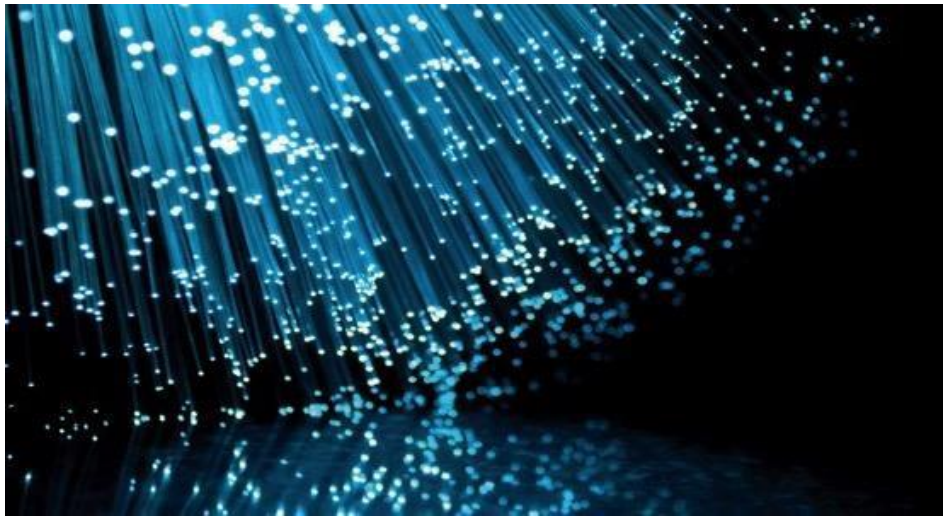

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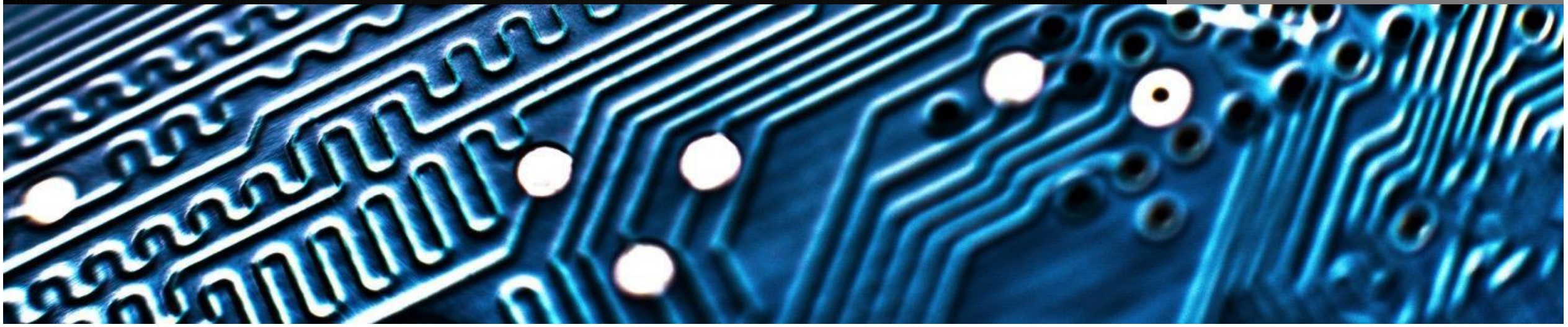
Information Technology Services

# CY 2024
# 1099 Withholding Information

December 12, 2024



# Housekeeping

- Please make sure you are muted, and camera is turned off
- Session is being recorded
- Please use the chat feature for questions
- Today's recording and meeting materials will be sent out to all participants



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# Agenda

- Withholding Form Changes for CY2024
- Withholding Process Review
- Resources



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# Withholding Changes for CY2024



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# PeopleSoft Withholding Changes for CY2024

## IRS Changes for Calendar Year 2024

Instructions and Forms for 1099-MISC, 1099-NEC, 1099-INT, and 1099-G

- Wording updated to match posting on IRS website
- Form Type box – Revision change
- Bottom left of form – Revision change
- IRS corrected State Codes for the District of Columbia and Pennsylvania

