The Financial Edge™

1099 MISC Processing Guide

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1099MISCGuide-120914

1099 MISC Processing Guide

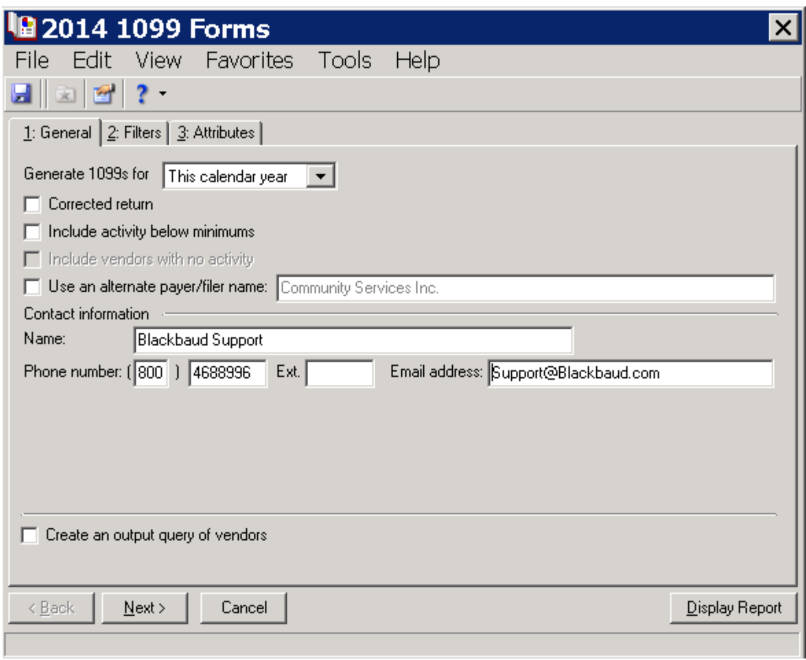
Welcome to the *1099 MISC Processing* guide. Instead of processing your 1099s directly through *Mail* in ***Accounts Payable***, you can now connect to *Aatrix*. The *Aatrix* integration combines your data with their content to populate the integrated reports in compliance with state and federal tax agency regulations. The 1099-MISC and W-2 eFiling solutions provide a range of choices from a complete full service eFiling option to a partial eFiling of just the federal forms, state forms or both.

While we recommend using the complete eFiling option as a best practice, you could skip the eFiling option altogether and print to paper tax forms. Please be aware, there are costs associated with eFiling. Also the new option to eFile 1099-MISC forms impacts your decision whether to purchase paper tax forms. To purchase compatible preprinted paper tax forms for paper or the partial eFiling options, please contact the Blackbaud Forms team at 866.422.3676 to speak to one of our trained tax forms specialists.

1099 MISC Processing

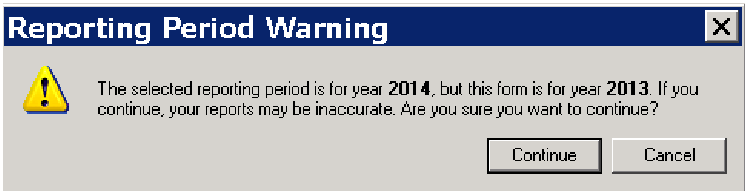
To get started processing 1099 MISC forms, you must log in to ***The Financial Edge*** with Supervisor rights.

1. From **Accounts Payable**, **Mail**, select **Forms**, **1099 forms**, **New**.



2. Choose the date options to generate 1099s, and do not mark the **Corrected return** checkbox.
3. Mark **Include activity below minumums** if you want to include 1099 vendors that did not meet minumum box amounts.
4. Mark **Use an alternative payer/filer name** if a different name is needed than what is in *Configuration*.
5. Enter the required name, phone number and email address fields.
6. Mark **Create an output query of vendors** if desired. You can save and use an output query later for other mailings or reports.
7. Next select the Filters tab to create forms for specific vendors based on selected. For example, you may not be preparing 1099s for all vendors at one time. You can include only those vendors whose names begin with A through H.

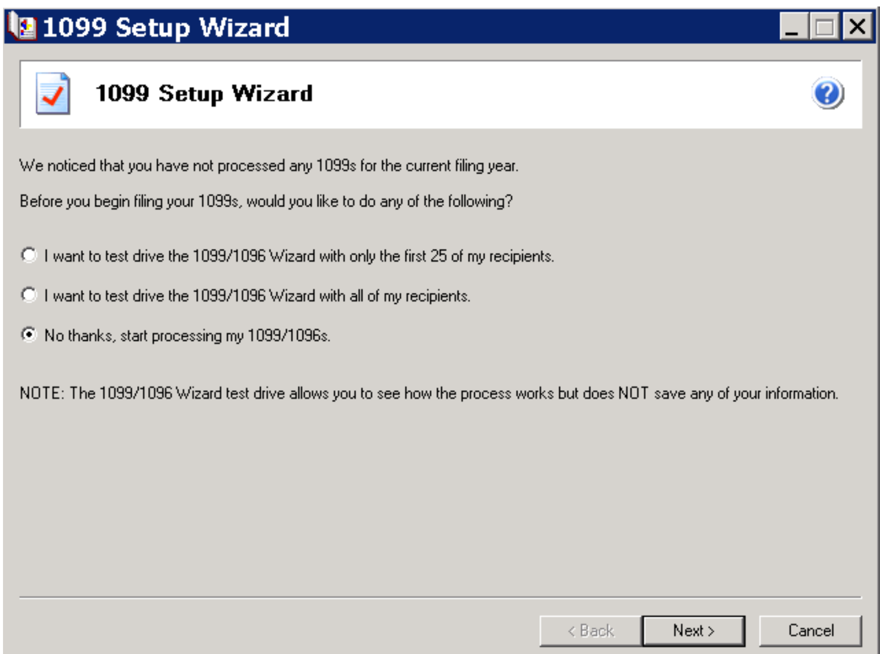
8. Click **Display Report**. If the reporting period is different than the current form year, the following message displays.



9. Click **Continue** to proceed, or **Cancel** to update the year for which the reports are created.

1099 Setup Wizard

When you access the 1099 Setup Wizard, options appear allowing you to test the Aatrix 1099 filing wizard, or begin processing the forms.

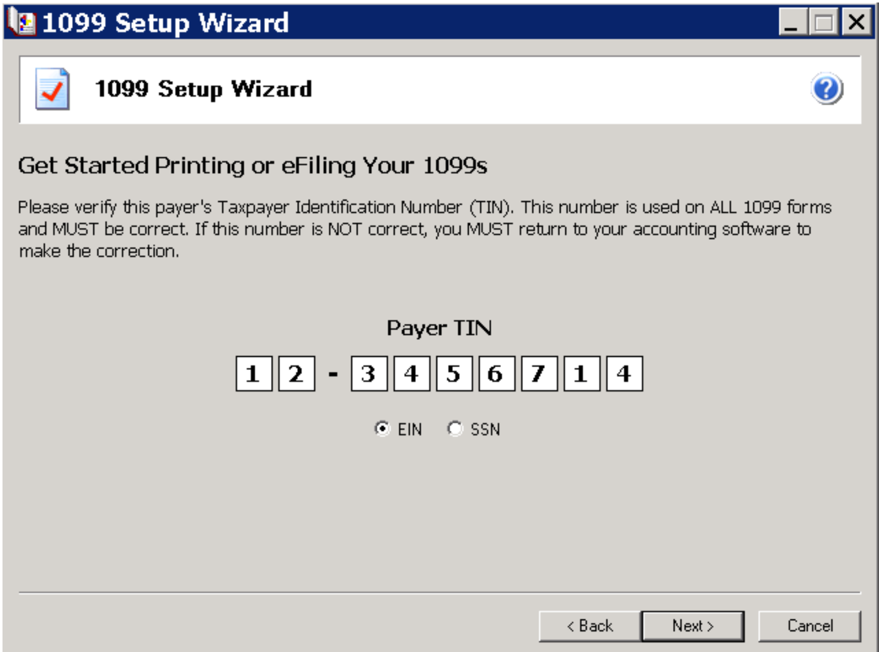


If you select to test drive the 1099/1096 Wizard, you will need to complete the steps again in processing mode to complete the filing. The 1099/1096 Wizard test drive does not save the information.

Select **Next**.

Getting Started

The first step is to verify the Taxpayer Identification Number (TIN) for the organization that is filing the 1099 forms.

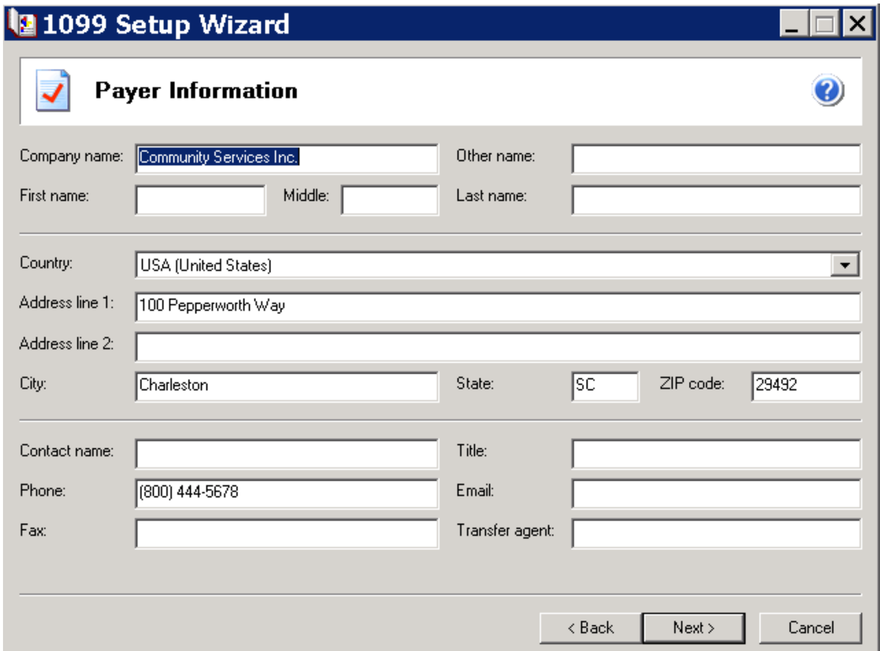


The TIN needs to be correct because it prints on all forms as it appears in the 1099 Setup Wizard. If the number is incorrect, click **Cancel**. You can update the TIN in *Configuration*. Simply update the on the **Federal ID #** field on the General tab.

