



1099 Series Reporting – Tax Year 2021

TranStar Instructions

Required Action Steps in TranStar

- 1.) Run **LIST ISSUER** with 'Include All Issuers' unchecked so next screen/page will appear.
 - a) On this selection criteria page, choose to include only the Non-Taxable Issuers.
 - b) Ensure that any Issuers qualified are rightly coded as Non-Taxable.
 - c) To change the status of any of these Issue Types, use **CHANGE ISSUE** or **CHANGE ISSUER**.

- 2.) Run **LIST REGISTRATION** and verify the Ownership Registration Types and Withholding Status are accurately coded for Possible Withholding YES/NO.
 - a) If any Type is listed as Possible Withholding: **NO**, then Holders coded with this Ownership Registration Type will not receive 1099's if you excluded Exempt Holders.
 - b) You can generate 1099's for these Registration Types but only by choosing the option to Include Exempt Holders in the TRAN*STAR activity **GENERATE 1099**.
 - c) Use **CHANGE REGISTRATION** to change the Withholding Status of a Registration Type.

- 3.) Run **SHAREHOLDER LIST** after the Registration Types have been verified.
 - a) Restrict this List to only Ownership Registration Types coded to be Exempt (Possible Withholding: NO).
 - b) Verify these Holders have been coded correctly to be exempted from receiving 1099's.
 - c) Use **CHANGE HOLDER** to change a Holder's Ownership Type.
 - d) As a further check, if you do not want to verify that the Registration Types are correctly coded and Holders coded with the correct Ownership Type, you can generate 1099's for Exempt holders and be assured that no Holder who should receive a 1099 will be missed.

- 4.) Run **F2 YTD TRIAL**
 - Fix Problems Automatically *should be unchecked*.
 - When finished running, print the YTD Trial Report and contact your TS Partners Tax Rep (610-768-1100) to review results by phone/webex.

Please review the following for changes to 1099/1042 Form Templates you will be using for 2021 Tax Year:

Form	Template Status
1099 B (1099 Brokerage)	<i>NO TEMPLATE CHANGES</i> IN 2021 TAX SEASON
1099 D (1009 Dividend)	<i>Section 897 Ordinary Dividends & Capital Gains: TEMPLATE WORDS ADDED</i>
1099 I (1099 Interest)	<i>NO TEMPLATE CHANGES</i> IN 2021 TAX SEASON
1099 OID (1099 Original Issue Discount)	<i>NO LONGER A YEARLY FORM IS NOW CONTINUOUS USE</i>
1099 MISC (1099 Miscellaneous)	<i>NO TEMPLATE CHANGES</i> IN 2021 TAX SEASON
1042 S	<i>1042S & 1042SSUB: Exemption Code Revised and Added</i>
1099 NEC (Non-Employee Compensation)	<i>NO TEMPLATE CHANGES</i> IN 2021 TAX SEASON

Use **F2 ADD FORM** for each 1099/1042S Type, to create a new form that ties the new Template file to the document Type for any 2021 Tax Year Reporting.

Client Services Rep assigned for your Tax Reporting will review your YTD Trial and follow-up to discuss any discrepancies.

Following this status check and go-ahead, begin 1099 printing using **F2 GENERATE 1099** activity.

Upload your database before the end-of-year, and again between January 1-15, to provide time to review.

IMPORTANT DATES:

- January 31, 2022 Deadline for postmarked 1099 Div/Int/OID/Misc. mailings
- February 15, 2022 Deadline for postmarked 1099 B / 1042 S mailings.
- March 31, 2022 Deadline for IRS FIRE submissions.

5.) Print and email a sample of each type of 1099 Series form you require for detailed review with TSP.

6.) Before sending your FIRE 1099 interface files to IRS, contact TS Partners to check the file for potential problems.

- a) Run **F2 1099 INTERFACE** using the same options used to generate the paper 1099's.
- b) The file [irstax.001] can be found in FILE MANAGER under BASE folder.
 - a. If running separate files for each 1099 type, there will be several files that will need to be downloaded and saved.
- c) When running **1099 INTERFACE**, there is ability to produce a single file. Choose this option only if the file will be sent electronically or over the Internet to the IRS.
- d) Once the files are available, run **F2 TEST 1099** in TranStar to test your file/s for correctness.
- e) When approved, the file(s) can be sent to the IRS.

Addendum

Additional Filing Information from IRS - Electronic Filing of Information Returns

The Filing Information Returns Electronically (FIRE) system is designed exclusively for the electronic filing of the following information returns: **Forms 1042-S**, 1097-BTC, 1098, **1099**, 3921, 3922, 5498, 8027, 8935, 8955-SSA and W-2G.

FIRE is accessible at <https://fire.irs.gov/firev1r/>. Benefits of electronically filing information returns include: cost-effectiveness, security (AES 256-bit, AES 128-bit and TDES 168-bit encryption); and later due date for filing returns.

When sending files larger than 10,000 records electronically, data compression is encouraged. WinZip or PKZIP are the only acceptable compression packages.

The FIRE system is operational 24 hours a day, 7 days a week. The FIRE system may be down every Wednesday from 2:00 a.m. to 5:00 a.m. Eastern Time, for programming updates.

After filing returns via the FIRE system, the result of the electronic transmission will be e-mailed to the filer if an accurate e-mail address was provided on the "Verify Your Filing Information" screen. The file status e-mail will include the IRS assigned filename, date received, count of payees, and file status for Forms 1042-S, 1097-BTC, 1098, 1099, 3921, 3922, 5498, 8027, 8935, 8955-SSA, and W-2G.

If the e-mail indicates that the file is bad, you must log into the FIRE system and go to the "Check File Status" option to review the results of the file and timely resubmit the file as a replacement file.

If the file is good, it is automatically released for mainline processing 10 calendar days from receipt.

You can also contact the IRS/IRB, Customer Service Section, by calling 866-455-7438, between 8:30 a.m. to 4:30 p.m. Eastern Standard Time, or by using the Telecommunications Device for the Deaf (TDD) at 304-579-4827.

IRS forms and publications may be downloaded from the IRS website at www.irs.gov, or ordered by calling 800-829-3676.