please refer to the *Accounts Payable Run Sheets Guide* to get a better understanding of each job. Below is the recommended sequence. Depending on your procedure, it may deviate from the below.

Tax Reporting Sites:

1. Run Offline 1099 Process in Report Mode (1099 Journal as Input = True) (Optional) – only produces reports selected on the 1099P page
2. Run Offline 1099 Process in Testing Mode (1099 Journal as Input = True) optional but highly recommended to do preliminary review
 - Records are loaded to 1099R and 1042R tables with Processing Indicator of 'Testing'. Problems found during review?
 - Fix the source such as reference table or process transactions and rerun the process in Testing Mode (with 1099 Journal as Input = True) or
 - Fix the problems on the 1099R/1042R tables (directly on 1099R or use M1099 transaction). For each fixed record, a new record is inserted with a Processing Ind of 'Updated' record. Once all records are fixed on the tables, they are ready for the next Processing Mode.
3. Run Upload 1099ER Reported Income chain process, if needed, to load external 1099 taxpayer data to 1099ER table.
4. Run Offline 1099 Process in Forms mode (1099 Journal as Input = False if already executed in Testing mode) – Optional step to allow for additional review and make changes. Some sites typically skip this mode.
 - 1099R, 1042R are updated with Processing Indicator = Forms. 1099ER is updated if batch parameter is set to read it.
 - Problems found during review of report or "R" tables (1099R, 1099ER, 1042R)?

- Make corrections (Amount/TIN/Name/Address) directly on the “R” tables or process an M1099 transaction (M1099 is only available for 1099R records). Changed records will create a new version with Processing Indicator = Updated.
 - Insert new records to the “R” tables if necessary. Newly inserted records will have a Processing Indicator = New. M1099 transaction can also be used to add new records on 1099R.
5. Run Offline 1099 Process in Magnetic Media (MM) Mode (1099 Journal as Input = False if already executed in Testing or Forms mode). Required mode. This mode is also necessary to run the Offline 1099 Process in Corrected mode.
- 1099R, 1042R are updated with Processing Indicator = Magnetic Media. 1099ER is updated if batch parameter is set to read it.
 - Text files are produced for all records (say 1000 records – assumes no new records were added after Forms mode; if there were, the new records would also be included in this file).
 - Files produced in the Export Import folder are used by the Form Table Load Chain jobs to load records to the Form Reporting tables.
6. Run the Forms Table Load Chain job. The first run will load original records to the Form Reporting tables (F1099A, F1099C, F1099G, F1099I, F1099M, F1099R, F1099S, and F1042S). Records are inserted on these Form Reporting tables based on Consolidation option set on TAXOPT.
7. Run the Tax Form Printing job to print original forms in bulk. On demand, online printing can be made directly from the form reporting pages.
8. Run the IRS Transmittal File Generation job to generate files of original form data. This step can be skipped if your site is not transmitting forms data until a later date. The Transmission Type will indicate the type of record (original vs corrected) being transmitted to the IRS.
9. Make corrections or add new records as needed on ‘R’ tables (or using the M1099 transaction)
- Changed records will have Processing Indicator of ‘Updated’.
 - Newly inserted records will have Processing Indicator of ‘New’.
 - Note: There are restrictions to process corrections if records were consolidated. Please refer to the [“Corrections Processing”](#) or [“1099 Business Tasks”](#) topic in this guide for more details.
10. Run Offline 1099 Process in Corrected Mode (1099 Journal as Input = False, Correction Processing = True)
- 1099R, 1042R, and 1099ER records are updated with Processing Indicator = Corrected. The Processing Indicator will be ‘Corrected’ on these tables even if you have not transmitted the taxpayer form data to the IRS. These records have been corrected since text files were generated. Tax Reporting sites should refer to Transmission Type field on the Form Reporting pages to see how the current record will be transmitted to the IRS. If your site has never transmitted form data to the IRS, it is possible to process multiple corrections before transmitting to the IRS for the first time. The Form Reporting table may show multiple version of the record based on changes initiated on the ‘R’ tables.