Select **Next**.

Payer Information

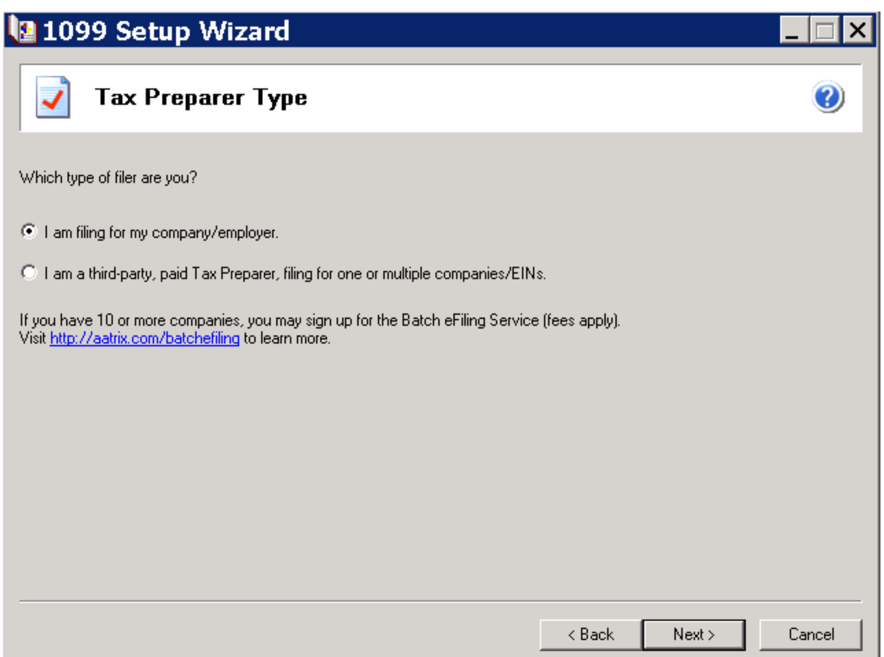
Enter the payer Information for the organization filing the 1099 forms.



Select **Next**.

Tax Preparer Type

The Tax Preparer Type screen allows you to select what type of filer you are. If you are filing for your own company or organization, select the first option. If you are a tax preparer agency or paid tax preparer, select the second option.

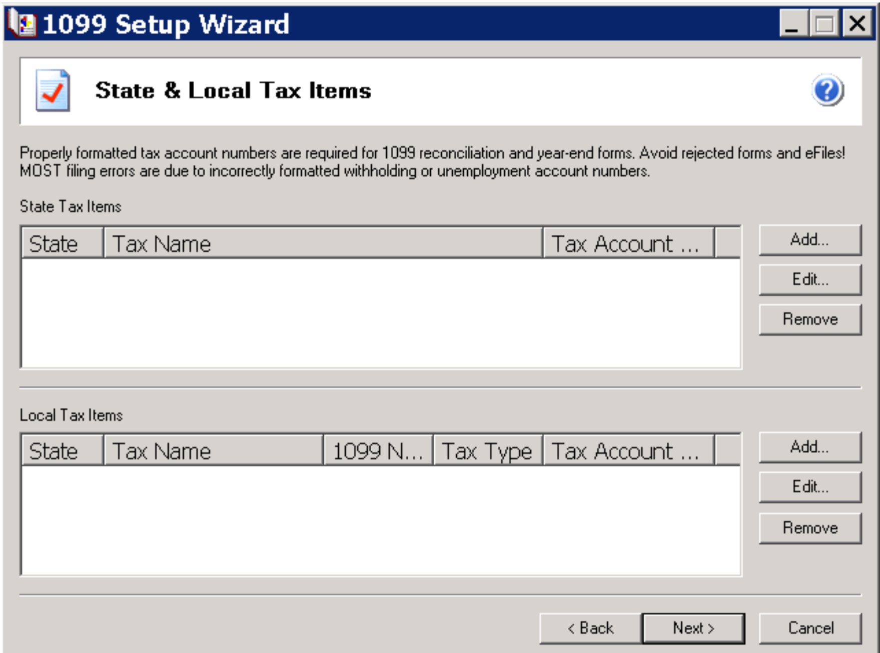


If you have 10 or more companies, contact Aatrix about the batch filing option.

Select **Next**.

State and Local Tax Items

On this screen, you can verify, edit and add state and local tax items. If your organization does not withhold state tax, you can go to the next screen.

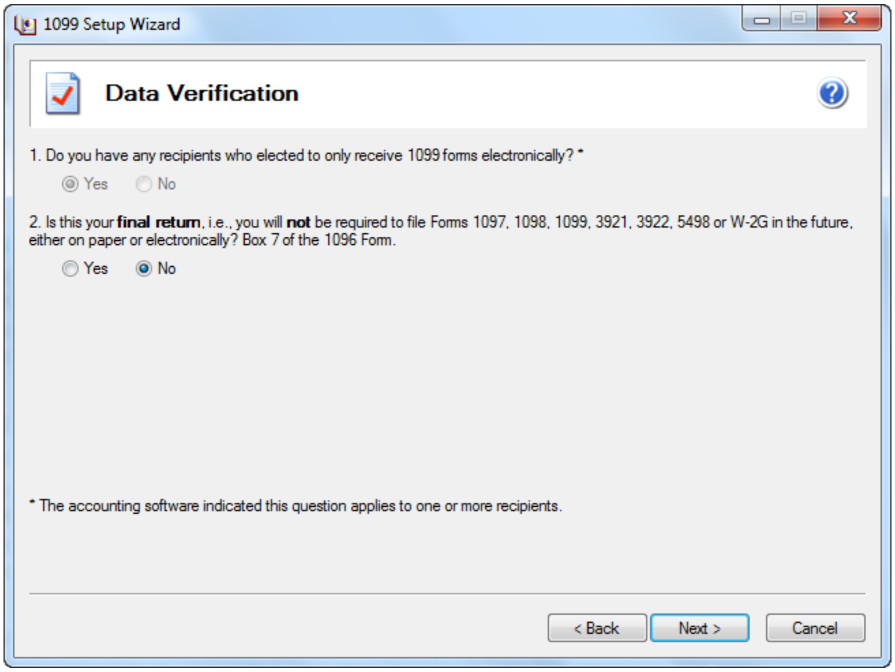


A valid tax account number is required for organizations that withhold state tax amounts. The tax account number will appear in box 17 on the 1099 MISC form.

Select **Next**.

Data Verification

Some of your recipients may have elected to receive 1099 forms electronically. “Yes” will automatically be selected and is not able to be changed. By selecting “Yes” to verification 2, then box number 7 will be marked on the 1096 form indicating that you will no longer be required to file 1099 forms in the future.

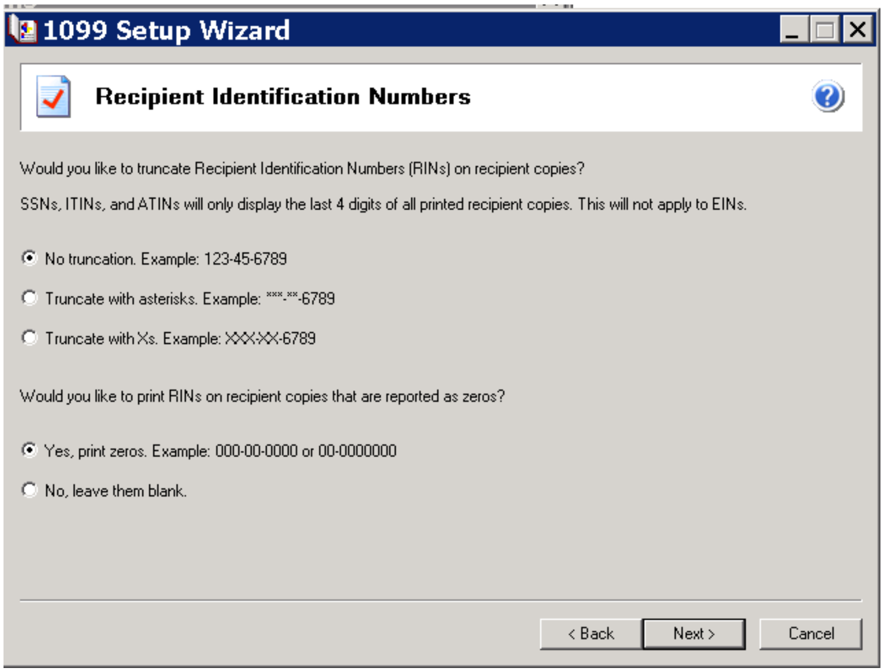


For information about verification 2, please refer to the 1096 instructions on the IRS website.

Select **Next**.

Recipient Identification Numbers

On this screen, choose the options for how the Recipient Identification Number will appear on the Recipient copies of the 1099 forms.

