

IADT Budgetary Accounting System

End of Year Processing

1099 Electronic Filing

PRIOR TO CREATING THE 1099 TRANSMISSION FILE:

Verify that your Software Release Date is **January 25, 2013 or Newer.**

The Entries below **SHOULD** have been updated prior to printing the 1099's.

Verify the following entries located in your Accounts Payable Control File.

1. Enter **Name.**
2. Enter **Address.**
3. Enter **City / State / Zip Code**
(Example. " DALLAS TX 99999 ")
4. Enter Your **Contact Name**
5. Enter Your **Telephone Number**
(Example " 1112223333 " , Numeric Only, no dashes)
6. Enter a valid **Email Address.** (Lower case)
7. Verify the 1099 **Reporting Year.**
8. Enter Organization **EIN number.**
9. Enter **TCC Code** (Assigned by IRS) (Must be five characters)

SAMPLE SCREEN of CONTROL FILE UPDATE

Hill Country Software and Support, Inc. - Windows Internet Explorer

Budgetary Accounting - Accounts Payable System
Accounts Payable Control File Update Screen

Select Laser Checks Printer Port | 1

1099 Related Control Items

Your Name: COUNTY OF TEXAS
Your Address: 200 SOUTH MAIN
CITY TX 71846
Contact Name: MA SAMPLE
Contact Phone Number: 3334445555
Contact Email Address: SAM@YAHOO.COM
Current 1099 Reporting Year: 2009
File Access Keys to be Imported: T10
Backup Withholding - Percentage: 0.000
Backup Withholding - Department Number: 0000
Backup Withholding - Line Item Number: 0000
Flag Midding SSNO/TIN Box on 1099: No
EIN Number: 74-1234567
TCC Code: 18X46
Replacement Code:
Original File Name:

Invoice Import File Path
I:\DISKREPT.VEN

Bank Reconciliation File Path

(Continued)

AFTER PRINTING THE 1099 FORMS:

Filing magnetically - you must be aware of the file that is created to send to the IRS. This file is created when you select “**Create 1099 Magnetic Transmission File**” Option. The system will create a file with a name of “**IRS-1099**”. This file will be placed ON YOUR SERVER in the “**REPORTS**” folder, located inside of your “**CASI**” folder.

Filing Electronically for 2012:

1. Before connecting, have your TCC and TIN (Taxpayer Identification Number) available.
2. Filers should turn off pop-up blocking software before transmitting their files.
3. Your browser must support AES 256-bit, AES 128-bit or TDES 168-bit encryption.
4. Your browser must be set to receive “cookies”.
Cookies are used to preserve your User ID status.
5. Point your browser to “**http://fire.irs.gov**” to connect to the FIRE System.

First time connection to The FIRE System:

(If you have logged on previously, skip to the Section named *Subsequent Connections to the FIRE System.*)

- . Click “**Create New Account**”.
- . Fill out the “**Create FIRE System Account**” screen and click “**Submit**”.
- . Create your **User ID**
(most users logon with their first and last names, Ex. JamesSmith).
- . Create and verify your **password**
(the password is user created and must be 8 alpha/numerics, containing at least 1 uppercase, 1 lowercase and 1 numeric)
 - . FIRE will require you to change your password every 90 days or the first logon attempt after that time period. Additionally, the previous 5 passwords cannot be used.
- . Click “**Create**”.
- . If you receive the message “**Account Created**”, click “**OK**”.
- . Create and verify your **10 digit self-assigned PIN** (Personal Identification Number).
- . Click “**Submit**”.
- . If you receive the message “**Your PIN has been successfully created!**”, click “**OK**”.
(*Record your USER ID, PASSWORD & PIN*)
- . Read the bulletin(s) and/or Click on “**Click here to continue**”.

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Subsequent connections to The FIRE System:

- . Click “**Log On**”.
- . Enter your **User ID** .
- . Enter your **Password** (the password is case sensitive).
- . Read the bulletin(s) and/or click “**Click here to continue**”.

