

## 1099-NEC Addition and 1099-MISC Modifications

*APTAWEB-10290, APTAWEB-10689, APTAWEB-10848, APTAWEB-10987, APTAWEB-11098, APTAWEB-11120*

### Introduction

AptaFund has added the required reports, forms, and exports for the new 1099-NEC. These include new 1099 codes in **Vendor Management**, a new tax identification field, a modified Form Summary Report to separately list the number of NEC and MISC forms, a new form layout and export for the NEC, and a modified form layout and export for the MISC.

#### *Purchasing & Payables > Vendor Management > 1099 Field*

The following list shows the Forms and Box Numbers (instead of only the code) to comply with the new NEC and MISC forms. This list can be found on the **Vendor Management** screen when adding or editing a vendor:

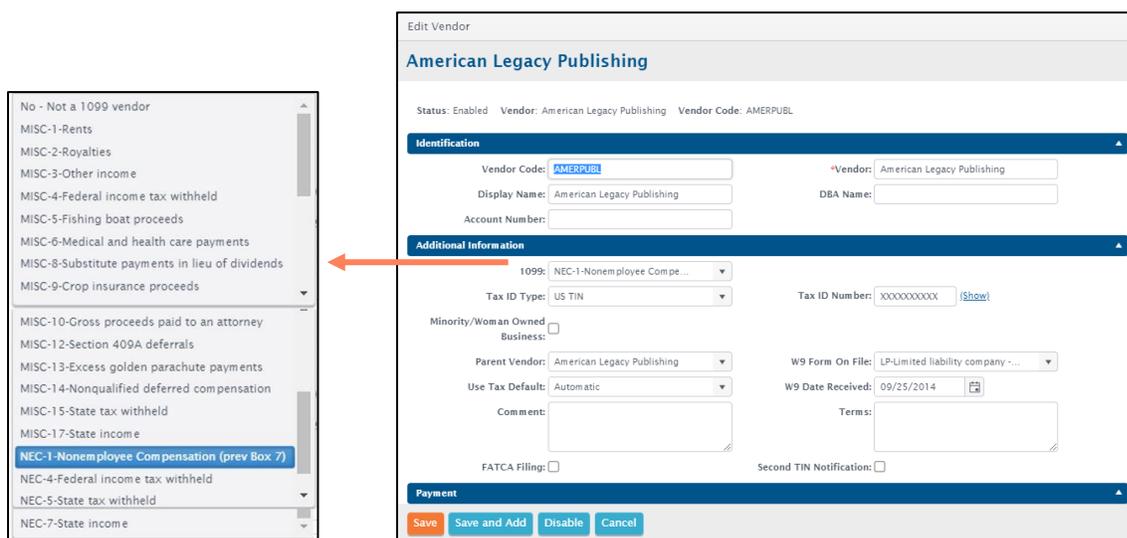


Figure 1: 1099 Form and Box Codes

### NOTES:

- The update automatically changed any 1099 Code "7" entries to "NEC-1" entries. Users will not have to manually change the 1099 code from 7 to NEC-1 for those vendors.
- Attorney fees other than those paid as part of a settlement are now reported under the NEC-1 code. Only if attorney fees are paid as part of a settlement do they now qualify as Gross Proceeds Paid to an Attorney and are therefore reported under the MISC-10 code.
- Rents, awards, and prizes will be the most common payments to report on the 1099-MISC.



### Purchasing & Payables > Vendor 1099 Adjustments

When adding 1099 adjustments, the 1099 code from the vendor automatically displays on the Vendor 1099 Adjustments > Add Vendor 1099 Adjustment screen after a user selects a vendor to adjust.

Figure 2: 1099 Vendor Adjustment Showing Vendor 1099 Box Code

### Reports > 1099 Form Summary Report

On the 1099 Form Summary Report, the 1099 Form Count Tab now displays the number of 1099-MISC forms and 1099-NEC forms that a school needs to print.

1099 Form Summary Report	
Calendar Year: 2020; All Vendors: All Vendors; Created On: 11/11/2020 3:59:40 PM	
Description	Amount
Number of Forms 1099-MISC	0
Number of Forms 1099-NEC	5

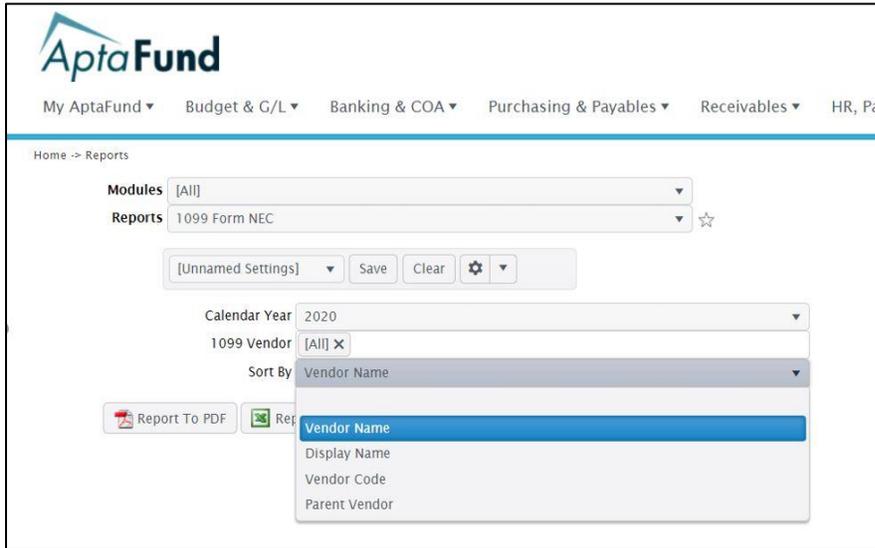
Figure 3: Number of 1099 Forms Needed for Each Type of 1099