## PeopleSoft Changes for 2024

- 1099 Withholding Forms layout have not changed for CY2024
- Does NOT include any Withholding or Withholding Update fixes



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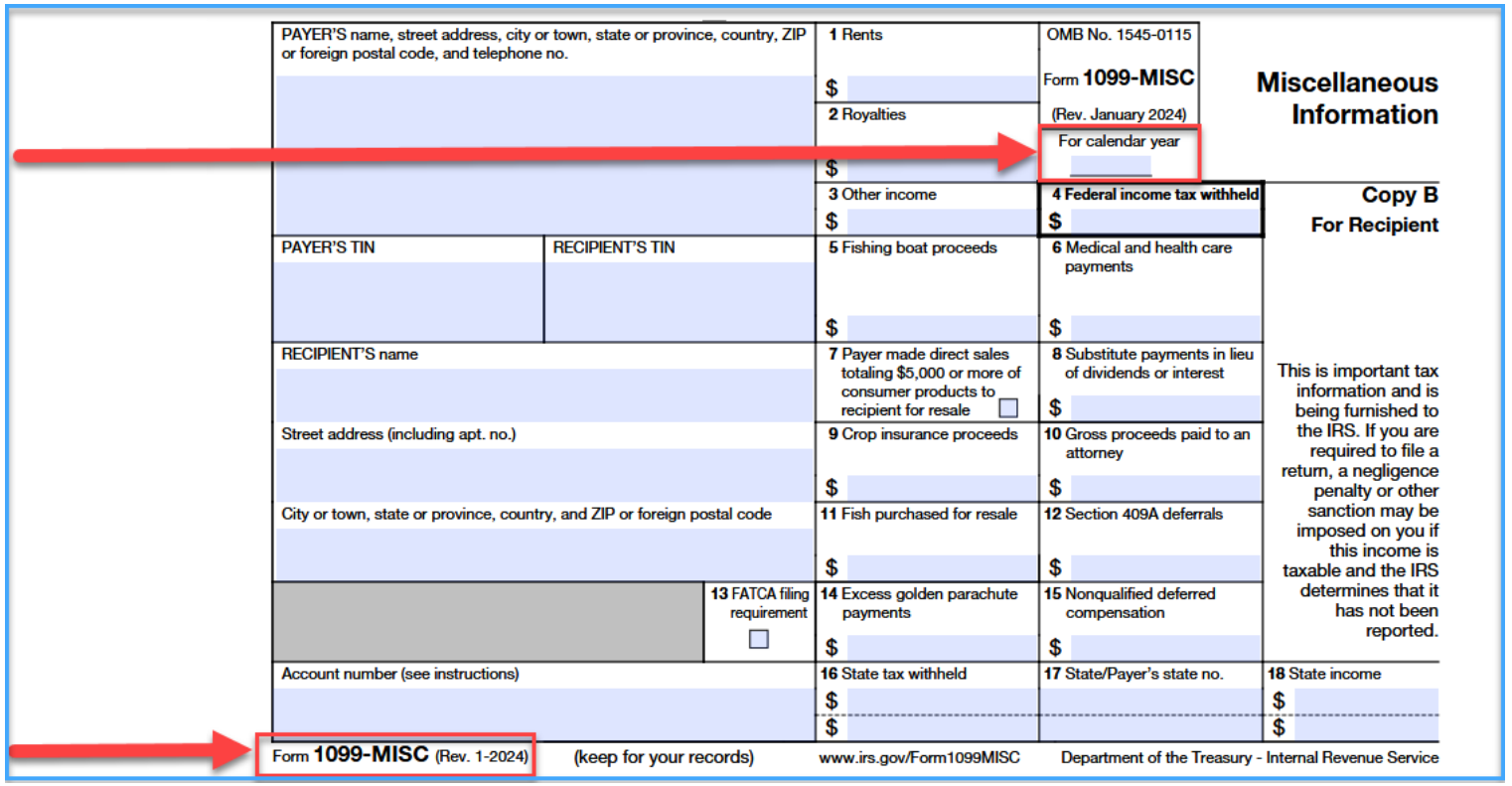
# IRS FORM for CY2024 – 1099-MISC

