

1099-MISC Reporting Training Exercises

For exercises 1-3, use your computer as needed to complete the exercise.

Exercise 1. Extracting Your 1099-MISC Data

The first activity needed for 1099-MISC reporting is to extract your 1099-MISC data from AFRS into Enterprise Reporting Web Intelligence (ER WebI).

You will need to use your own WebI user name and password if you wish to see real-world data from your agency. If you are unable to access WebI or don't have access to any valid data, a generic data set may be provided to you.

1. Log on to ER WebI. Use the following URL: <https://rp.des.wa.gov/> (inside the State Network) or refer to the links on the OFM ER Product Page: <https://www.ofm.wa.gov/it-systems/enterprise-reporting-er>.
2. Once logged in, select the **Documents** tab.
3. Select **Folders**, located at the bottom left corner. This will display the **Public Folders**.
4. Select the plus sign next to **Public Folders** to expand the list of folders available.
5. Find the **AFRS 1099 Report Template** folder and click to open the folder. The **AFRS 1099 Report Template** folder houses the baseline 1099 data extracts.
6. To copy the **AFRS 1099 Data Extract – Combined CY2019** report into **My Favorites**, right-click on the **AFRS 1099 Data Extract – Combined CY2019** report title and select **Organize...Copy**.
7. Select **My Documents** in the **Navigation Map**. You should see the **My Favorites** folder.
8. Right-click on **My Favorites** and select **Organize...Paste**.

By saving the baseline 1099 data extract into your **My Favorites**, you are making an editable copy of the template.

You will need to modify your baseline 1099 template to pull only 1099-MISC data for your agency in the selected calendar year.

9. While in the **My Favorites** folder, locate your saved 1099 baseline template and right-click on the report title.

NOTE: Make sure that you are opening up your copy of the 1099 baseline data extract, as you must be the owner of a template in order to modify it. Your copy of the template is in your **My Favorites**.

Also, you must have a Web Intelligence Named User license order to create and modify templates. If you do not see **Modify** as an option, you do not have a license to create and modify WebI templates.

10. Select **Modify**. If prompted with "Do you want to run this application?" select **Run**.

11. Select the **Enter value(s) for Agency** prompt, and enter or select your agency's three-digit code. Then select the right arrow to move it to **Selected Value(s)**.
12. Select the **Enter value(s) for Calendar Year** prompt, and enter or select the calendar year. Then select the right arrow to move it to **Selected Value(s)**.
13. Refresh the data by selecting **OK**.

ER WebI will retrieve your agency AFRS transaction details data for the selected calendar year from the 1099 secure data warehouse. This dataset includes secure Taxpayer Identification (TIN) information.

Your 1099 template now includes the **Agency AFRS Transaction Detail** report. This report has all the transactions that made up the payments. We'll use this default report to reconcile the payment transactions.

However, we do not need all the details included in the default **Agency AFRS Transaction Detail** report. We'll need a new report that has only the pertinent data to be included on a 1099-MISC form.

14. Review the 1099-MISC form for the requirements.

At a minimum, we need the following data for the 1099-MISC form:

- **IRS Box** (Since the amount in our AFRS data warehouse does not tell us which IRS box it should go on the 1099-MISC form, we need to pull the IRS Box value.)
- **Taxpayer ID**
- **Tax Type**
- **Vendor Name**
- **Vendor Address 1**
- **Vendor Address 2**
- **Vendor Address 3**
- **Vendor City**
- **Vendor State**
- **Vendor Zip**
- **Total Amount**

15. While in **Design** mode (confirm by looking in the upper right), right-click the **Agency AFRS Transaction Detail** report tab at the bottom and select **Add Report**.
16. Right-click on **Report 2** tab and select **Rename Report**.
17. In the new value field of the **Rename** dialog box, enter the new name **1099_MISC_Only** and select **Enter**.

When you are working in production, you can give it any name meaningful to you. The purpose of the new **1099_MISC_Only** report is to pull only the 1099 data elements needed for the 1099-MISC form.

18. Select the **Available Objects** button from the left-most column to access the data extract objects that can be used in your report.
19. Hold down the **Ctrl** key, and select each of the following 1099-MISC **Available Objects** in the order listed below:
 - a. **IRS Box**
 - b. **Taxpayer ID**
 - c. **Tax Type**
 - d. **Vendor Name**
 - e. **Vendor Address 1**
 - f. **Vendor Address 2**
 - g. **Vendor Address 3**
 - h. **Vendor City**
 - i. **Vendor State**
 - j. **Vendor Zip**
 - k. **Total Amount** (may be located in the **Variables** folder)

NOTE: When selecting the objects, be sure to select the parent object. This will ensure that you are including all data from the appropriate bienniums.

20. Once you have selected all 1099-MISC data elements, drag them to the empty report field section and drop them into the new report. You should have 11 columns in the **1099_MISC_Only** report.
21. Delete the **Agency AFRS Transaction Detail** report tab by right-clicking on the report tab and selecting **Delete Report**.