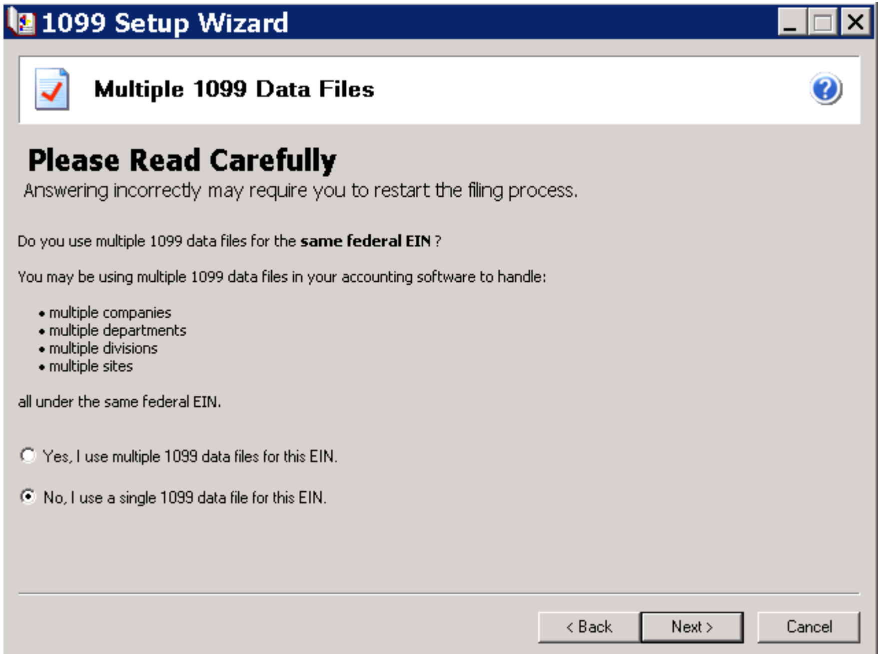


Select **Next**.

Multiple 1099 Date Files

On this screen you specify whether you use multiple 1099 data files. If you select “Yes,” the next step will take you to the to the Multiple 1099 Data Files Wizard and will allow you to work with a combined 1099 file.

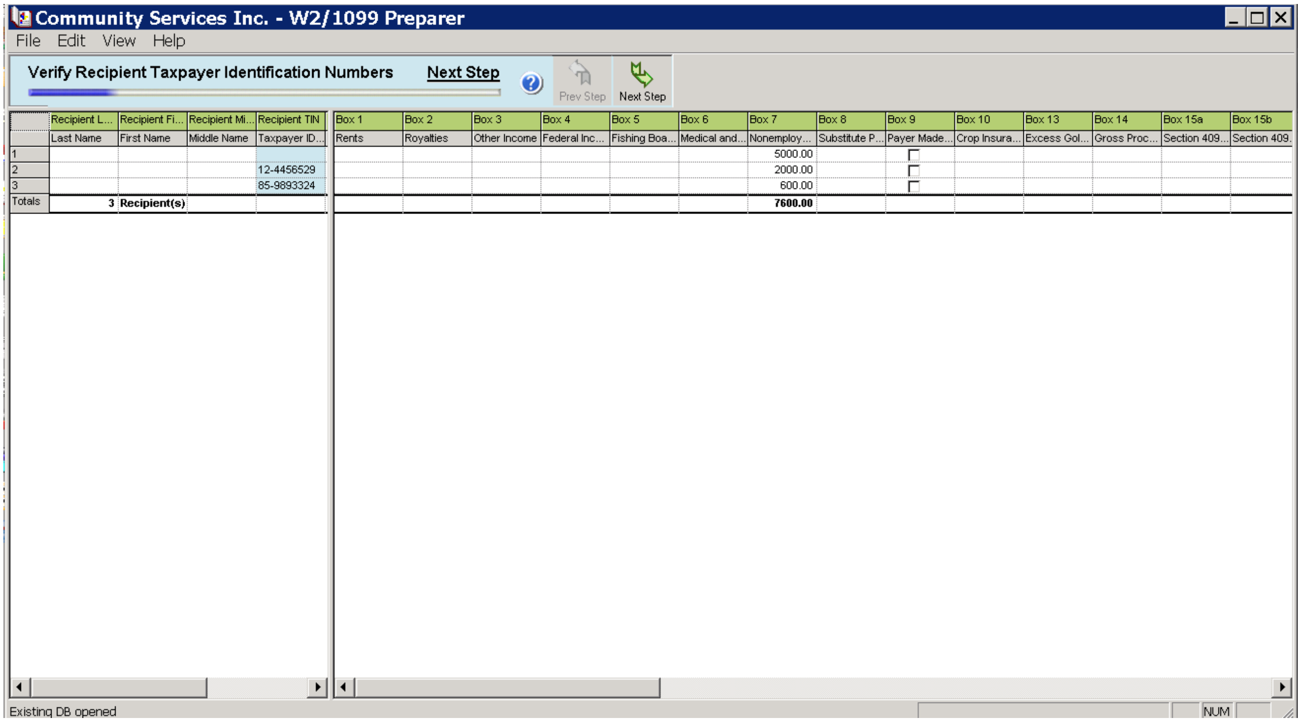
Most ***Financial Edge*** users will select "No, I use a single 1099 data file for this EIN." If you have additional files to import, they can be combined with ***Financial Edge*** information using the multiple 1099 data files option.



Select **Next** to access the 1099 Preparer grid.

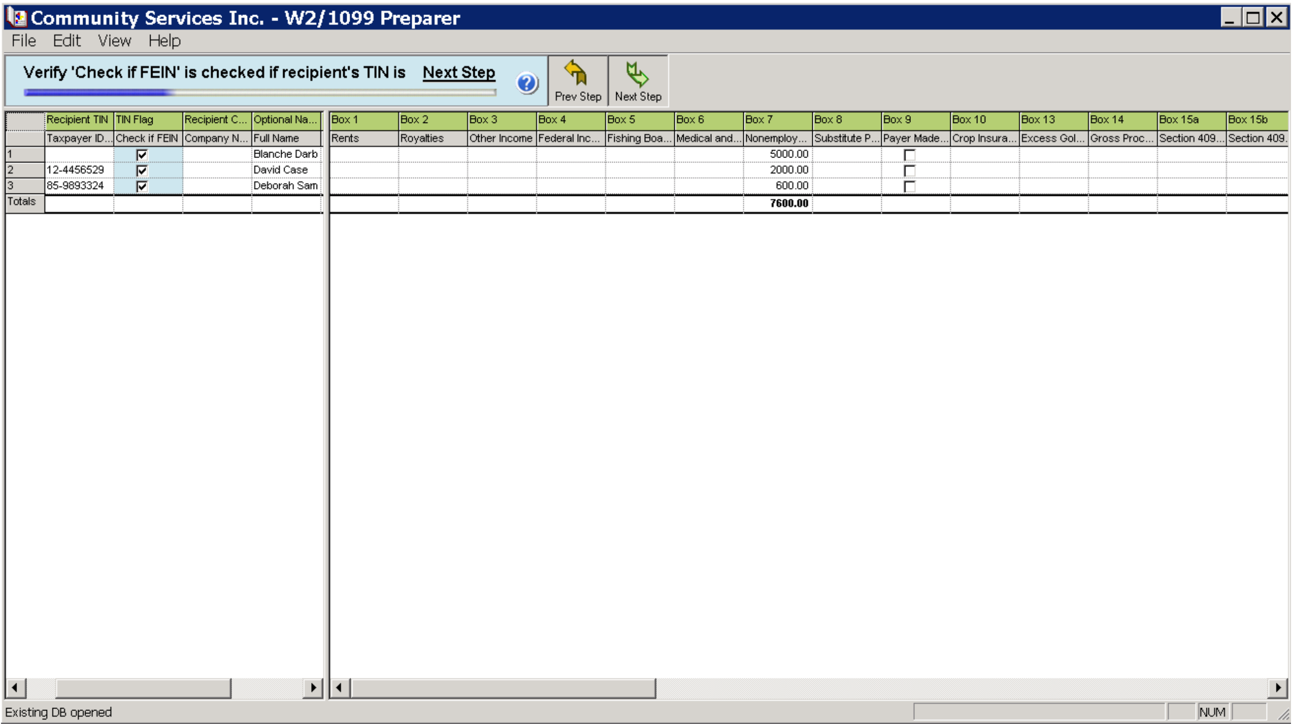
Verify the Preparers Gride Information

1. You must review each step of the 1099 preparer grid. On the first screen, verify recipient taxpayer identification numbers.