**1099-MISC:**

- **Form Type Box:** Updated to reflect the revision date of January 2024.
- **Bottom Left Corner:** Updated to reflect revision date of January 2024



| PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. | 1 Rents $ | OMB No. 1545-0115 Form 1099-MISC (Rev. January 2024) | Miscellaneous Information |
|---|---|---|---|
| | 2 Royalties $ | For calendar year | |
| | 3 Other income $ | 4 Federal income tax withheld $ | Copy B For Recipient |
| PAYER'S TIN / RECIPIENT'S TIN | 5 Fishing boat proceeds $ | 6 Medical and health care payments $ | |
| RECIPIENT'S name | 7 Payer made direct sales totaling $5,000 or more of consumer products to recipient for resale ☐ | 8 Substitute payments in lieu of dividends or interest $ | This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported. |
| Street address (including apt. no.) | 9 Crop insurance proceeds $ | 10 Gross proceeds paid to an attorney $ | |
| City or town, state or province, country, and ZIP or foreign postal code | 11 Fish purchased for resale $ | 12 Section 409A deferrals $ | |
| 13 FATCA filing requirement ☐ | 14 Excess golden parachute payments $ | 15 Nonqualified deferred compensation $ | |
| Account number (see instructions) | 16 State tax withheld $ $ | 17 State/Payer's state no. | 18 State income $ $ |
| Form 1099-MISC (Rev. 1-2024) | (keep for your records) | www.irs.gov/Form1099MISC | Department of the Treasury - Internal Revenue Service |



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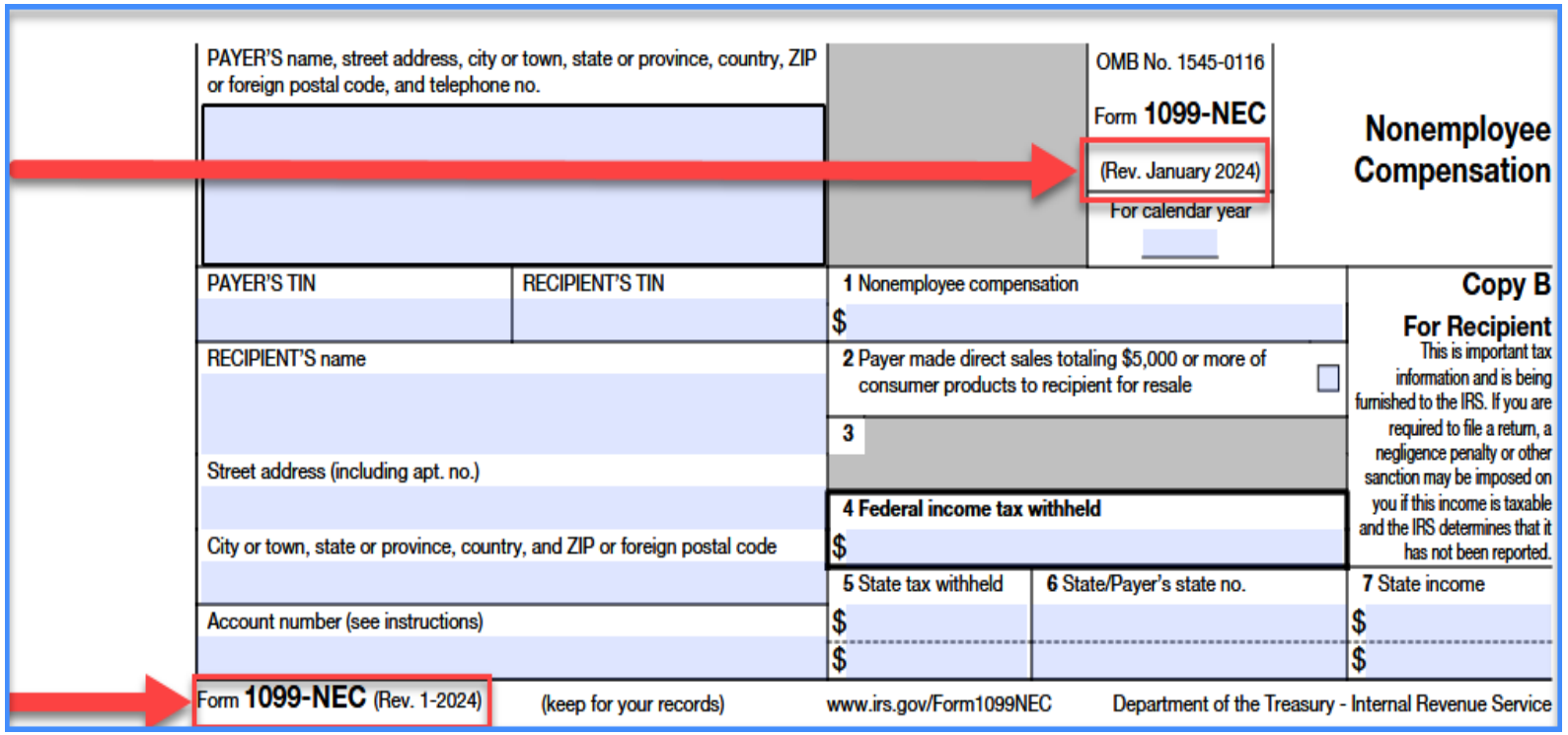
# IRS FORM CY2024 – 1099-NEC

