USAS-R

2022 Calendar
Year-End Closing Procedures

- Updates/1099 Fire System
- Pre-Closing Procedures
- Month End Close
- Calendar Year End Close

TCC Code & Fire System

Sec. 3 What's New for Tax Year 2022

Updates to Publication 1220 after its annual release will be listed in Part E. Exhibit 2, Publication 1220 Tax Year 2022 Revision Updates

1. Removed all reference to paper Form 4419 which is obsolete as of August 1, 2022.
2. The IRS is continuing its transition to the new Information Returns TCC (IR-TCC) Application for Filing Information Returns Electronically (FIRE) for customers who received their TCC(s) prior to September 26, 2021. Customers must take action to keep their existing TCCs active.
3. Beginning in September 2022, FIRE Transmitter Control Code (TCC) holders who submitted their TCC Application prior to September 26, 2021, will need to submit and complete the IR-TCC Application. The IR-TCC Application can be done at any time between September 25, 2022, and August 1, 2023. Your TCC will remain active for use until August 1, 2023, after that date, any FIRE TCC that does not have a completed IR-TCC Application will be dropped and will not be available for e-file. Visit About Information Returns (IR) Application for Transmitter Control Code (TCC) for Filing Information Returns Electronically (FIRE) for more information.
4. Part B Sec. 5 Test Files – added verbiage to include file limitation of 125 per TCC for a calendar year.
5. Part C Sec. 3 Payee "B" Record, Form 1098-F
   - Updated Field Position 552-590, Field Title
   - Updated Field Position 630-668, Field Title & General Field Description
   - Updated Field Position 669-673, Length & deleted Indicators F, G, H & I

Publication 1220

Due Dates of Forms & Instructions

Filing of 1099 - NEC

- Filed with the IRS on paper or electronically January 31, 2023.
- A copy of Form 1099-NEC should also be sent to your vendors and independent contractors by January 31, 2023.

Filing of 1099-MISC

- Filed with the IRS electronically by February 28, 2023.
- A copy of Form 1099-MISC should be sent to the MISC recipients by Jan. 31, 2023.

General Instructions for Certain Information Returns

- https://www.irs.gov/instructions/i1099gi

FIRE SYSTEM SET UP

- **TEST File** – **Required before very 1st submission under the Combined Federal/State reporting program.**
  - Please refer to https://www.irs.gov/taxtopics/tc804 for more information on Test Files and Combined Federal/State reporting.
- **Follow the normal TR1099 and submission instructions except:**
  - May include one or more district F1099 files
  - In TR1099, MUST enter **"Test"** for Type of File
  - Submit via FIRE TEST system at : **https://fire.test.irs.gov/**
  - Recommended to submit sometime in early January
- **Approval letter/email from IRS** - must receive this approval before submitting actual file with state records.

FIRE SYSTEM AVAILABILTY

FIRE System Availability

- November 25, 2022-January 4,2023 System down for annual updates
- January 6, 2023 System Available.

FIRE Test System Availability

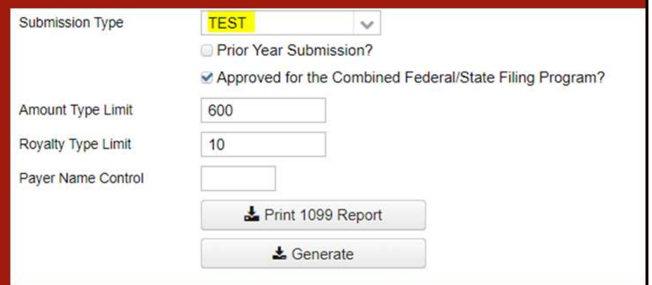
- November 25 – January 3, 2023 System down for Updates.
- January 4, 2023 System Available.

https://www.irs.gov/e-file-providers/filing-information-returns-electronically-fire

Creating the Test File

- A test file can be generated from the Periodic > 1099 Extract page
- Use Submission Type TEST

Note: December Posting period must be created for calendar year to show in drop down



CYE - Things that can be done now

- Submit a test file through the FIRE system
- Review the SSDT User Listing Report

***Email helpfiscal@mveca.org with any user changes needed or confirmation no changes are needed

- Get Acquainted with the usage of the 1099 forms
  - 1099 NEC – Non-Employee Compensation
  - 1099 MISC – Miscellaneous Information

IRS website regarding 1099 forms & instructions:
https://www.irs.gov/instructions/i1099msc