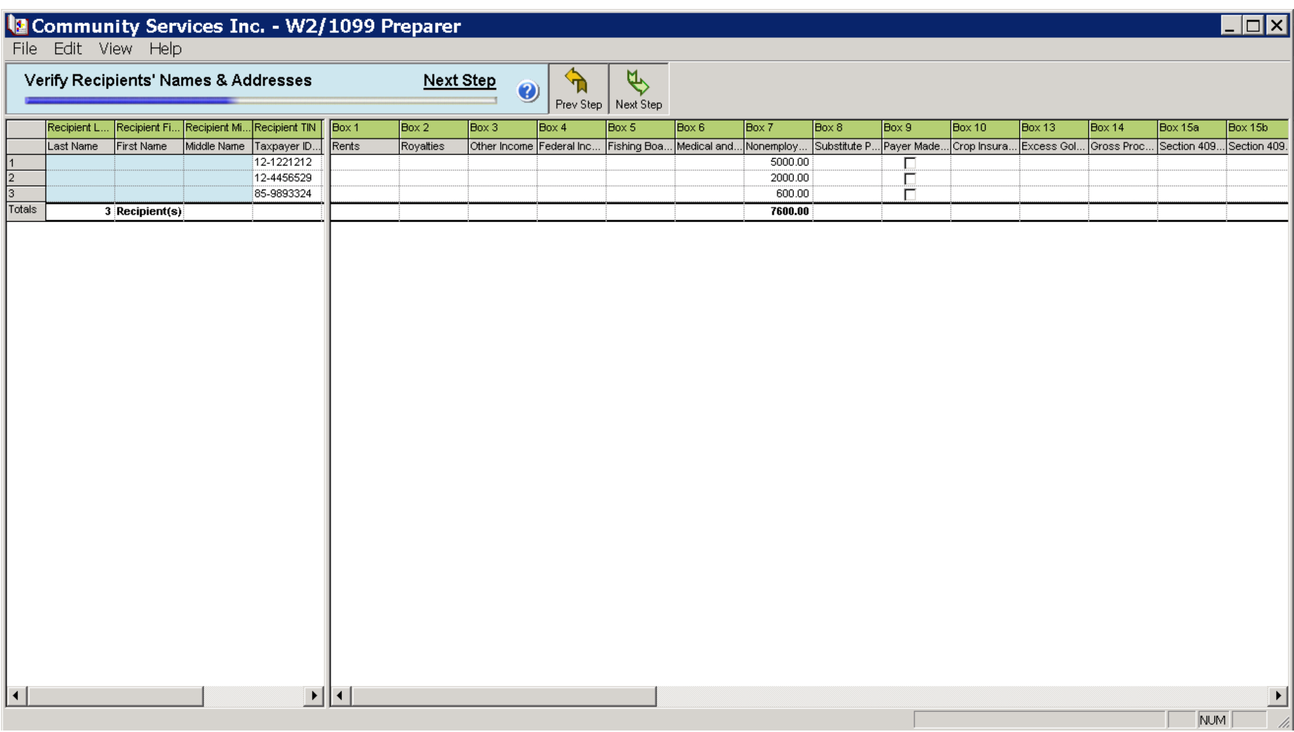


2. Click **Next Step**.

3. Verify 'Check if FEIN' is checked if recipient's is a TIN . Unmark to enter SSN format.

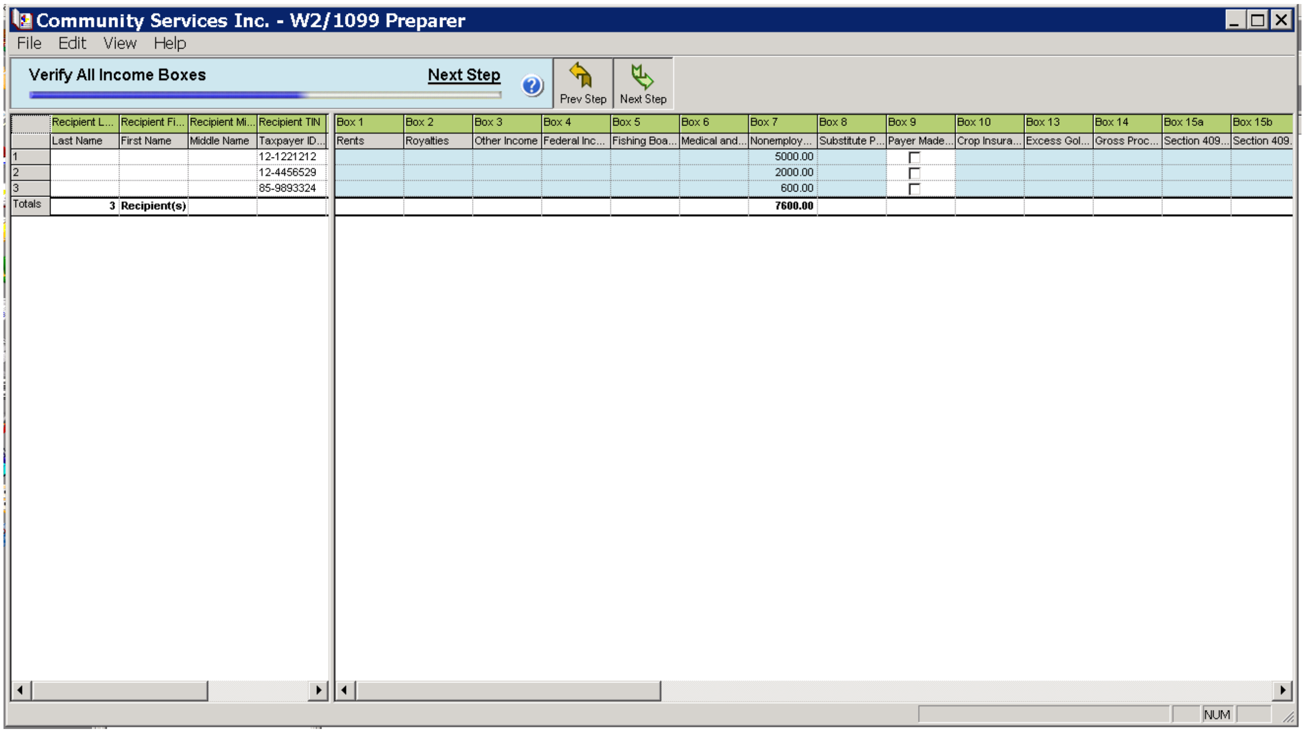


4. Click **Next Step**.
5. Verify Recipients' Names & Addresses.

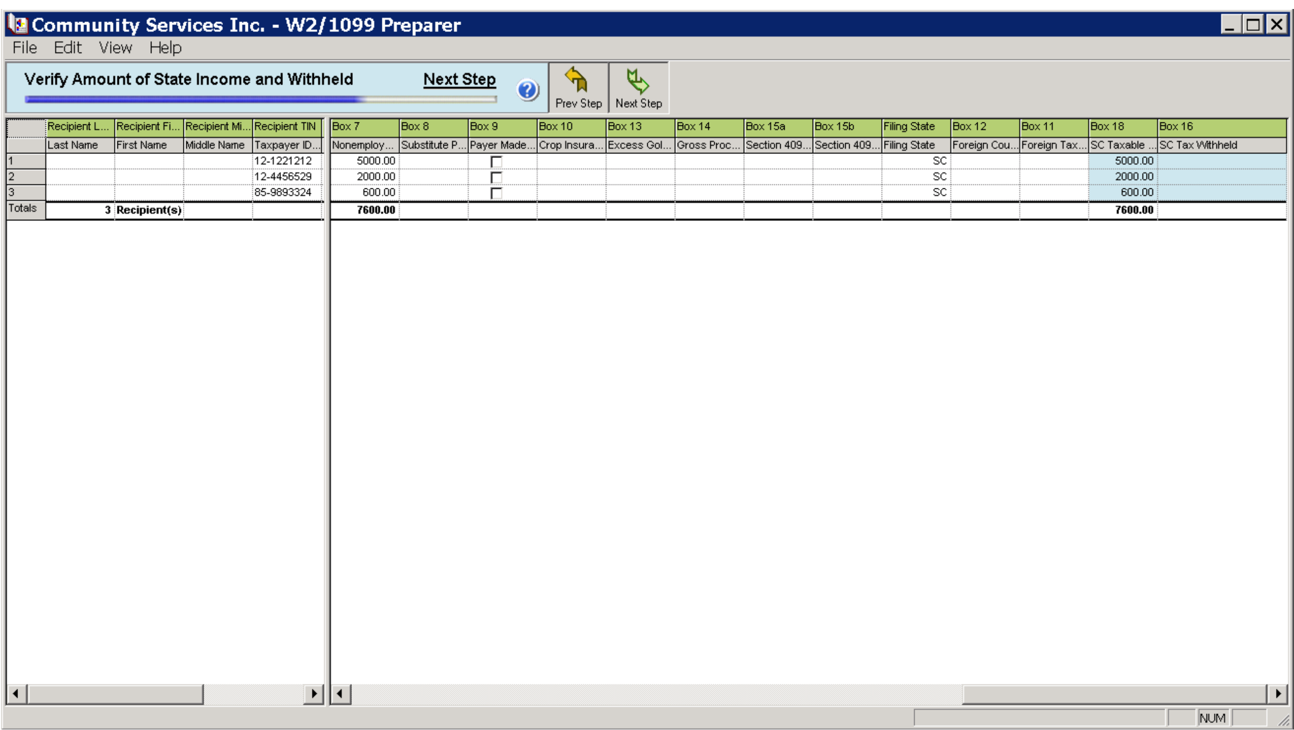


6. Click **Next Step**.

7. Verify All Income Boxes.

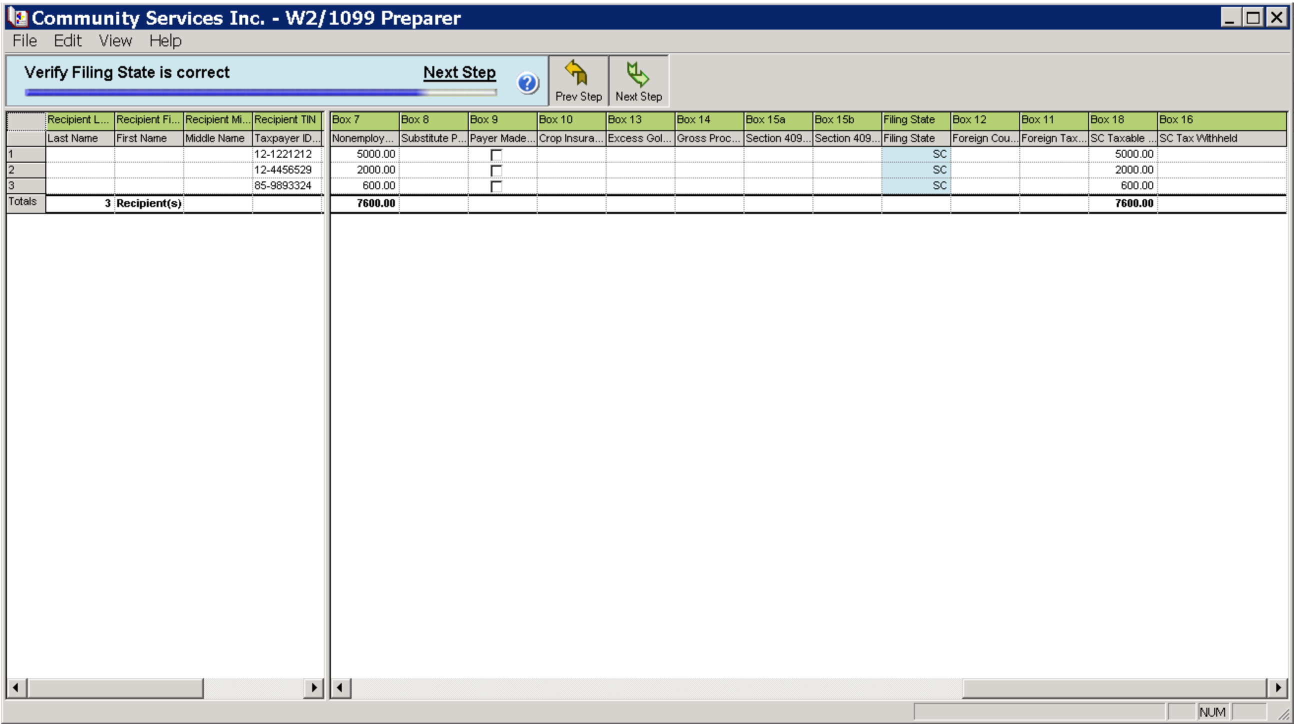


8. Click **Next Step**.
9. Verify Amount of State Income and Withheld.

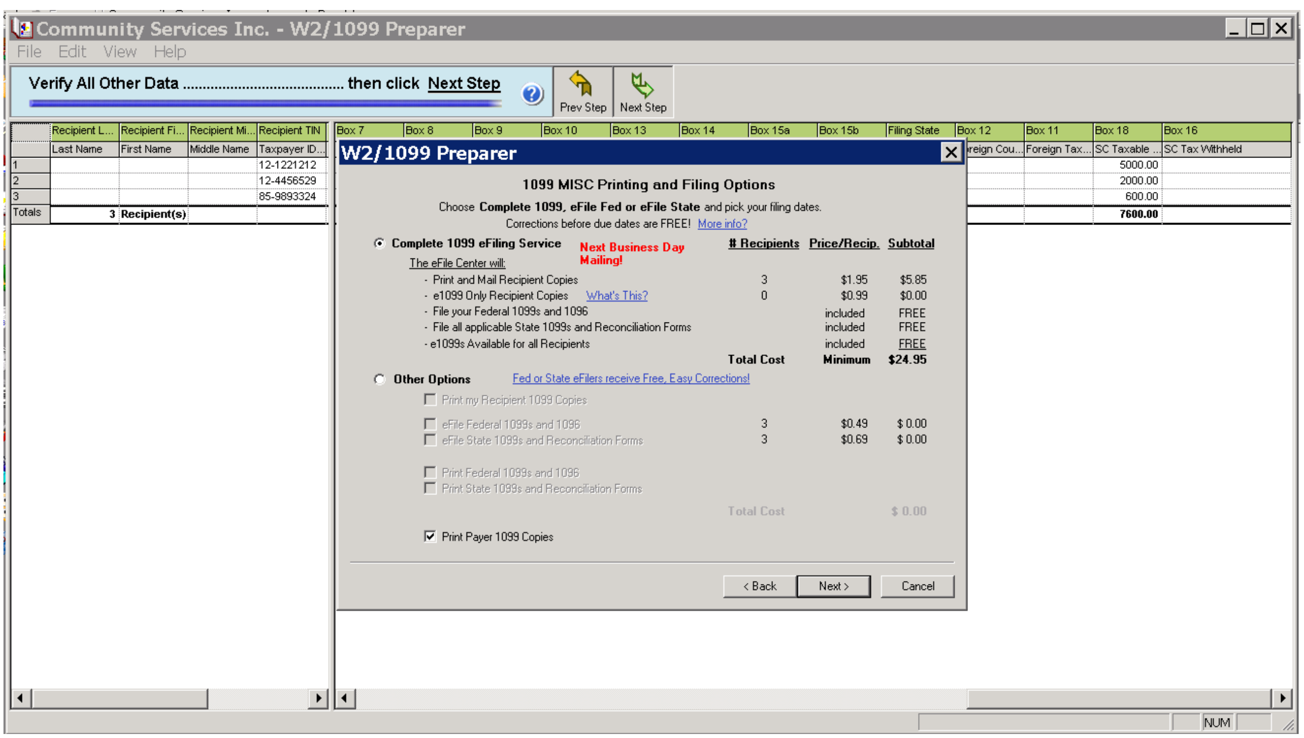


10. Click **Next Step**.

11. Verify Filing State is correct.



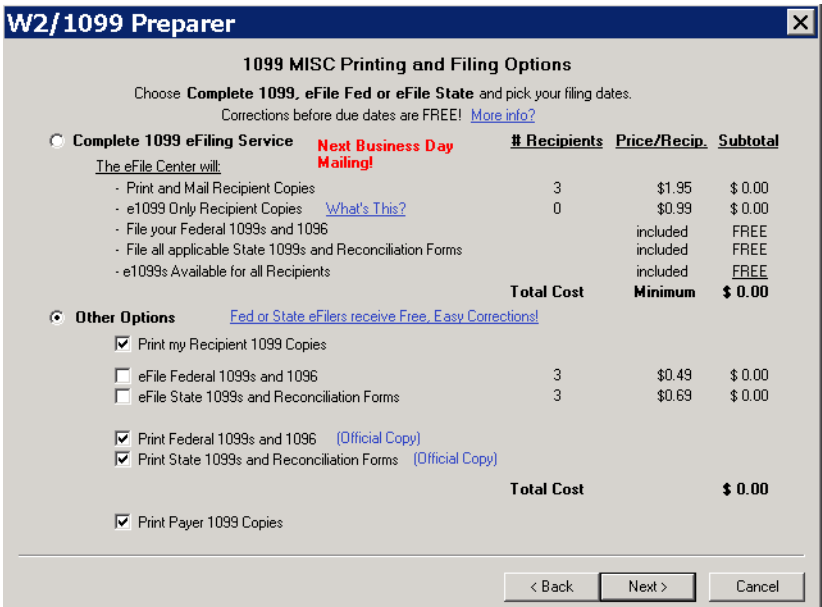
12. Click **Next Step**.