- Text files are produced ONLY for 'New' or 'Updated' records after running in Magnetic Media mode (for example, if 10 records were corrected and 3 were inserted then the file would contain 13 records).
11. Run the Forms Table Load Chain job to load the corrected/new records
- If the prior version of the records were not transmitted to the IRS then these records will be loaded with the Transmission Type of original.
 - If the prior version of the records were transmitted to the IRS then these records will be loaded with the Transmission Type of Corrected for 1099 forms (Transmission Type will be Amended for 1042-S form).
12. Run the Tax Form Printing job to print corrected/new records
- If the prior version of the records were not printed then these records will be printed as original.
 - If the prior version of the records were printed then these records will be printed as corrected.
13. IRS Transmittal File Generation of corrected/new records.
- If your site did not previously transmit to the IRS then this execution will produce files with original records for the IRS.
 - If your site previously transmitted to the IRS then files will be produced with corrected/amended records.
 - Separate jobs must be scheduled to pick up original records and corrected records. If there are corrected records and new records, two instances of the IRS Transmittal File Generation job would need to be scheduled.
14. Steps 9-13 can be repeated as necessary.

Non-Tax Reporting Site Sequence

1. Run Offline 1099 Process in Report Mode (1099 Journal as Input = True) (Optional) – only produces reports selected on the 1099P page
2. Run Offline 1099 Process in Testing Mode (1099 Journal as Input = True) optional but highly recommended
 - Records are loaded to 1099R and 1042R tables with Processing Indicator of 'Testing'. Problems found during review?
 - Fix the source such as reference table or process transactions and rerun the process in Testing Mode (with 1099 Journal as Input = True) or
 - Fix the problems on the 1099R/1042R tables (directly on 1099R or use M1099 transaction). For each fixed record, a new record is inserted with a Processing Indicator of 'Updated' record. Once all records are fixed on the tables, run the next Processing Mode
3. Run Upload 1099ER Reported Income chain process if needed to load external 1099 taxpayer data to 1099ER table.

4. Run Offline 1099 Process in Forms mode (1099 Journal as Input = False) – Optional step to allow for additional review and make changes
 - Text files are produced for all records (say 1000 records) in the Report Output folder. These text files can be used for third party reporting tools. These files found in the Report Output folder cannot be used by Advantage Tax Reporting to load the Form Reporting tables.
 - Problems found during review of report or “R” tables (1099R, 1099ER, 1042R)?
 - Make corrections (Amount/TIN/Name/Address) directly on the “R” tables or with the M1099 transaction (M1099 is only available for 1099R records). Changed records will create a new version with Processing Indicator = Updated.
 - Insert new records to the “R” tables if necessary. Newly inserted records will have a Processing Indicator = New. M1099 transaction can also be used to add new records on 1099R.
5. Run Offline 1099 Process in Magnetic Media (MM) Mode (1099 Journal as Input = False). This mode is necessary to run the Offline 1099 Process in Corrected mode. Files produced in the Report Output folder can be used by third party reporting tools.
 - 1099R, 1042R are updated with Processing Indicator = Magnetic Media. 1099ER is updated if batch parameter is set to read it.
 - Text files are produced for all records (say 1000 records – assumes no new records were added after Forms mode; if there were, the new records would also be included in this file).
6. Make corrections or add new records as needed on ‘R’ tables (or using the M1099 transaction)
 - Changed records will have Processing Indicator of ‘Updated’.
 - Newly inserted records will have Processing Indicator of ‘New’.
7. Run Offline 1099 Process in Corrected Mode (1099 Journal as Input = False, Correction Processing = True). Files produced will include corrected and new records.
8. Steps 6 & 7 can be repeated as necessary.

Advanced - Reports

Reports can be created from CGI Advantage Financial or they can be created from CGI infoAdvantage or CGI Advantage Insight, if installed at your site. Refer to one of the following topics for more information:

- [CGI Advantage Financial Reports](#)
- [CGI infoAdvantage](#)
- [CGI Advantage Insight](#)

CGI Advantage Financial Reports

The Tax Reporting area includes several reports, which are listed in the below table. For detailed information on the reports, refer to the associated run sheet in the *CGI Advantage Financial Accounts Payable Run Sheets Guide*.