**1099-NEC:**

- **Form Type Box:** Updated to reflect the revision date of January 2024.
- **Bottom Left Corner:** Updated to reflect revision date of January 2024



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# Questions

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# Withholding Process Review



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# Reminders

- Reminder: Only use 1099N and 1099M Withholding Types/Classes. We should not use or select the obsolete “1099” only Type/Classes for Withholding Suppliers and Vouchers.

- Reminder: Do not delete the obsolete “1099” Withholding Type from Suppliers.  This must stay in the system in case there are IRS corrections for Withholding Reporting in years prior to CY2020.



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# IRS Withholding Type and Class Conversion

| Withholding Type | Withholding Class | Description | Paid at least: |
|---|---|---|---|
| 1099N | 01 | Non-Employee Compensation | $600.00 |
| 1099N | 02* | Payer Made Direct Sales Totaling $5000 or more consumer products to recipient for resale | $5000.00 |
| 1099N | 04 | Federal Income Tax Withheld | $0.00 |
| | | | |
| 1099M | 01 | Rents | $600.00 |
| 1099M | 02 | Royalties | $10.00 |
| 1099M | 03 | Prizes, Awards, etc.(Other Income) | $600.00 |
| 1099M | 04 | Federal Income Tax Withheld | $0.00 |
| 1099M | 05 | Fishing Boat Proceeds | $600.00 |
| 1099M | 06 | Medical and Health Care Payments | $600.00 |
| 1099M | 07* | Payer Made Direct Sales Totaling $5000 or more consumer products to recipient for resale | $5000.00 |
| 1099M | 08 | Substitute Payments in lieu of dividends or interest | $10.00 |
| 1099M | 09 | Crop Insurance Proceeds | $600.00 |
| 1099M | 10 | Gross Attorney Proceeds | $600.00 |
| 1099M | 11* | Fish Purchased for Resale | $600.00 |
| 1099M | 12 | Section 409A Deferrals | $600.00 |
| 1099M | 13 | Excess Golden Parachute Payments | $0.00 |
| 1099M | 14 | Non-qualified Deferred Compensation | $600.00 |

*PeopleSoft will not have these Class options, as they do not pertain to Georgia*FIRST* institutions.



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# 1099 Withholding Process Overview

1. **Confirm Withholding Sent ran for the previous calendar year (CY2023)****
2. Setup/review new Report Control Information for CY2024 (Ex: CSU_2024, UNG_2024, CCGA_2024, etc.)
3. Pay and post withholding vouchers for CY2024
4. Post withholding Transactions (AP_WTHD)
5. Review 1099 Withholding Vouchers/Payments
6. Adjust 1099 Withholdings, as needed
7. Run Withholding Update Process
8. Run Withholding Job Post
9. Review 1099 Withholding to Send Detail Reports
10. Run Withhold 1099 Report Job to produce IRS File
11. Run Withhold 1099 Report Job to produce Copy B Reports (AP_COPY_B)
12. Send File(s) to IRS (Can produce One File or Multiple Files.)
13. After IRS accepts the file, run Withholding Sent Process for the current calendar year (CY2024)

**This process should be run immediately after the IRS accepts the original IRS Tax File. If not, it causes issues with replacement and correction files. This can also affect the current year's processing.