CYE - Pre-Closing

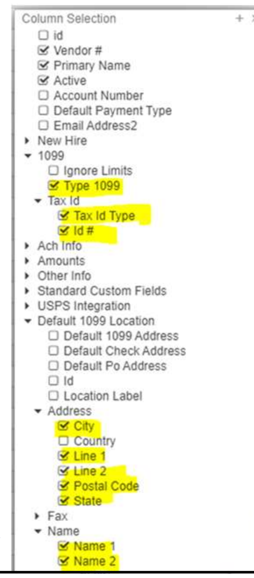
- Review & Verify Vendors
  - Vendors Tax ID Type (SSN or EIN)
  - Vendors ID #
  - Vendors Type 1099
  - Vendors 1099 Location (address)
  - Taxable Amounts

1099 Data Review Options

- Vendors Grid
  - Core > Vendors
- 1099 Vendor Report
  - Report Manager
- 1099 Extract Report
  - Periodic > 1099 Extract

Vendor Grid- More Menu

- Use the More option to add other fields to the grid
- 1099 Info
  - Type 1099
  - Tax ID Type
  - Id#
- Default 1099 Location
  - Name
  - Address

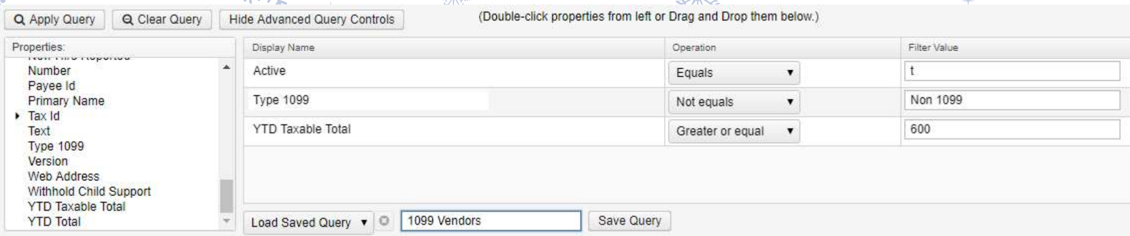


Vendor Grid

			Vendor #	Primary Name	Active	Type 1099	Tax Id Type	Id #	YTD Taxable Total
					t	<> non 1099			>= 600
			1964	Cash, Rebecca	true	Attorney gross proceeds			2,522.00
			8757	Cannon, Evelyn	true	Non employee compensation			12,850.00
			9309	Snellville Software	true	Non employee compensation			1,187.12

- Filters can be entered into the grid to query 1099 vendors
  - Active: =true
  - Type 1099: <> non 1099
  - YTD Taxable Total: >=600
  - Use the Type 1099 to filter on a specific 1099 type (i.e. Royalty Payments)
  - Also recommend checking types for a YTD total <=600
- Use the Report button to save your filtered grid settings.
- If you get an excessive filter error on the grid, try using the advance query option, see next slide

Vendor Grid- Advance Query



The Advanced Query can also be used to locate 1099 Vendors in the grid

- Active: Equals - true
- Type 1099: Not equals - Non 1099
- YTD Taxable Total: Greater or equal – 600
- Apply Query
- Optional: Save Query to use again in the future

SSDT 1099 Vendor Report

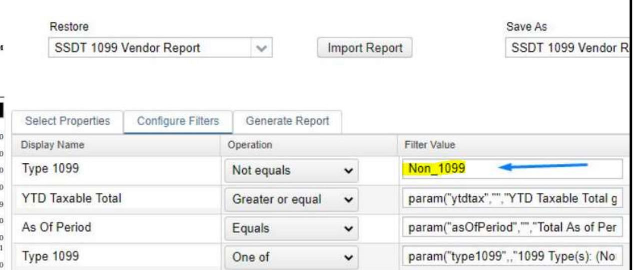
SSDT 1099 Vendor Report - Template report