The dataset will include data for all IRS Box types, including those that your agency has coded as zero or blank. Transactions that show up with IRS Box type zero or blank are not 1099-MISC reportable.

We want to filter the data by IRS box type for two reasons:

1. To pull only the data that has is reportable.
2. We want to export and create one Excel file for each IRS Box Type. The purpose of creating one Excel file for each reportable IRS box type is to help you identify which IRS box to map to the amount on the 1099-MISC form.

You will want to understand how the IRS box value in our AFRS Data Warehouse matches the name of the box on the 1099-MISC form. Here is the crosswalk:

IRS box value in AFRS/ER WebI	Description	IRS box value on the 1099-MISC form	Description
0 or blank	NON-IRS REPORTABLE		
1	RENTS	1	RENTS
2	ROYALTIES	2	ROYALTIES
3	OTHER INCOME	3	OTHER INCOME
4	FEDERAL INCOME TAX WITHHELD	4	FEDERAL INCOME TAX WITHHELD
5	FISHING BOAT PROCEEDS	5	FISHING BOAT PROCEEDS
6	MEDICAL AND HEALTH CARE PAYMENTS	6	MEDICAL AND HEALTH CARE PAYMENTS
7	NON-EMPLOYEE COMPENSATION	7	NONEMPLOYEE COMPENSATION
A	CROP INSURANCE PROCEEDS	10	CROP INSURANCE PROCEEDS
C	GROSS PROCEEDS PAID TO AN ATTORNEY	14	GROSS PROCEEDS PAID TO AN ATTORNEY

Table 1: IRS Box Value Crosswalk

22. To filter data by IRS box type, select a cell in the data portion of the **IRS Box** column.
23. Under the **Analysis** tab, select the **Filter** dropdown list and then **Add Filter**.
24. In the **Report Filter** dialog box, select a reportable IRS Box value. For example, select **1** in the **IRS Box** for Rents. Then select the right arrow to move it to **Selected Value(s)**.
25. Select **OK**.

This will filter the report to show the payments made that match the **IRS Box** value chosen.

26. Now you can export the data to Excel. From the **File** tab, select the **Export** icon.
27. With **Reports** selected, choose **Excel** from the **File Type** drop-down list.
28. Select **OK**. The Excel spreadsheet export will be saved to your computer's **Downloads** folder.

You may choose to save the file to a different location on your computer. While in training, you may save the file to the training computer's public folder: **C:\Users\Public**.

29. Locate the spreadsheet and rename the file to include the IRS box code, and make a note of the location of where the file is saved.
30. Repeat for the rest of the other IRS boxes or as needed. It is recommended that you create at least one payment file for each IRS box value. You will need more files if your agency-customized template is pulling data at a lower level, for example, by Process Date.
31. Return to Webl, and right-click in the **IRS Box** column.
32. Select **Filter...Remove Filter**. Select **Yes** when prompted to confirm.
33. Repeat the steps to filter the data and export to Excel by the IRS box type.
34. When you're finished, you may **Log Off**.

Exercise 2. Creating a Tab-delimited 1099-MISC Source File

In order to upload your data extract(s) into Account Ability, you will first need to ensure that the data is properly formatted in tab-delimited text files.

1. Open your **File Explorer**.
2. Navigate to the location where you saved the exported file(s) from the previous exercise. If in training, it should be **C:\Users\Public**.
3. Open the first spreadsheet and select the **1099_MISC_Only** worksheet tab.
4. Delete column A and row 1; and delete the last, empty row.
5. Review the Taxpayer Identification Number (TIN) information for validity.
 - Cannot be blank
 - Must be 9 characters
 - At least one address must be available
 - Check for valid zip codes
6. Review the Amount. Negative amounts represent the payments.
7. In Excel, select **File...Save As**.
8. Browse to your location where you would like to save your file. For training, you may save the file to the public folder: **C:\Users\Public**
9. In the **Save As** dialog box, name your file and select **Text (Tab delimited) (*.txt)** from the **Save as type** drop-down list.
10. Select **Save**. Choose **Yes** when prompted with **Do you want to keep using that format?**
11. Close the Excel spreadsheet and select **Don't Save**.
12. Repeat the format conversion steps for each IRS Box file Excel spreadsheet.

Exercise 3. Using Account Ability to Report your 1099-MISC data

You will need to use the Citrix Receiver to access Account Ability. You will also need a Citrix user name and password. In order to practice the following exercises, you will be using generic training accounts for Citrix. Your Citrix user name is **OFM\TrainAA[XX]** where **[XX]** is the two-digit number of your training work station. Your password is **AA\$ystem1**.

You will be using generic training accounts in the Account Ability QA environment. Your Account Ability Client ID is **TRAIN[XX]**, where **[XX]** is the two-digit number of your training work station.

If you need assistance installing the Citrix Receiver or getting access to Account Ability at your work location, please contact the OFM Help Desk or refer to this web page: <https://www.ofm.wa.gov/it-systems/1099-misc-reporting/access-1099-download>.