For more detailed information on the steps listed above, refer to the 1099 Processing User's Guide for CY 2024. *This document will be updated by December 31, 2024.*



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# Running the Withholding Sent Process (con.)

****Run the Withholding Sent Process Now for 2023 BEFORE starting 2024****

**BOR_AP_1099_WTHD_SENT_INCOMPL**: This query will provide a list of any Control ID/Reporting Year combinations that are still awaiting the WTHD_SENT process.

This process finalizes the Withholding reporting and file creation process. It records all the data in the file you have sent. Do not run this process until after sending the file to the IRS. The system uses this information when creating correction or replacement files.

**Navigation:** Suppliers > 1099/Global Withholding > 1099 Reports > Withholding Sent File



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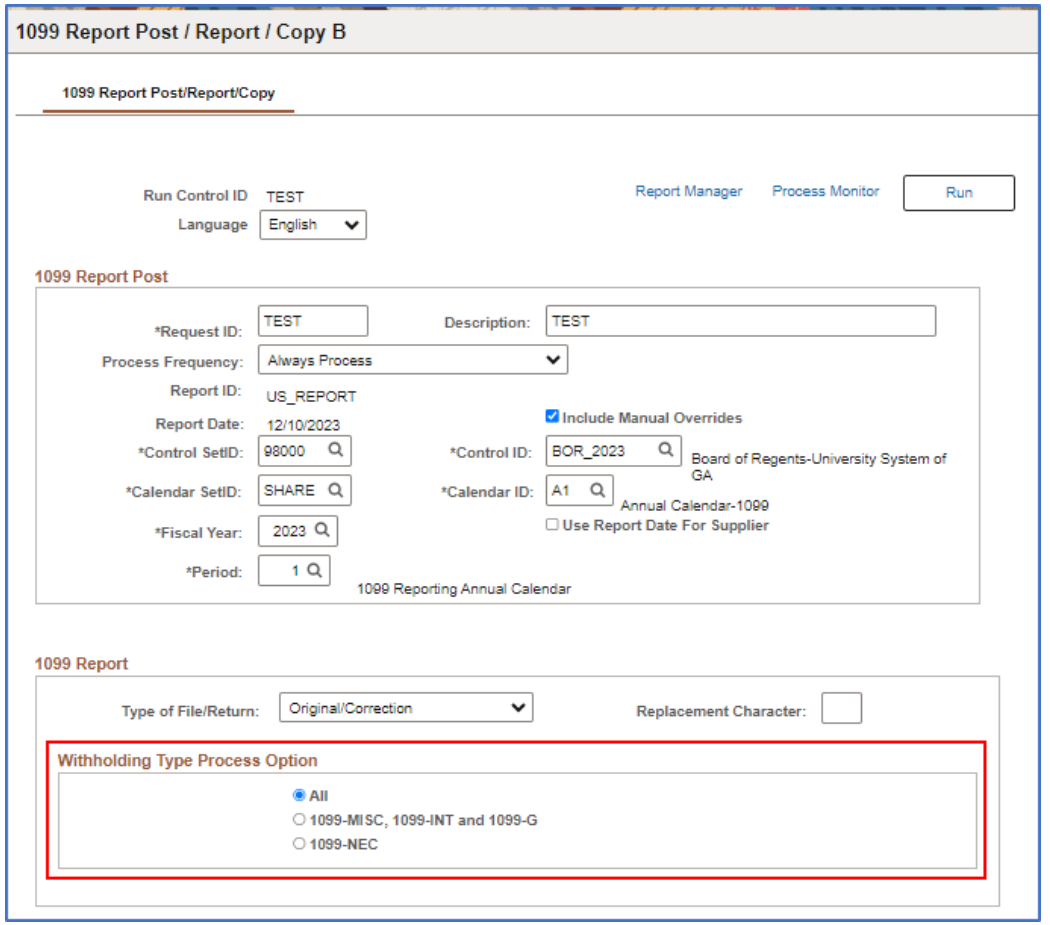
# PeopleSoft Withholding CY2024 - 1099 Withhold Report Job