- Report Manager or Home Page

Reporting Period: December 2021 (FY 2022) 11/11/21 5:38 PM

Cotton (Demo) Schools
1099 Vendor Report

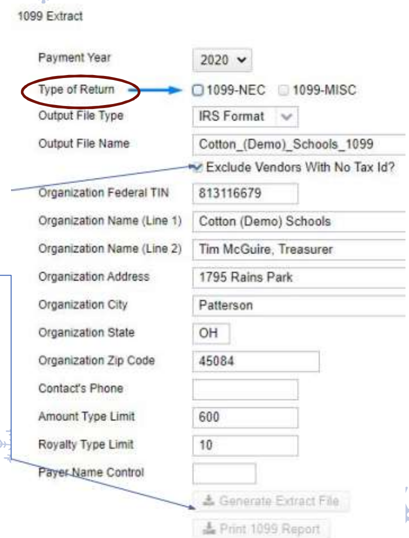
Vendor #	Name	Name 2	Address Line 1	Address Line 2	City	State	Postal Code	Tax Id Type	Tax Id #	YTDTaxable Total	YTDTotal
Type1099:	Non_Employee_Compensation										
8982	Washington Signs		624 Gant Terrace		Guyton		34431			$ 1,750.80	$ 1,750.80
8403	Glennville Gymnasium		633 Forry Road		Hawkinsville		03406			5,495.00	5,495.00
7912	McFadden, Alexandra		943 Maplewood Court		Lyons		09128			1,198.00	1,198.00
4140	Doraville Engineering		525 Norwood Run		Edison		08902			5,895.00	5,895.00
7333	Russo, William		547 Cathy Crescent		Pembroke		16884			3,117.29	3,117.29
7951	New Rock Hill Software		1481 Blalock Run		Dawsonville		83959			186,811.00	186,811.00
10587	Fuentes, Brandi		1798 Fess Place		Holt		58197			600.00	600.00
4966	Barnesville Textiles		1253 Mulberry Run		Dock Junction		32336			2,257.11	2,257.11
10586	Iron City Motors		1276 Cattle Boulevard		Oglethorpe		58804			600.00	600.00
										$ 207,724.20	$ 207,724.20
Type1099:	Medical_and_Health_Care										
5835	Higgston Engineering		1083 Shepherd Square		Parrott		32148			11,100.00	11,100.00
										$ 11,100.00	$ 11,100.00
Type1099:	Royalty_Payments										
7901	Bristol Industries		1509 Ferrell Place		Waynesboro		16596			1,157.05	1,157.05
										$ 1,157.05	$ 1,157.05
Type1099:	Attorney_Gross_Proceeds										
9868	Flemington Insurance		1289 Vetter Blvd		Baconton		54932			10,699.50	10,699.50
										$ 10,699.50	$ 10,699.50
Grand										$ 230,680.75	$ 230,680.75



***On the report use configure filters to run for specified 1099 types

1099 Extract Report

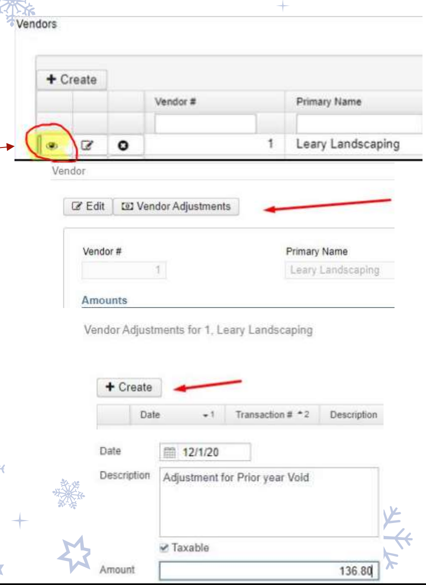
- Periodic menu > 1099 Extract > Print Report
- Use to verify data prior to creating the extract file
- Defaults to Exclude Vendors with No Tax Id
- Must pick Type of Return before the Print 1099 Report options is available
- Subtotals by 1099 Type
- NOTE: This report cannot be run until the Posting Period for December of the calendar year has been created



Vendor Adjustments

If a manual adjustment is needed to the Vendor YTD Amount this can be added on the Vendor record

- View the Vendor under CORE
- Click Vendor Adjustments
- Click on create
- Enter adjustment Information
  - Amount can be positive or negative
  - Check Taxable box to update the YTD taxable Total
  - Click Post



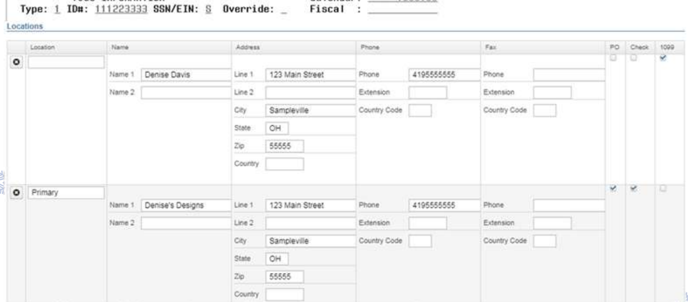
Edit Vendor details

Vendor Names/Addresses

- Name/address on W-9 form may be different than name/address for checks. This location needs to be check-marked with the 1099 box on the vendor screen.