13. Verify all other data and the 1099 Printing and Filing Options screen appears.



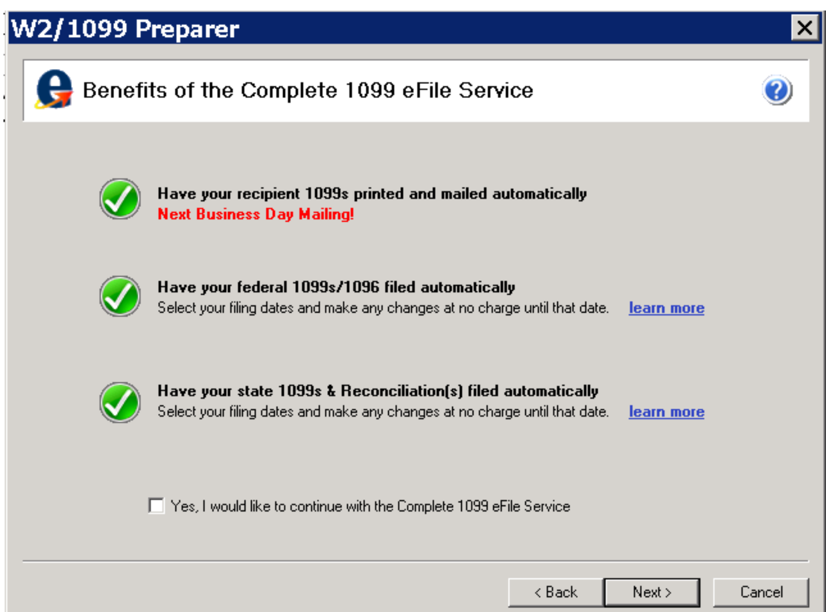
1099 MISC Printing and Filing Options

If you have less than 250 recipients, you can select **Other Options** and print the Recipient 1099 Copies, Federal 1099s, 1096, State 1099 and Reconciliation forms, as well as the Payer 1099 Copies free of charge.

For information about ordering 1099 forms contact Blackbaud Forms. If you would like to eFile or are required to eFile by the IRS, go to “Complete 1099 eFiling Service” on page 18.

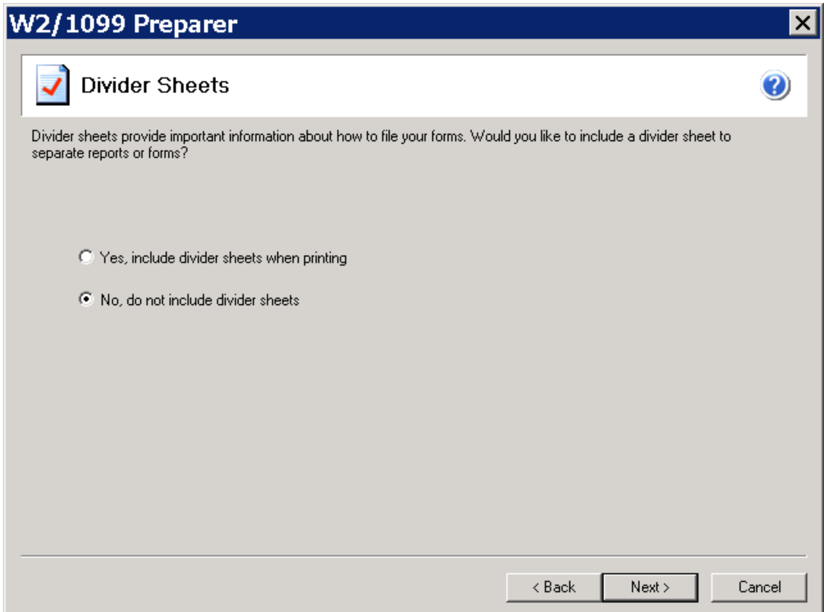


When you select **Other Options** and and click Next, the Benefits of the Complete 1099 eFile Service screen appears.