- Reminder: Running Withhold 1099 Report Job

**Withholding Type Process Options:**

- All - Select this option to produce ONE electronic IRS file containing 1099-MISC and 1099-NEC withholding information.
- 1099-MISC, 1099-INT and 1099-G - Select this option to produce one electronic file containing all 1099-MISC withholding information
- 1099-NEC - Select this option to produce one electronic file containing all 1099-NEC withholding information



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# 1099 Withhold Report Job – IRS .txt File

- There will be only one file created for CY2024 when users run the 1099 Report Job when users select “ALL”
  - The file naming convention is IRS_001_<Report Control ID>_<process instance>.txt
  - The file contains all 1099-NEC and 1099-MISC reporting that institutions will submit to the IRS

- If users run the 1099-MISC process and the 1099-NEC process separately, each file will need to be sent to the IRS.
  - The file naming convention is the same as above.
  - The file name does not contain NEC or MISC



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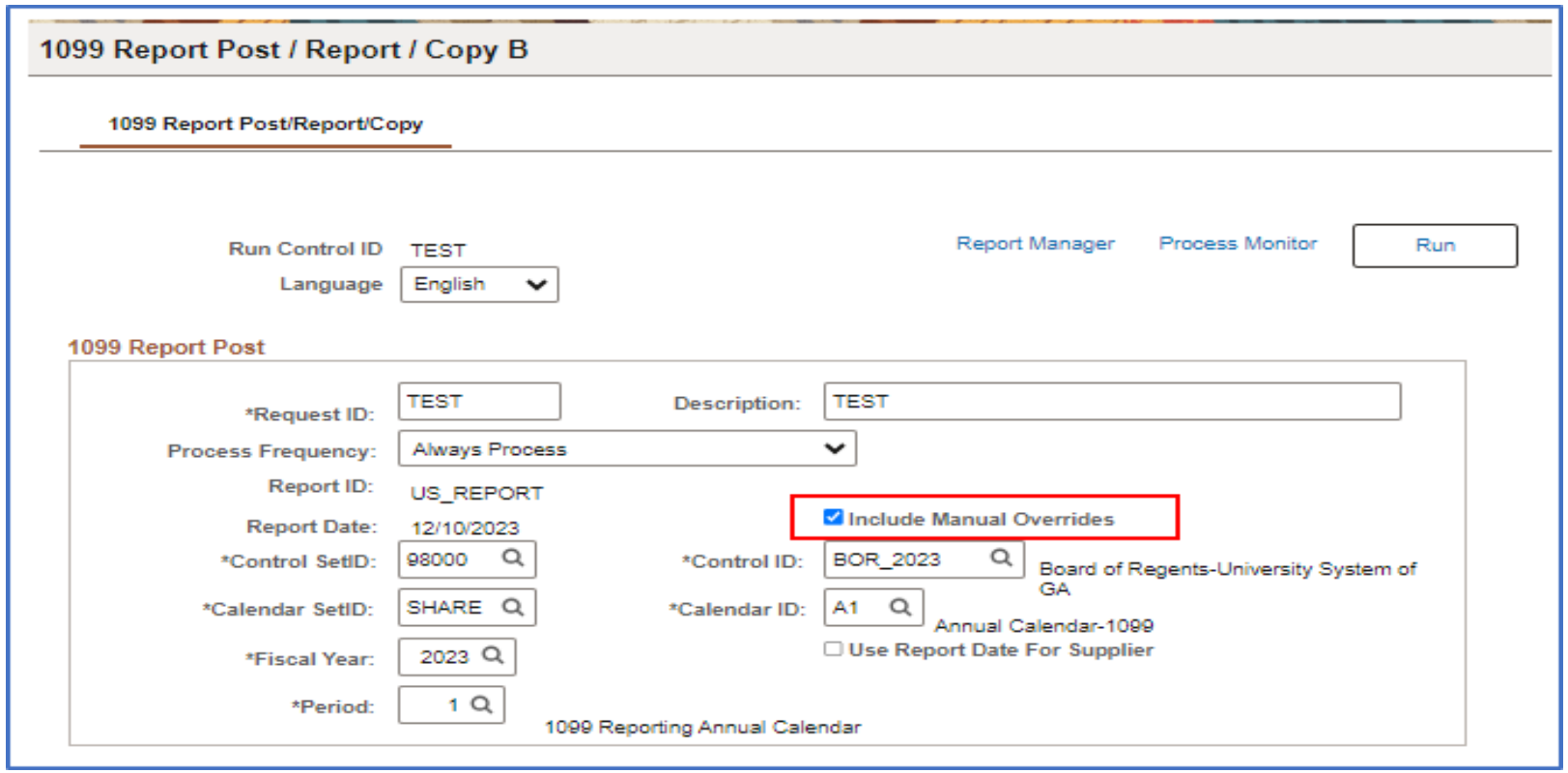
# 2024 Manual Adjustment Reminder