Uploading your file to the FIRE System:

At Menu Options:

- . Click “**Send Information Returns**”
- . Enter your **TCC**:
- . Enter your **TIN**:
- . Click “**Submit**”.

The system will then display the company name, address, city, state, ZIP code, telephone number, contact and e-mail address. It is critical that the correct e-mail address is provided since this is where the FILE STATUS results will be sent.

(If you are using e-mail filtering software, configure your software to accept e-mails from fire@irs.gov and irs.e-helpmail@irs.gov.)

Update as appropriate and/or Click “**Accept**”.

- . Click one of the following:
 - a. **Original File**
 - b. Correction File
 - c. Test File (11/1 – 2/15)
 - d. Replacement File (if you select this option, click one of the following):
 1. Electronic Replacement (File was originally transmitted on this system)
Click on the **FILE NAME** to be replaced.
 2. Mag Media Replacement
(File was originally sent on some type of magnetic media)
Enter the alpha character from the letter (L-2494) that was returned.
It is located on the top right of the letter under “Refer Reply To:”
(For example, if the letter indicates TCC 44444A, the alpha code that would be entered would be ‘A’.)
 3. Click “**Submit**”.

- . Enter your **10-digit PIN** (not prompted for this if a test is being sent).
- . Click “**Submit**”.
- . Click “**Browse**” to locate the file - On YOUR SERVER: (T Drive)
 - Left Double click on the “ **CASI** ” folder.
 - Left Double click on the “ **REPORTS** ” folder.
 - File Name is “ **IRS-1099**”,
 - Left Single click on the file name, “**IRS-1099**”.
 - Left Single click on “ **OPEN** “.
- . Click “**Upload**”.

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File Uploaded:

When the upload is complete, the screen will display the total bytes received and display the name of the file just uploaded.

*** (PRINT THIS PAGE) ***

**IF THIS IS NOT DISPLAYED TO YOUR SCREEN,
IRS PROBABLY DID NOT RECEIVE THE FILE.**

To verify, go to

CHECK FILE STATUS option on the Main Menu.

If the filename is displayed and the count is equal to '0' and the results indicate 'not yet processed', then we received the file.

If the filename is not displayed, send the file again.


If you have more files to upload for that TCC:

Click "**File Another?**"; otherwise,

Click "**Main Menu**".

- | **It is your responsibility to check the acceptability of your file.**
- | **If you do not receive an e-mail in 1-2 business days or your e-mail**
- | **indicates the file is bad, log back into the FIRE system and click on**
- | **CHECK FILE STATUS to view the results of your file.**

**For additional information please refer to IRS Publication # 3609.
(Included)**



Eiling
Returns
Electronically

for business e-filers



Overview

An information return is a tax document used to report certain types of payments made by financial institutions and others who make payments as part of their trade or business as required by Internal Revenue Code Regulations. Information returns are filed electronically via the FIRE (Filing Information Returns Electronically) system at <http://fire.irs.gov>. The following information returns can be filed electronically: Forms 1042-S, 1097, 1098, 1099, 3921, 3922, 5498, 8027, 8935, 8955-SSA, and W-2G.

Note: Forms W-2 are filed with the Social Security Administration (SSA).

Filing
Information
Returns
Electronically

Benefits of Filing Electronically

It's Paperless...

no follow-up form requirements

It's Secure...

supports AES 256-bit, AES 128-bit and TDES 168-bit encryption

It's Easy to Use...

due to easy to follow screen prompts

It's Efficient...

due to the on-line availability of transmitter files and file status results e-mailed in one to two business days for most form types if the correct e-mail address is provided

It's Fast...

transmission time is reduced by up to 95% when large files are compressed with PKZIP or WINZIP

It's Flexible...

due dates are extended for electronically filed Forms 1097, 1098, 1099, 3921, 3922, 8027, and W-2G

Preparation



Who Can Participate

Any filer of information returns may file electronically. Any corporation, partnership, employer, estate, and/or trust, who is required to file 250 or more information returns for any calendar year, must file them electronically. However, if filers have less than 250 information returns, IRS encourages them to file those returns electronically as well.