Click **Next**.

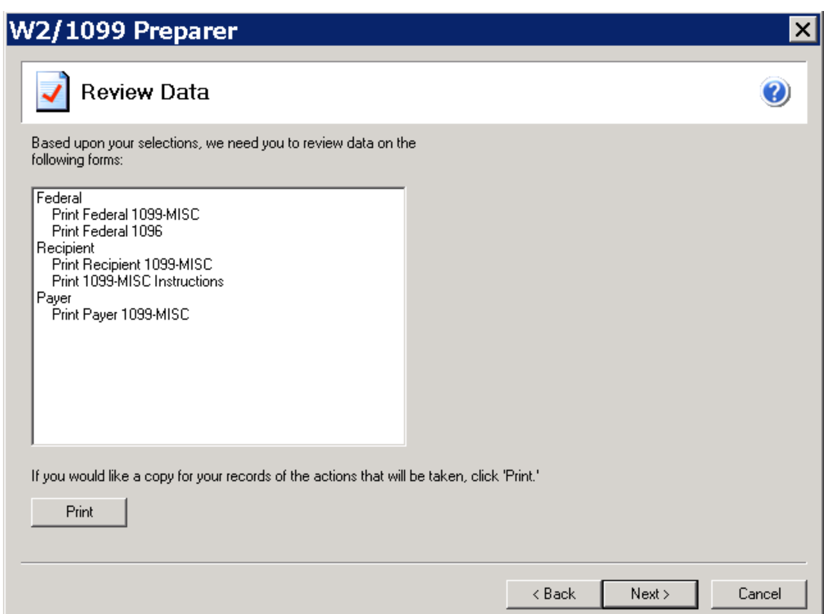
Divider sheets are extra sheets that print in between the different 1099 forms and will print a sheet between the different form types. The divider sheet will not appear in the forms viewer.



This option will be "No" for most **Financial Edge** users.

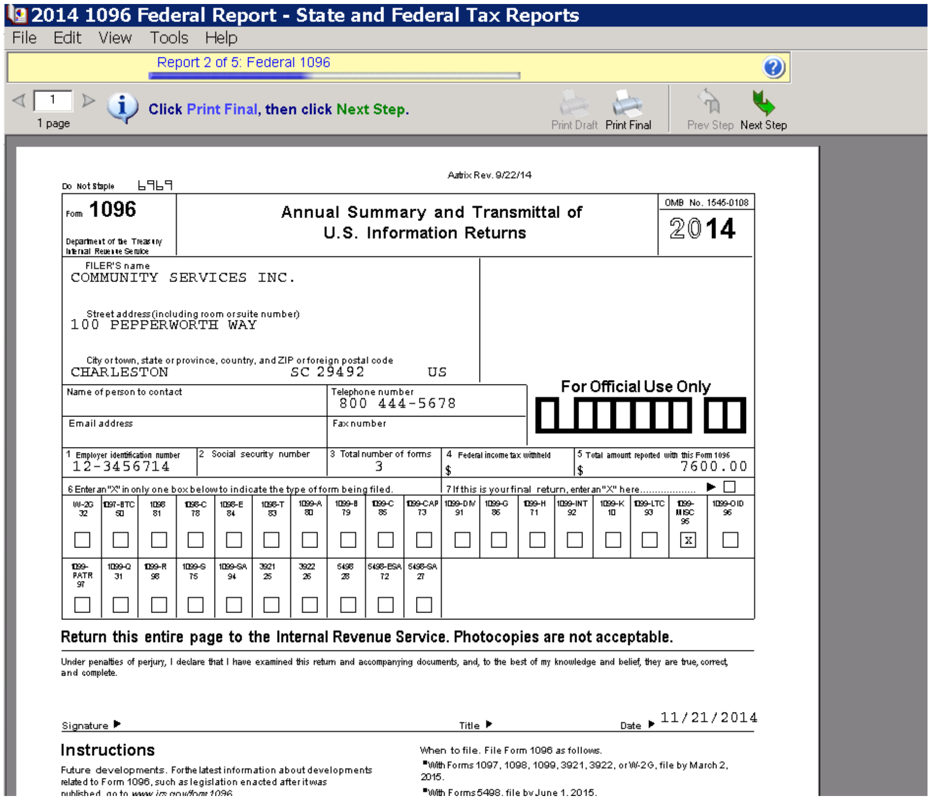
Click **Next**.

Before the forms are displayed the selections can be reviewed. If the selections are correct then select **Next**, if they are not correct, choose **Back** and make required corrections.

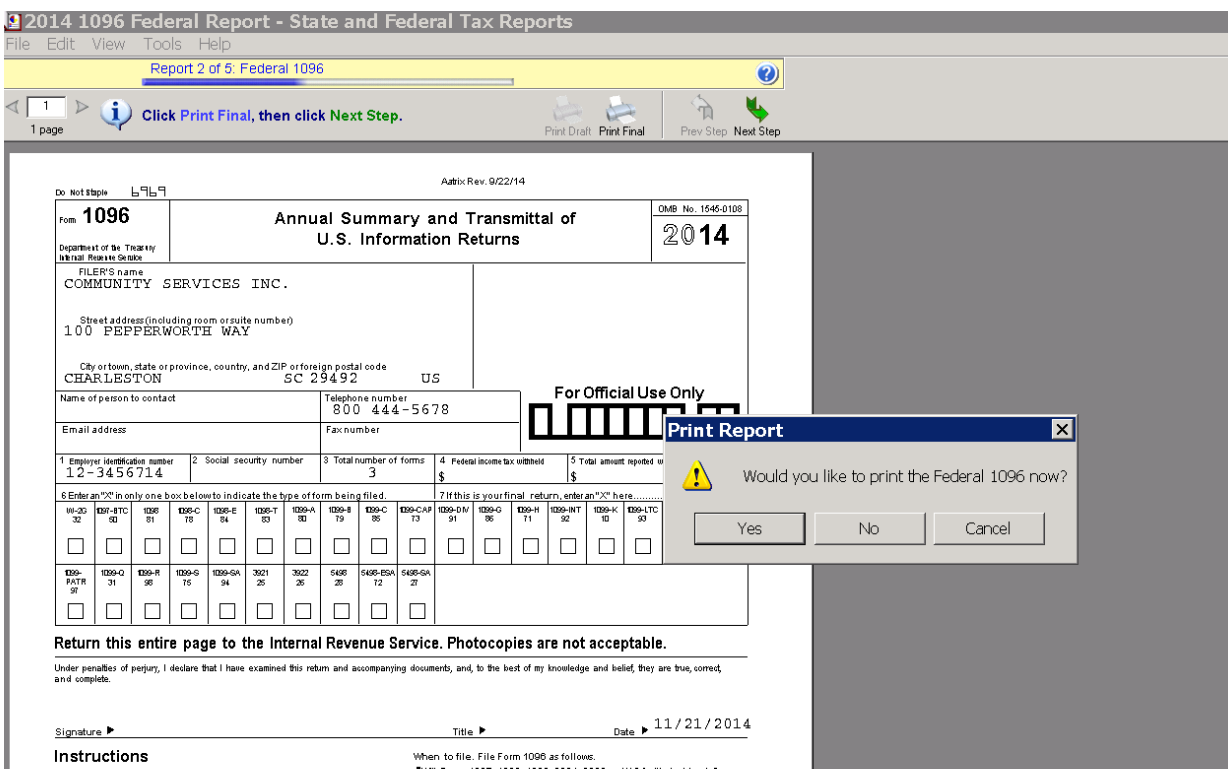


Click **Next**.

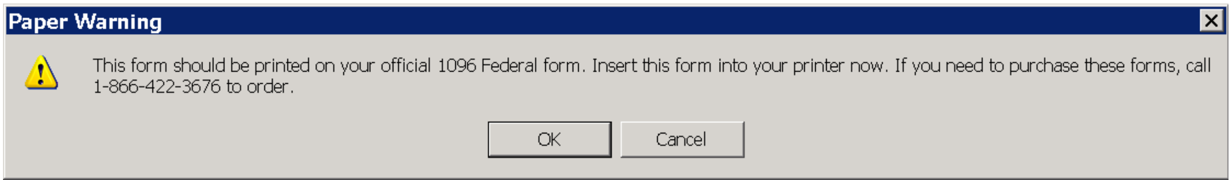
The forms will be displayed and the Report name will appear at the top of the screen as well as the number of steps left to display. By choosing **Print Final**, this report will show as a completed action for the report parameter.



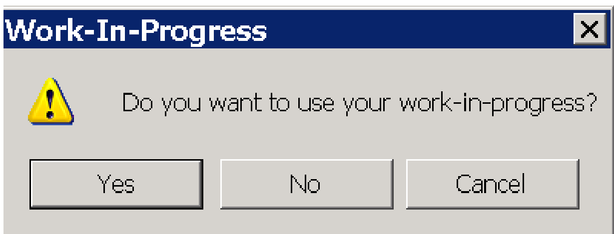
If the next step option is selected instead of print final, then you will be prompted to print the current form.



Place the correct form in the printer and then select **OK** to the Paper Warning message.