Classic:

Redesign:



Vendor Name and TIN Matching

Optional

- The TIN Matching Program can be used to check if SSN or EIN should be used by matching up the Name and number combo on the IRS interactive site for immediately verified.

https://la1.www4.irs.gov/e-services/Registration/index.htm

Month End Closing

Proceed with closing out for the month of December as normal

- Enter all transactions for the current month
- Attempt to Reconcile USAS records with your bank(s)
  - Perform Bank Reconciliation Procedure (link provided in CYE Checklist)
  - Under the Periodic menu, select 'Cash Reconciliation' to enter your cash reconciliation information for the month
- Generate the 'SSDT Cash Summary' report and the 'SSDT Financial Detail' report
  - The detail report may be run for the month in order to compare MTD December totals to the Cash Summary report. Totals should match.
- If totals agree….You are balanced and may proceed
  - Optional: Run a Spending Plan Summary Report and manually run and review any additional desired reports

Month End Closing

- Automatically run when Posting Period is closed
- Wait until the bundle is complete before closing another month
- Reports can be viewed under Utilities>File Archive

Month End Reports Bundle:

- Cash Reconciliation Report for the month
- Monthly Balance Report
- Cash-related Reports: Cash Summary Report / Financial Detail Report for the month / Financial Summary by Fund
- Budget-related Reports:
  - Budget Summary / Budget Account Activity Report (for the month)
  - Budget Transactions Summarized by Appropriation / Appropriation Summary Report
  - Negative Budget Report / Negative Appropriation Account Report / Error Corrections & Supplies Distributions
- Revenue-related Reports: Revenue Summary / Revenue Account Activity report for the month
- PO-related Reports: Purchase Order Detail Report for the month / Outstanding Purchase Order Detail Report / Transaction Ledger-Vendor Activity / Vendor Listing
- Disbursement-related Reports: Detailed Check Register / Outstanding Disbursement Summary Report
- Receipt-related Reports:
  - Receipt Ledger Report for the month / Reduction of Expenditure Ledger Report for the month
  - Refund Ledger Report for the month / Void Refund Ledger Report
- Transfer Advance Summary / Fund to Fund Transfer Ledger Report
- User Listing AOS Extract

*Individual reports cannot be deleted - only entire monthly bundle
*Can disable the bundle under report bundles grid

CYE Closing

- Printing of 1099 Forms – Email helpfiscal@mveca.org to request forms to be printed once they are ready
- Submission of 1099 data to IRS –
  - Submit IRS Format 1099.TAP to IRS via FIRE, see due dates on slide 4
- Close December by clicking on to close the December period.
  - Monthly Reports Archive will generate automatically when the posting period is closed.
  - Calendar Year End Reports Archive will generate.
  - Delete the previous Monthly Archive OR Disable the bundle before re-closing
- Create new Posting Period for January under Core > Posting Periods

CYE Report Archive

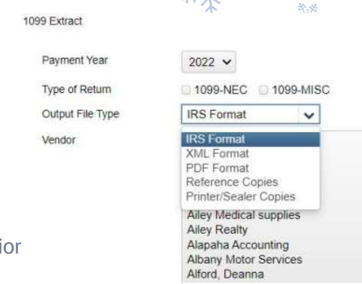
Calendar Year End 1099 Vendor Report - All 1099 Vendors.pdf
Calendar Year End 1099 Vendor Report.pdf
Calendar Year End Budget Account Activity Report.pdf
Calendar Year End Budgeting Transactions Summarized by Appropriation.pdf
Calendar Year End Disbursement Summary Report.pdf
Calendar Year End Error Corrections/Supplies Distributions.pdf
Calendar Year End Financial Detail Report.pdf
Calendar Year End Fund to Fund Transfer Ledger Report.pdf
Calendar Year End Purchase Order Detail.pdf
Calendar Year End Receipts Ledger Report.pdf
Calendar Year End Reduction of Expenditure Ledger Report.pdf
Calendar Year End Refund Ledger Report.pdf
Calendar Year End Revenue Account Activity Report.pdf
Calendar Year End Transaction Ledger - Vendor Activity.pdf
Calendar Year End Void Refund Ledger Report.pdf

Calendar Year End Closing

Generate additional Calendar Year End Reports

- The Proration Utility program generates a spreadsheet which may be used to assist in calculating premium amounts for Worker's Compensation payments.
- Utilities > Proration Utility
- Choose Time Period – i.e. Calendar Year To Date
- Choose Filter – i.e. Workers Comp   ** Must be set up prior to running proration utility
- (ex. Expenditure object 1%% in filter) https://wiki.ssdt-ohio.org/display/usasrdoc/Account+Filters
- Enter File Name of your spreadsheet – i.e. Workers Comp 2021
- Can run by Appropriation
- Click create to create spreadsheet
- Enter amount to prorate in column B1
- Download file to save in excel