How To Participate

Submit Form 4419, *Application for Filing Information Returns Electronically*, to request authorization to file information returns with the Internal Revenue Service/Information Returns Branch (IRS/IRB). Once approved, a five-character alpha/numeric Transmitter Control Code (TCC) will be assigned. Submit Form 4419 to IRS/IRB at least 30 days before the due date of the returns for current year processing. Mail or fax the completed Form 4419 to:

**Internal Revenue Service
Information Returns Branch
230 Murall Drive, Mail Stop 4360
Kearneysville, WV 25430
Fax: 1-877-477-0572**

Transmission Time

The time required to transmit information returns electronically will vary by the type of connection to the internet and if file compression is used.

Note: The FIRE system may be down every Wednesday from 2:00 a.m. to 5:00 a.m. ET for maintenance and for two weeks at the end of the year for yearly updates. The FIRE system will not be available for submissions during these times.

Software Data Compression

The IRS accepts and encourages the use of software data compression (i.e., PKZIP and WINZIP) for files larger than 10,000 records submitted via the FIRE system. Transmission time can be reduced by as much as 95% by using software data compression.

Note: Do not compress multiple files into one compressed file, create an executable file or an encrypted zip file (password protected).

File Preparation

Electronically transmitted file(s) **must be in standard ASCII code** and must follow the record format for the type of form(s) being filed. For complete filing instructions, refer to Publication 1220, *Specifications for Filing Forms 1097-BTC, 1098, 1099, 3921, 3922, 5498, 8935, and W-2G Electronically*; Publication 1187, *Specifications for Filing Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, Electronically*; Publication 1239, *Specifications for Filing Form 8027, Employer's Annual Information Return of Tip Income and Allocated Tips, Electronically* or Publication 4810, *Specifications for Filing Form 8955-SSA, Annual Registration Statement Identifying Separated Participants with Deferred Vested Benefits Electronically*.

Note: File size cannot exceed 2.5 million records.

File Naming

Files submitted to the FIRE system will be assigned a unique filename (users can name the file anything they choose; however, most software products provide a filename). The filename assigned by the FIRE system will consist of the submission type, the filer's TCC, and a four-digit sequence number. The sequence number will be incremental for every file sent. For example, if this is the first original file for the calendar year and the TCC is 44444, the assigned filename will be ORIG.44444.0001.



Filing Electronically

Testing

There is no requirement to submit test files; however, IRS highly recommends first time electronic filers and software companies to participate in testing. Electronic test files can be transmitted from November 1 through February 15 via the FIRE test system at <http://fire.test.irs.gov>.

Note: Participants in the Combined Federal/State Filing Program are required to submit a test file the first year and encouraged thereafter to verify that the file is being coded properly for this program. Refer to Publication 1220 for further details.

Online Extension of Time

The fill-in Form 8809, *Application for Extension of Time to File Information Returns*, may be completed online via the FIRE system. (Filers that do not have a User ID and password should refer to the section "First Time Connection to the FIRE System.") At the Main Menu, click "Extension of Time Request" and then click "Fill-in Extension Form." This option can only be used to request an automatic 30-day extension of time. The application must be completed by the due date of the return for which an extension is being requested. A separate application is required for each payer. Filers should print the approval page for their records.

File Status E-mail Notification

After one or two business days, the results of the electronic transmission(s) will be sent to the e-mail address provided on the "Verify Your Filing Information" screen. If using e-mail filtering software, configure the software to accept e-mails from fire@irs.gov and irs.e-helpmail@irs.gov. If the e-mail indicates that the file is bad, log on to the FIRE system and go to "CHECK FILE STATUS" at the Main Menu to determine the errors in the file. Fix the errors and resubmit the file timely as a **"REPLACEMENT."** If filers disagree with the count of payees, they should contact IRB at 1-866-455-7438 as soon as possible to resolve the discrepancy.