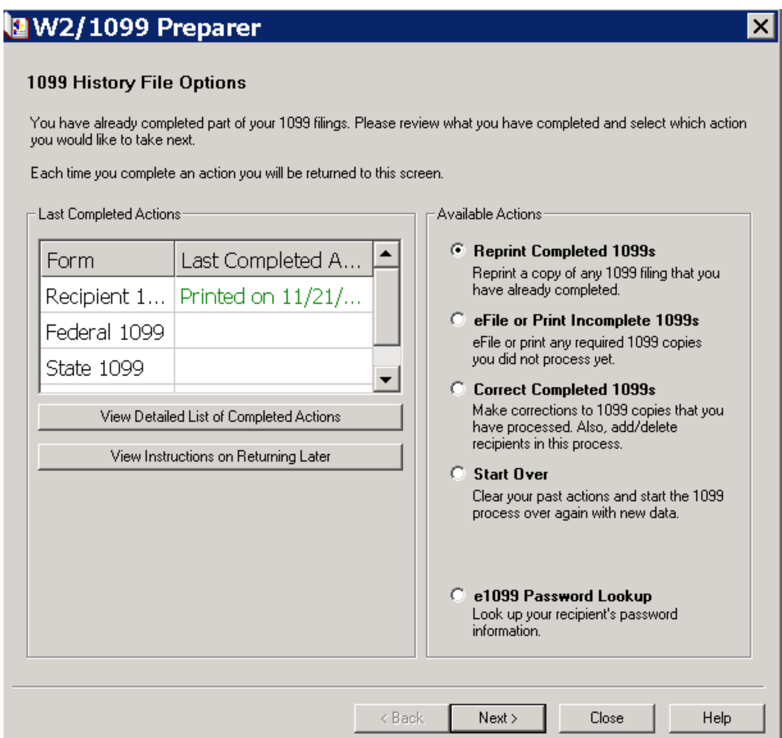


If the forms viewer is closed before all the final copies of the forms are printed, a prompt will appear to save your Work-In-Progress.

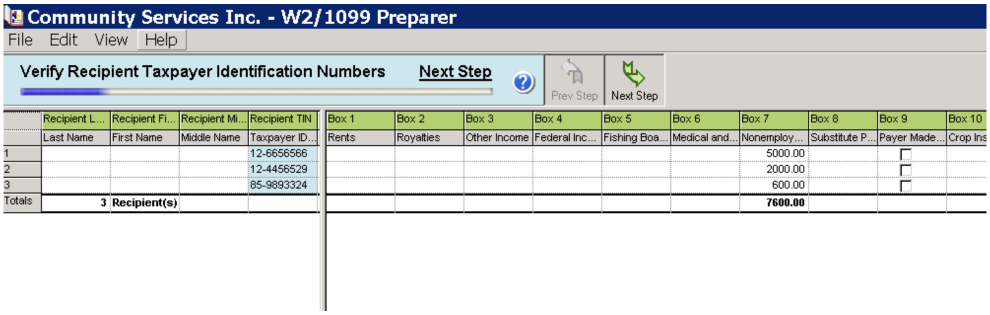


By choosing **Yes**, you will be able to access the information again. When the report 1099 parameter is displayed again, you will be prompted to use the Work-in-Progress.

If **No** is selected to the Work-in-Progress message, then the 1099 History File Options screen appears so that you can continue processing 1099 forms.

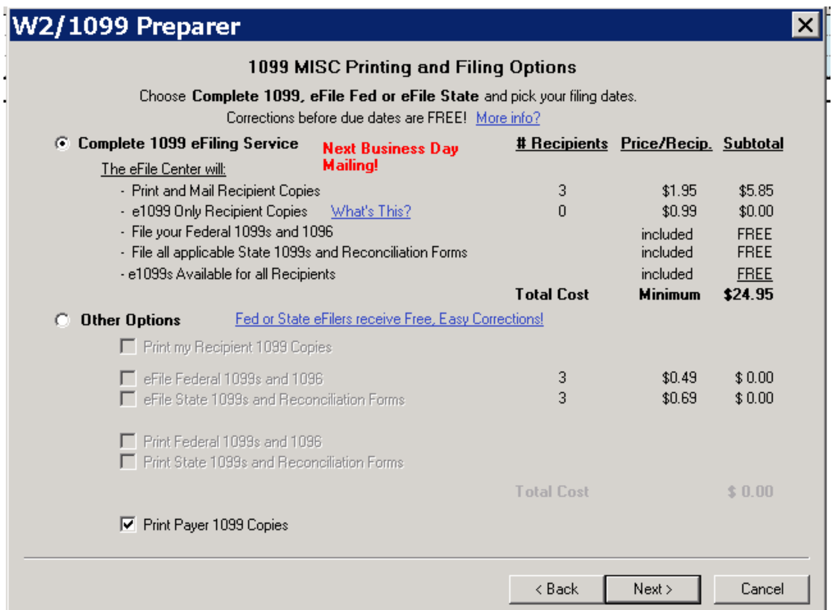


If you select **Yes** on the Work-in-Progress message, then the Preparer's grid will appear and the process will continue from this point.



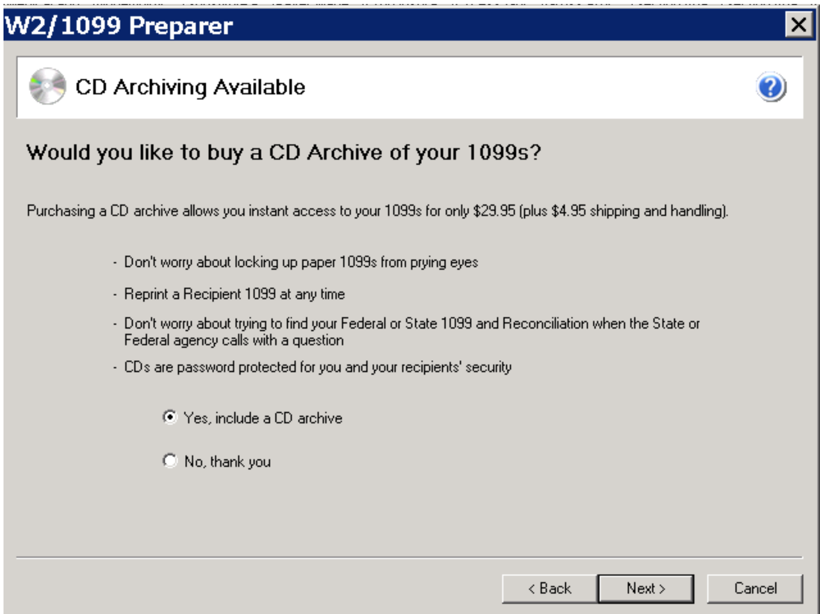
Complete 1099 eFiling Service

If you have more than 250 Recipients, the IRS requires you to efile the 1099 forms. The options for Complete 1099 eFiling Service are active, however the options for just the required eFiling are available under **Other Options**.



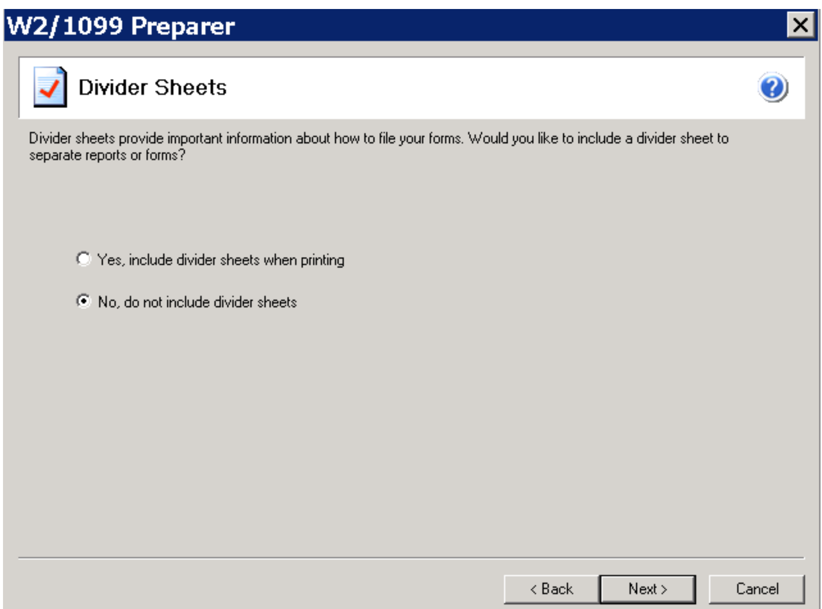
Click **Next**.

Choose whether or not to include a CD archive.



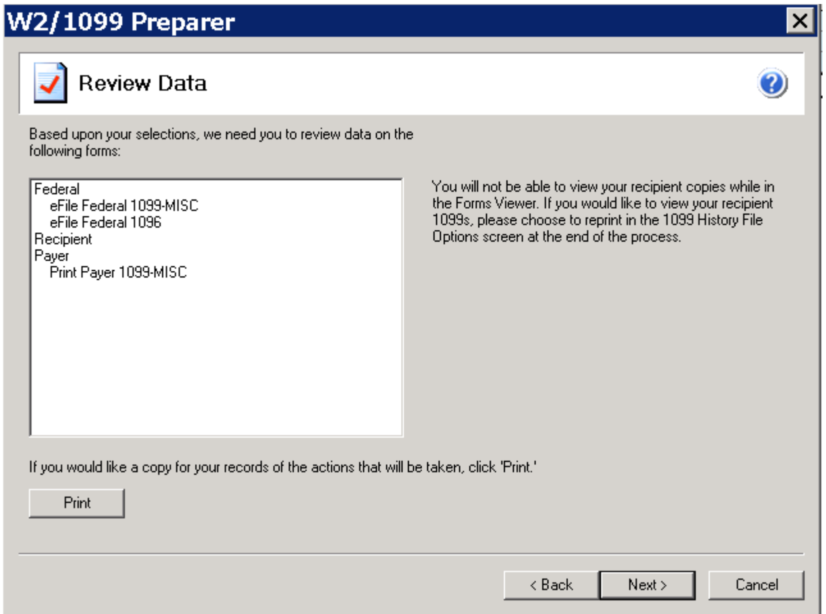
Click **Next**.

Divider sheets are extra sheets that print in between the different 1099 forms and will print a sheet between the different form types. The divider sheets will only print if you are printing copies of the forms. The divider sheet will not appear in the forms viewer.