### Reports > 1099 Form MISC/NEC and 1099 Data Export MISC/NEC

Separate form printing reports and export files are available for the 1099-NEC and 1099-MISC. Users will need to order and print separate 1099-NEC and 1099-MISC forms, as well as send separate export files to the IRS.

Figure 4: Printing each 1099 Form Type

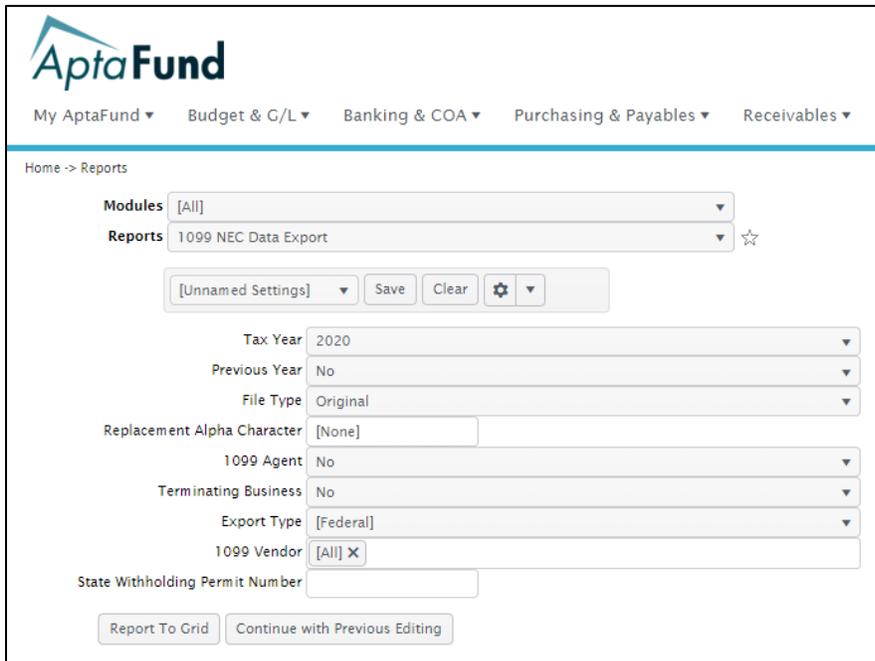
The Sort By parameter for the 1099 Form NEC and 1099 Form MISC reports have the options to sort 1099 forms by vendor name, display name, vendor code, or parent vendor.



The screenshot shows the AptaFund web interface. At the top, there is a navigation bar with the AptaFund logo and several menu items: My AptaFund, Budget & G/L, Banking & COA, Purchasing & Payables, Receivables, and HR, Pay. Below the navigation bar, the breadcrumb trail reads 'Home -> Reports'. The main content area shows a form for generating a report. The 'Modules' dropdown is set to '[All]'. The 'Reports' dropdown is set to '1099 Form NEC'. Below this, there are buttons for '[Unnamed Settings]', 'Save', 'Clear', and a settings gear icon. The 'Calendar Year' is set to '2020'. The '1099 Vendor' dropdown is set to '[All] X'. The 'Sort By' dropdown is open, showing a list of options: 'Vendor Name' (highlighted in blue), 'Display Name', 'Vendor Code', and 'Parent Vendor'. There are also buttons for 'Report To PDF' and 'Report To Grid'.

Figure 5: Sort Criteria for the 1099 Form

Separate 1099 exports for NEC and MISC must be sent to the IRS via the FIRE system. IRS should accept these files as they have in past years. Please note that a 1099 MISC export does not need to be sent if there were no 1099 MISC forms sent to vendors.



The screenshot shows the AptaFund web interface for the '1099 NEC Data Export' report. The breadcrumb trail reads 'Home -> Reports'. The 'Modules' dropdown is set to '[All]'. The 'Reports' dropdown is set to '1099 NEC Data Export'. Below this, there are buttons for '[Unnamed Settings]', 'Save', 'Clear', and a settings gear icon. The 'Tax Year' is set to '2020'. The 'Previous Year' dropdown is set to 'No'. The 'File Type' dropdown is set to 'Original'. The 'Replacement Alpha Character' input field is set to '[None]'. The '1099 Agent' dropdown is set to 'No'. The 'Terminating Business' dropdown is set to 'No'. The 'Export Type' dropdown is set to 'Federal'. The '1099 Vendor' dropdown is set to '[All] X'. The 'State Withholding Permit Number' input field is empty. At the bottom, there are buttons for 'Report To Grid' and 'Continue with Previous Editing'.

Figure 6: Sort Criteria for the 1099 Form