1. Before connecting, have the TCC and TIN (Taxpayer Identification Number) available.
2. Turn off pop-up blocking software before transmitting files.
3. Internet browsers must support AES 256-bit, AES 128-bit or TDES 168-bit encryption.
4. Internet browsers must be set to receive "cookies." Cookies are used to preserve User ID status.
5. Point the internet browser to <http://fire.irs.gov> to connect to the FIRE system or <http://fire.test.irs.gov> to connect to the FIRE test system (November 1 through February 15).

First Time Connection to the FIRE System

(If there has been a previous logon, skip to "Subsequent Connections to the FIRE system")

- ▶ Click **"Create New Account"**
- ▶ Fill out the registration form and click **"Submit"**
- ▶ Create **User ID**
- ▶ Create and verify **password** (The password is user created and must be eight alpha/numeric characters, containing at least one uppercase, one lowercase, one numeric and cannot contain the User ID. The FIRE system requires passwords to be changed every 90 days or at the first logon attempt after 90 days. The previous 24 passwords cannot be used.)
- ▶ Click **"Create"**
- ▶ If the message **"Account Created"** is received, click **"OK"**
- ▶ Create and verify the ten digit self-assigned PIN (Personal Identification Number).
- ▶ Click **"Submit"**
- ▶ If the message **"Your PIN has been successfully created!"** is received, click **"OK"**
- ▶ Read the bulletin(s) and/or **"Click here to continue"**

Subsequent Connections to the FIRE System

- ▶ Click **"Log On"**
- ▶ Enter the **User ID**
- ▶ Enter the **Password** (the password is case sensitive).
- ▶ Read the bulletin(s) and/or **"Click here to continue"**

Uploading a File to the FIRE System

At the Menu Options:

- ▶ Click **“Send Information Returns”**
- ▶ Enter the **TCC**
- ▶ Enter the **TIN**
- ▶ Click **“Submit”**

The system will display the company name, address, city, state, ZIP code, telephone number, contact, and e-mail address. This information is used to e-mail the transmitter regarding the transmission. Update as appropriate and/or click **“Accept”**.

Note: Please provide an accurate e-mail address for the correct person to receive the e-mail and to avoid having the e-mail returned to IRS as undeliverable. If SPAM filtering software is being used, configure it to allow an e-mail from fire@irs.gov and irs.e-helpmail@irs.gov.

- ▶ Click one of the following:

Original File

Replacement File

Correction File

Test File (This option will only be available from November 1 through February 15 at <http://fire.test.irs.gov>.)

- ▶ Enter the ten-digit PIN (If sending a test file, there is no prompt for this.)
- ▶ Click **“Submit”**
- ▶ Click **“Browse”** to locate the file and open it
- ▶ Click **“Upload”**

When the upload is complete, the screen will display the total bytes received and the IRS assigned filename for the file. **IF THIS INFORMATION IS NOT DISPLAYED ON THE SCREEN, IRB MAY NOT HAVE RECEIVED THE FILE.** To verify, go to the **“CHECK FILE STATUS”** option on the Main Menu. If the filename is displayed, the count is equal to **“0”** and the results indicate **“not yet processed,”** IRB received the file. **IF** the filename is not displayed, send the file again.