Report Name	Description
1099 Miscellaneous Vendor Report	The 1099 Miscellaneous Vendor Report details Miscellaneous Vendor records on the 1099 Journal that contain reportable income and no TIN information. This report will allow a site to audit these transactions and manually process corrections to the 1099 Reported Income table to issue forms to these vendors if they choose to do so.
1099-S Transactions by Vendor Report	The 1099-S Transactions by Vendor Report is created by the Offline 1099 Process when it is run in Testing, Magnetic Media, Corrections and Report modes to list all 1099-S transactions. This report will generate when the 1099-S Reporting indicator is set to 'Property' and 1099-S transactions have to be added to 1099R manually.
1099 Exception Report	The 1099 Exception Report is created by the Offline 1099 Process and displays duplicate input records. Records with the same Calendar Year, TIN, Form Type, and 1099 Payer are written to the 1099 Exception Report along with the message, "Duplicate record exists on 1099R table." Records that are displayed on this report require research to verify if the records are incorrect and if manual correction is needed.
1042-S Exception Report	The 1042-S Exception Report is created by the Offline 1099 Process and displays records that do not pass 1042-S validations. These records are still written to the 1042R table. The report is necessary so a determination can be made if any changes were made to the setup during the reporting period.

Backup Withholding Summary Report By Reporting Period	This report provides summary information by date for all backup withholding offset amounts within a given date range.
Backup Withholding Detail Report By TIN	The Withholding Detail by TIN report provides detail information by Taxpayer Identification Number and 1099 Form Type for all backup withholding offsets within a specified date range.
Backup Withholding Detail Report By Accounting Distribution	This report provides detail information by accounting distribution for all backup withholding offsets within a specified date range.
Contract Withholding Detail Report by Accounting Distribution	This report provides detail information by accounting distribution for all contract withholding offsets within a specified date range. This information is used as an organization's Contract Withholding offset activity audit trail. The report job reads the 1099 Journal for posting pair K.
Contract Withholding Detail Report by Tax Identification Number (TIN)	This report provides detail information by TIN for all contract withholding offsets within a specified date range. The report job reads the 1099 Journal for posting pair 'K'. This report is used as a vendor Contract Withholding offset activity audit trail.
Contract Withholding Summary Report by Reporting Period	This report provides summary information by date for all 3402(t) Contract Withholding offset amounts within a given date range. The report reads the 1099 Journal as input. This report is used for providing information relating to remittance schedule to the (IRS) Internal Revenue Service. The report is sorted by Transaction Record Date.
IRS Transmittal Report (1099)	This report is generated by the IRS Transmittal File Generation process. This report lists summary information from the generated 1099 IRS Transmittal Files.
IRS Transmittal Report (1042-S)	This report is generated by the IRS Transmittal File Generation process. This report lists summary information from the generated 1042-S IRS Transmittal Files.
Tax Form Printing Processing	This report is generated by the Tax Forms Printing process when it is run in Offline Mode. This report lists the tax form reporting data captured by Form Type and Reporting Payer.
Upload 1099 External Reported Income Exception Report	The Upload 1099 External Reported Income Exception Report is created by the Upload 1099 External Reported

Income Process and displays duplicate input records. Records with the same Calendar Year, TIN, Form Type, and Reporting Payer are written to the Upload 1099 External Reported Income Exception Report. Records that are displayed on this report require research to verify if the records are incorrect and if manual correction is needed.

CGI infoAdvantage

For sites that have implemented infoAdvantage, please refer to the below for the universe and report information specific to this functional area.

- Universes - Please refer to the *CGI_infoAdvantage_4_Financial_Universes_Guide* for more information on the universe that exists for this functional area.
- Reports - The sample reports and templates can be found under the CGI Resource Library link: <https://sdc.cgi.com/aal/>.

CGI Advantage Insight

For sites that have implemented Insight, please refer to the below for the semantic model information specific to this functional area.

- Semantic Model - Please refer to the *CGI_Advantage_Insight_4_Semantic_Model_Guide* for more information on the model that exists for this functional area.

Frequently Asked Questions

This section contains a list of frequently asked questions and answers for the tax reporting area.

- › [How do I set up a vendor for 1099 reporting?](#)

Please refer to the "[1099 and 1042-S Reporting Setup](#)" topic as well as "[1099 Reporting Setup](#)" topic in the Advanced - Setup section in this user guide for instructions.

- › [How do I change the TIN for a taxpayer, after a form has been sent to the IRS?](#)

Refer to the "[Change TIN after form has been sent to IRS](#)" topic in this user guide for detailed instructions.

- › [How do I set up a vendor for 1042-S reporting?](#)

Please refer to the "[1099 and 1042-S Reporting Setup](#)" topic as well as "[1042-S Reporting Setup](#)" topic in the Advanced - Setup section in this user guide for instructions.