Reminder: Anytime you have manual adjustments that need to be included in reporting totals, this box needs to be checked



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# 1099 Withhold Report Job – Copy B's

- The process produces two files:
  - 1099-MISC Copy B's: APX1099CT-APX1099CT.pdf
  - 1099-NEC Copy B's: APX1099N-APX1099N.pdf

Report List

1-10 of 10 | View All

| Select | Report ID | Prcs Instance | Description | Request Date/Time | Format | Status | Details |
|---|---|---|---|---|---|---|---|
| ☐ | 16537263 | 17750686 | APX1099N - APX1099N.pdf | 12/11/2023 8:26:13PM | Acrobat (*.pdf) | Posted | Details |
| ☐ | 16537262 | 17750685 | APX1099ICT - APX1099ICT.pdf | 12/11/2023 8:25:54PM | Acrobat (*.pdf) | Posted | Details |
| ☐ | 16537261 | 17750684 | APX1099GCT - APX1099GCT.pdf | 12/11/2023 8:25:38PM | Acrobat (*.pdf) | Posted | Details |
| ☐ | 16537260 | 17750683 | APX1099CT - APX1099CT.pdf | 12/11/2023 8:25:22PM | Acrobat (*.pdf) | Posted | Details |
| ☐ | 16537259 | 17750680 | APX1099N - APX1099N.pdf | 12/11/2023 8:25:10PM | Acrobat (*.pdf) | Posted | Details |



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# 1099 Withholding Process Checklist

A Checklist is provided in the 1099 Processing User's Guide for CY2024.

***Before beginning 1099 steps (7-30) for the current calendar year, be sure to***

1. _____ Run the BOR_AP_1099_WTHD_SENT_INCOMPL QUERY – Page 13
2. _____ Run Withhold Sent Process (WTHD_SNT) for the previous calendar year – Page 14
3. _____ Setup/Review Report Control Information (**Required for Each Year**) – Page 17
4. _____ Post 1099 Withholding Transactions (AP_WTHD) – Page 32

**Review**

5. _____ Review 1099 Withholding Suppliers – Page 34
6. _____ Review 1099 Withholding Vouchers by Supplier Inquiry – Page 35
7. _____ Review Payments to Withholding Suppliers – Withhold Payment Inquiry – Page 37
8. _____ Review 1099 Supplier Balances by Class – Page 38
9. _____ Run BOR_AP_1099_PMTS Query – Page 39
10. _____ Run BOR_AP_1099_JE Query – Page 40
11. _____ Run BOR_AP_1099_NONRPT_CONSISTENT Query – Page 41
12. _____ Run BOR_AP_1099_MISMATCH Query – Page 42
13. _____ Run Withholding Balances Control Report *(Optional)* - Page 43
14. _____ Run BOR_AP_1099_ADJUST Query – Page 44
15. _____ Run BORRY010 1099 Reportable Transactions Report: AP.070.300 *(Optional)* – Page 45

***If any corrections or adjustments need to be made, complete steps 16-19. Otherwise, skip to step 20.***

16. _____ Enter Withholding Invoice Line Update, if needed – Page 48
17. _____ Run Withholding Update Process if adjustments were made in Step 16 or 17 – Page 50
18. _____ Adjust Withholding Manually if needed – Page 52
19. _____ Complete steps 5 - 15 after all adjustments are made to review changes