- ▶ If there are more files to upload for that TCC:
Click **“File Another?”** otherwise,
Click **“Main Menu”**

It is the filer’s responsibility to check the acceptability of the file(s). If an e-mail is not received within two business days or an e-mail is received and it indicates the file is bad, log back into the FIRE system and click on **“CHECK FILE STATUS” to view the results of the file.**

Checking the File Status

At the Main Menu:

- ▶ Click **“Check File Status”**
- ▶ Enter the **TCC**
- ▶ Enter the **TIN**
- ▶ Click **“Search”**

- ▣ If the results posted on <http://fire.irs.gov> indicate:

“Good, Not Released” – If the **“Count of Payees”** is correct, the filer is finished with this file. The file will automatically be released after ten calendar days unless the filer contacts IRB within this timeframe.

“Good, Released” – The file has been released to the mainline processing.

“Bad” – The file has errors. Click on the filename to view the error message(s), fix the errors, and resubmit the file timely as a **“replacement.”**

“Not yet processed” – The file has been received, but results are not available. Please check back in a few days.

- ▣ If the results posted on <http://fire.test.irs.gov> indicate:

“Good, Federal Reporting” – The test file is good for federal reporting only.

“Good, Federal/State Reporting” – The file is good for the Combined Federal and State Filing Program (refer to Publication 1220, Part A, Section 10, for further details).

“Bad” – The test file contained errors. Click on the filename for a list of the errors.

“Not yet processed” – The file has been received, but results are not available. Please check back in a few days.

- ▶ When finished, click **“Log Out”**
- ▶ Click **“Close Web Browser”**



Common Non-Format Errors



1. SPAM filters are not set to receive e-mail from *fire@irs.gov* and *irs.e-helpmail@irs.gov*. To receive e-mails concerning files, processing results, reminders, and notices, set the SPAM filter to receive e-mail from *fire@irs.gov* and *irs.e-helpmail@irs.gov*.

2. Incorrect e-mail address provided. When the “Verify Your Filing Information” screen is displayed, make sure the correct e-mail address is listed. If not, please update with the correct e-mail address.

3. Transmitter does not check the FIRE system to determine why the file is bad. Generally, the results of a file transfer are posted to the FIRE system within two business days. If the correct e-mail address was provided on the “Verify Your Filing Information” screen when the file was sent, an e-mail will be sent regarding the FILE STATUS. If the results in the e-mail indicate “Good, Not Released” and the “Count of Payees” is correct, the filer is finished with this file. If any other results are received, follow the instructions in the “Check File Status” option. If the file contains errors, get an online listing of the errors. If the file status is good, but the file should not be processed, contact IRS/IRB within ten calendar days from the transmission of the file.

4. Incorrect file is not replaced timely. If a file is bad, fix the file and resubmit timely as a replacement.

5. Transmitter sends an original file that is good, and then sends a correction file for the entire file even though there are only a few changes. The correction file, containing the proper coding, should only contain the records needing correction. Do not send the entire file. Improper submission can result in duplicate reporting of payee information.

6. Transmitter sends a file and “CHECK FILE STATUS” indicates that the file is good, but the transmitter wants to send another file containing the same information. Once a file has been transmitted, a replacement file cannot be sent unless the “CHECK FILE STATUS” indicates

the file is bad (one to two business days after the file was transmitted). If a file should not be processed, contact IRS/IRB at 1-866-455-7438 to see if this is a possibility.

7. Transmitter compresses several files into one. Only compress one file at a time. For example, if there are ten uncompressed files to send, compress each file separately and send ten separate compressed files.

8. File is formatted in EBCDIC. All files submitted electronically must be in standard ASCII code.

9. Transmitter has one TCC, but is filing for multiple companies. Which TIN should be used when sending the file? When sending the file electronically, enter the TIN of the company assigned to the TCC. The uploaded file should contain the TINs of the companies reporting information returns. The payer TIN is the information that will be passed forward.

10. Transmitter sent the wrong file. What should be done? Call IRS/IRB at 1-866-455-7438. IRB may be able to stop the file before it has been processed.

For More Information

Filers may contact IRS/IRB at 1-866-455-7438 between the hours of 8:30 a.m. and 4:30 p.m. ET or by e-mail at *fire@irs.gov*.