CYE - 1099 Extracts



Once all 1099 data is verified, balanced, and complete…

- Under Periodic, run the 1099 Extract program
- Select 2022 as the Payment Year
- Select the appropriate Output File Type:
  - Edge Format (XML) is the output file to be used when printing 1099s
  - IRS Format (TAP) is the output file used to generate the TAP file for IRS submissior
  - PDF Format - Standard PDF
  - Reference Copies - Used printing and saving individual form types for reference. • Copy 1 - For State Tax Department • Copy 2 - Recipient's State Copy • Copy A - Internal Revenue Service Center copy • Copy B - For Recipient • Copy C - For Payer
  - Printer/Sealer Copies - Used for direct printing. A printable form that contains both Copy 2 and Copy B that will be provided to 1099 vendors. These are formatted to fit 8 1/2 X 11 Z-Fold forms only.
  - Review the File Name, TIN, Address and contact information

1099 Extract Continued…

- Click on 'Generate Extract File' to generate the selected output file type
- If Districts choose to generate the 1099 submission files separately by type (one for 1099-MISC and once for 1099-NEC)the default output file name should be updated to be a different Output File Name.
- Click on 'Print Report' to generate the 1099 Extract Report in PDF format
- Email helpfiscal@mveca.org that the 1099 XML is ready to be printed

Filing of 1099 - NEC

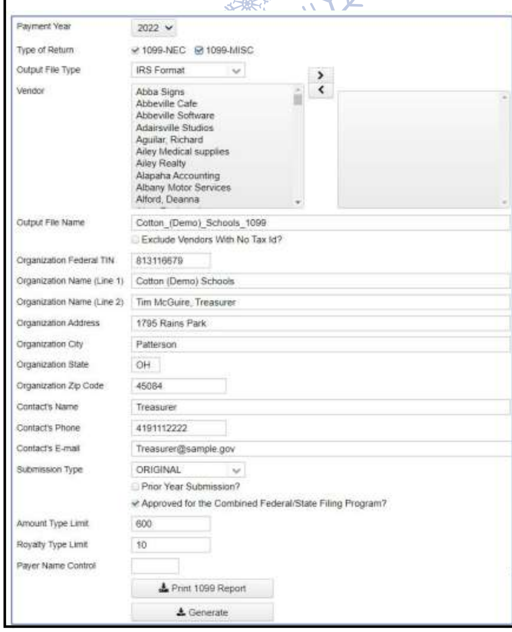
- • Filed with the IRS on paper or electronically January 31, 2023.
- • A copy of Form 1099-NEC should also be sent to your vendors and independent contractors by January 31, 2023.

Filing of 1099-MISC

- • Filed with the IRS electronically by February 28, 2023.
- • A copy of Form 1099-MISC should be sent to the MISC recipients by Jan. 31, 2023.

Note: The submission and print files can be generated as part of the CYE Close process. They will be sent to the Calendar Year Reports Archive when the 1099 Extract is run. If needed, they can be generated/regenerated after the close process.

1099 Submission



- Payment Year: choose (2022) from drop down.
- (December Posting Period must be created to show current year)
- •Type of Return: Check mark one or both
- •Output File Type: IRS Format (TAP) - for IRS submission
- •Submission Type
  - Original – to be used for the Original Submission
  - Correction – to be used for any Corrected Submissions
  - Test – to be used to test the Submission
- •Organization and Contact Information - Will populate from Organization & Configuration information
- •Print 1099 Report – Click to generate the 1099 pdf report(s)
- •Generate - Click to generate the selected output file type
- Download from the Calendar Year Reports Archive or generate and save
- • The file name will reflect if they've generated for just 1099-NEC, 1099-MISC, or BOTH
- • Cotton_(Demo)_Schools_1099_BOTH.tap
- • Sign into https://fire.irs.gov/ to submit

Checklist, Questions, & Reminders?

Review the SSDT User Listing Report

***Email helpfiscal@mveca.org with any user changes needed or confirmation no changes are needed

1099's Important Due Dates

- Submit a test file to the fire system before 1/15/2023
- Email MVECA (helpfiscal@mveca.org) that the W2 and 1099 files are ready to be printed
- Mail all 1099's to recipients by 1/31/2023
- Submit NEC 1099's by 1/31/2023
- Submit MISC 1099's by 2/28/2023

Checklist: https://wiki.ssdt-ohio.org/display/usasrdoc/USAS-R+Calendar+Year+End+Checkli