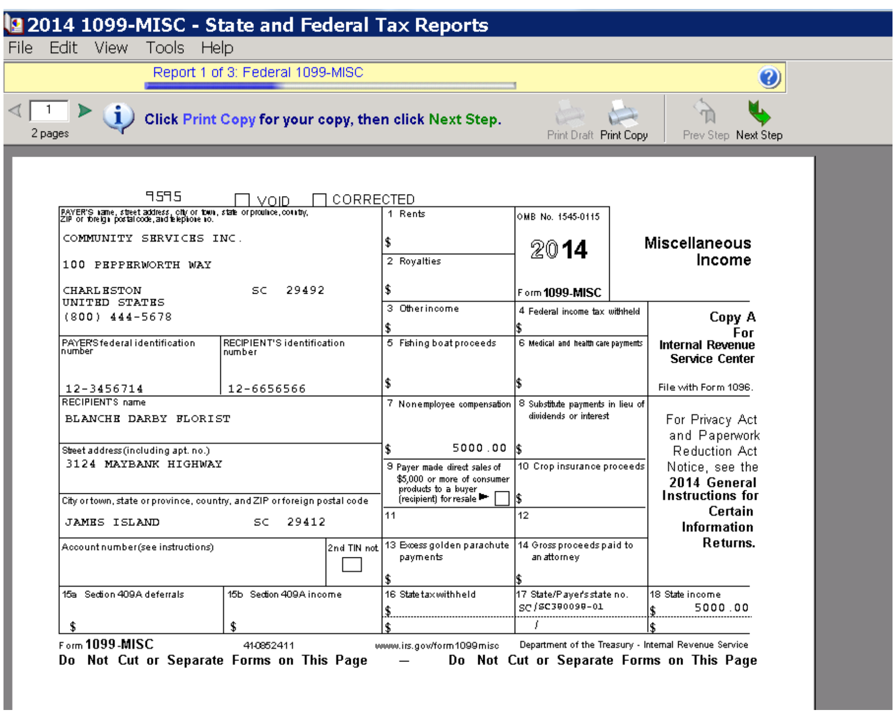
This option will be "No" for most **Financial Edge** users.

Click **Next** to review the data.

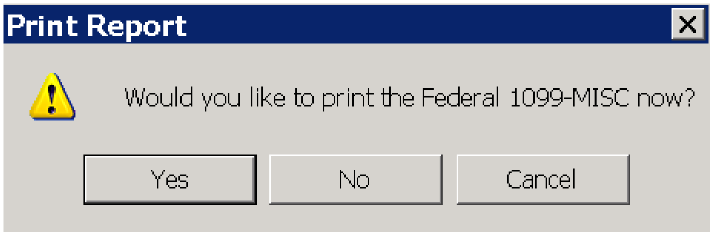


Before the forms are displayed, the selections can be reviewed. If the selections are correct then select **Next**. If they are not correct, choose **Back** and make the required corrections.

With the eFiling option selected, you can choose to print copies of all the forms.

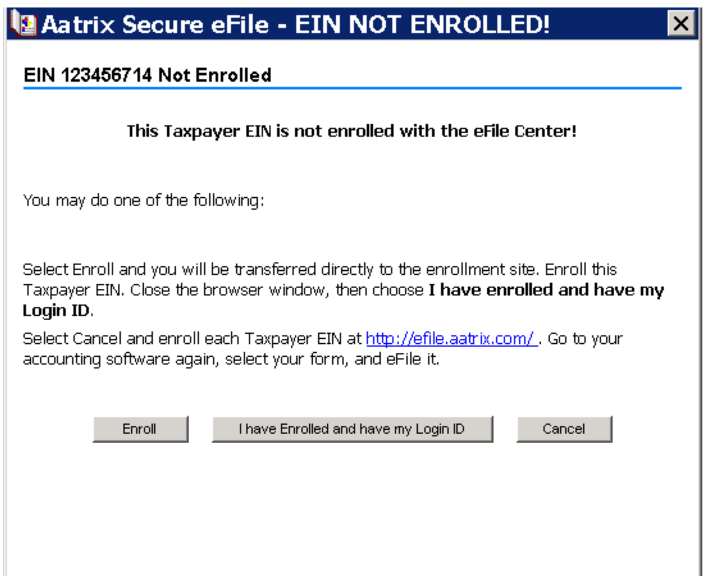


Choosing **Next Step** will prompt to print the current form.

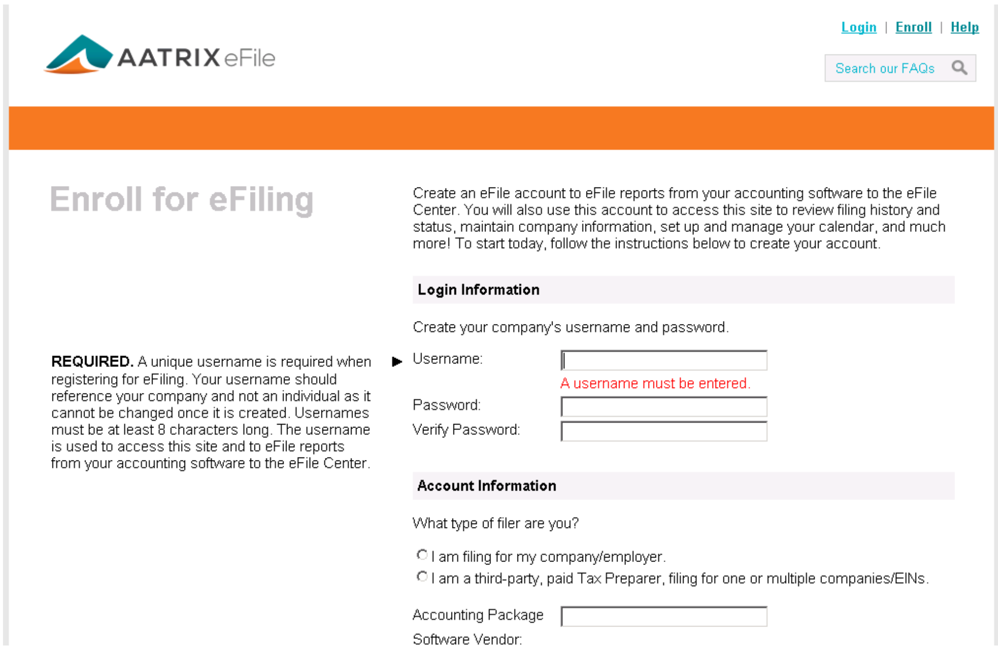


After the last form is completed, you are prompted to launch the Aatrix efile center.

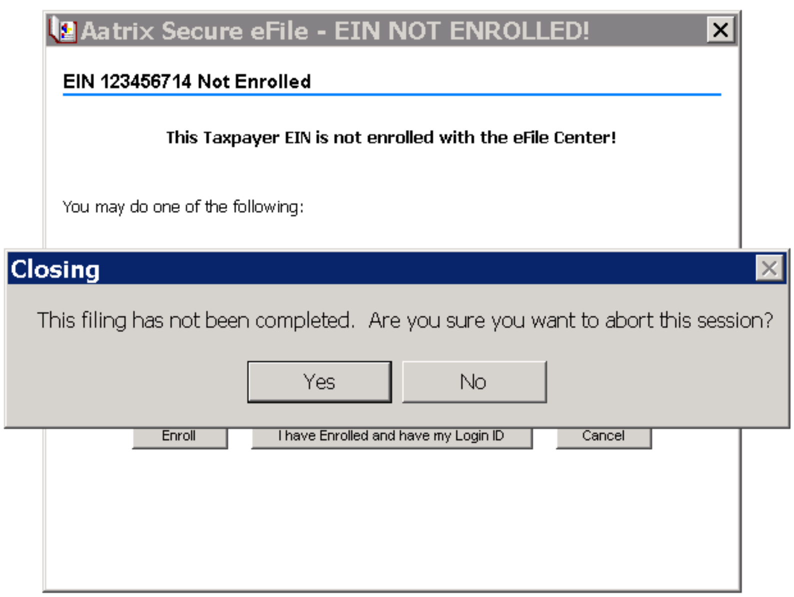
If you have not enrolled, then select **Enroll**. If you already have a login, then choose **I have Enrolled and have my Login ID**.



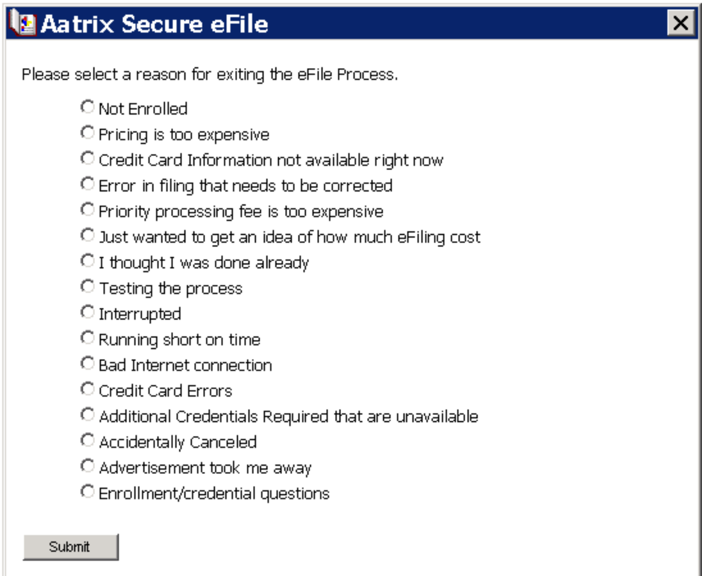
If you need to enroll for eFiling, enter the login, account and contact information.



If the screen is canceled, a prompt will appear to verify this action.



Select **Yes**, and choose a reason for cancelling.



When you recieive the eFile Failed message, choose **Yes** to attempt this process again later, or **No** to start over again.