***If additional adjustments need to be made, repeat steps 16-19. Otherwise, proceed to step 20.***

20. _____ Run Withhold 1099 Report Post Job (RPT_1099), Generate Withholding Reports (AP_APY1099), and retrieve the IRS_001.TXT file – Page 57
21. _____ Run BORRY010 1099 Reportable Transactions Report – Page 64
22. _____ Run 1099 Withholding to Send Detail Report – Page 66
23. _____ Run BOR_AP_1099_SND_DTL_TOT Query – Page 69
24. _____ Review reports and query from steps 21 – 24

***If any adjustments need to be made, repeat steps 16-24. Otherwise, proceed to step 25.***

25. _____ Run Print 1099 Copy B Process (APCOPYB) for 1099-MISC and 1099-NEC – Page 71
26. _____ Review, Print and Send Copy B Reports – Page 74
27. _____ Send IRS_001.TXT file to IRS – Page 76
28. _____ Run Withholding Sent File Process (WTHD_SNT) – Page 77



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# Questions

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# Resources



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# Frequently Asked Questions

**Q: If I have already produced my 1099 copy B's, is it still possible to start over since I have not sent anything to the IRS or the recipients?**

**A:** Yes! You can start over at any point prior to sending the information to the IRS. Once it is sent, you would need to create correction files.

**Q: How do I update the 1099 Type / Class for a 'SHARE' supplier?**

**A:** For SHARE suppliers, please submit a ticket to support@usg.edu.

**Q: How do I update the 1099 Type / Class on a 'B' setid supplier?**

**A:** When adding/changing the 1099 type and/or class for a 'B' setid supplier, you will need to add an effective dated row rather than correcting history. Using the Correct History option will not update the supplier as desired.

# Frequently Asked Questions (Cont'd)

**Q: After making adjustments, my BORRY010 report is not calculating correctly.**

**A:** The BORRY010 report, while rare, can become skewed after making multiple changes to the database. The 1099 to Send (Withhold to Send) report mimics the information that will be sent to the IRS and what will be printed on the 1099s. This is the report that should be used to confirm 100% accuracy prior to completing the 1099 processing.

The BORRY010 is still an excellent report to use for reconciling because it contains more detail than the 1099 to Send report. Therefore, it can be of greater use to pinpoint errors, adjustments needed, etc**.** For example, the BORRY010 lists each transaction that is reporting on the 1099 and shows the basis amount with differences. The 1099 to Send only shows the total amount that will report on the 1099.

# Frequently Asked Questions (Cont'd)

**Q: Can a Single Payment supplier be marked for withholding? (Ex: Beneficiary payments or Estates)**

**A:** The Single Payment Supplier does not offer an option to add withholding information. Therefore, if the transaction will require a 1099, the supplier will need to be set up as a permanent vendor so that you can add the withholding information. Establishing a permanent vendor record in the PeopleSoft supplier master file ensures accurate information for payments, tax compliance, and reporting. These suppliers can be added to the 'B' or 'Share' setid.

# Important Dates

| Date | Item |
|---|---|
| December 12, 2024 | 1099 Meeting with Institutions |
| December 31, 2024 | 1099 Processing User's Guide CY2024 will be available |
| January 10, 2025 | PeopleSoft Update to be Applied to Production |
| January 31, 2025 | 1099 Misc/1099-NEC provided to recipients for CY2024 |
| January 31, 2025 | 1099 Misc/1099-NEC IRS Electronic Filing deadline for CY2024 |



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# ITS Resources

- Contact Information:
  - Support Tickets: helpdesk@usg.edu

- The following will be available in the AP section of the Georgia*FIRST* website here:
  - 1099 User's Guide for CY2024
  - CY2024 1099 Withholding Updates Presentation PowerPoint
  - CY2024 1099 Withholding Updates Presentation Recording



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# IRS Resources

- Internal Revenue Service Contact Info:
  - Website: www.irs.gov
  - Phone: 1-866-455-7438
  - Email: irs.e-helpmail@irs.gov

- 2024 Instructions for Forms 1099-MISC and 1099-NEC located here.

- Publication 1220 (Rev. 9-2024) Catalog Number 61275P located here.



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# Questions

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thank you!



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