Now that you have your data extracts downloaded and prepared in the proper format, we can continue to Account Ability and continue the reporting process.

1. Log on to Citrix with your user name and password. You will need to preface your Citrix user name with "OFM\". For example, **OFM\TrainAA01**.

When you log on to Citrix for the first time, the system will be prompt you to change your temporary password.

If you have not logged on to Citrix for the last 120 days, the system will follow the password aging policy and will require you to reset the password. Please contact the OFM Help Desk for assistance with resetting your password.

2. Select **APPS** at the top of the screen to access the environment icons. If multiple icons are shown, each icon represents a different Account Ability environment that you have access to.
3. Select the environment you wish to launch. In most cases, this will be a **PR** (production) environment showing the most recent date. For training purposes, select the QA environment showing the latest date. For example, **AA2019_QA**.

Account Ability may take some time to launch. Please wait before attempting to launch another instance.

- a. If prompted, always select **Full Access** to Citrix **Client File Security** and then select **OK**.

It is important that you grant **Full Access** for the software because the application needs access to the files residing on your computer or your agency's secure folders.

4. Select the **X** and/or the **Close** button to close out any **Need Forms?** or **Tip of the Day** system messages.
5. Select **Module...Client (Filer/Entity) Management**.

NOTE: You can also open up the Client (Filer/Entity) Management by clicking on the icon in the top right of the Account Ability toolbar.

6. Locate your agency's **Client ID** and **Select** it by using the button below. You can also open up a **Client ID** by double-clicking on it.
7. In the **Active Forms** window, select the **1099-MISC** form.

In production, Account Ability will prompt you for a 1099-MISC form password. This password is unique to your agency.

8. The 1099-MISC form should appear.

Account Ability is capable of importing your data into the forms automatically. To ensure that the data you've extracted from Enterprise Reporting (ER) Web Intelligence (WebI) has the proper schema (data mapping) for the 1099-MISC form, we will use the Import Mapping Utility to correctly map the data elements to 1099-MISC form.

<u>WebI</u>	<u>Account Ability</u>	<u>1099-MISC form</u>
IRS Box	Not applicable	Not applicable
Taxpayer ID	Taxpayer ID	RECIPIENT's identification number
Tax Type	TIN Type	DBA name or
Vendor Name	Name line 1	RECIPIENT's NAME
Vendor Address 1	Name line 2	DBA name or Street address (including apt. no.)
Vendor Address 2	Street address line 1	Street address (including apt. no.)
Vendor Address 3	Street address line 2	Street address (including apt. no.)
Vendor City	City	City
Vendor State	State	State
Vendor Zip code	Zip code	ZIP code
Total Amount	<p>See IRS Box value in the Source field, IRS Box, to determine which IRS box to map to on the 1099-MISC Form.</p> <p>For example, if the Source IRS box value is 1, it means that the Amount is for Rents on the 1099-MISC form.</p>	

Table 2: Data Mapping Conversion Table

9. Open the **Import Mapping Utility** at this time. Select **Module**, then **Import Mapping Utility**.
10. Locate the source file by selecting the **Locate the source file to be used...** icon.

11. Navigate to the location of your data extract file and select it. If in training, it should be located in **C:\Users\Public**.
12. Select **Open**. You should see the 11 data fields from the source file shown in the left **Source Field** pane.
13. From the **Tax Form** drop-down box in the upper left, select the 1099-MISC schema.
14. While in **Read Header** mode (shown in the upper right), start mapping the Source Fields to the Destination Fields on the 1099-MISC tax form. Select the **Source Field** and double-click on the correlating **Destination Field**. Do this for all 11 fields, according to [Table 2: Data Mapping Conversion Table](#) above

NOTE: You can also map by dragging a field from the source and dropping it in the correlating field in the destination.

You know that you have mapped all fields (except for the IRS Box field) from the Source Field section to the Destination Field when you see data in both the Destination Field and Source Field columns.

You can select the **Header Skip** radio button to validate your data mapping.

15. Once you have mapped all fields, select the **Header Skip** radio button.
16. Select **Execute** to create your Import Mapping File.
17. **Save** the Import Mapping File. Make a note of the location and file name.

Note that Account Ability has appended to the name of the mapped file.

18. Close the **Import Mapping Utility**. You may choose to save your mapping or not.

If you would like to save your import mapping in-progress, you can save your mapping (*.MAP) for future use by selecting the **Save the current mapping** under the **Save** header.

19. When you are ready to import the mapped data into the Account Ability forms, select **File...Import...ASCII Text File**.
20. Navigate to your 1099-MISC mapped file and then select **Open**.

NOTE: The mapped file should have **1099MISC** at the end of its name, unless this was changed during the file save process.

21. Select **Yes** to confirm the import.

If you have several distinct text files which, when combined, result in a single 1099-MISC form for each recipient, you will find the Rollup option quite beneficial. As long as each record of each file contains a primary key field, such as a taxpayer identification number (TIN), Account Ability can roll up these files over multiple import sessions.

The **Rollup Option** dialog box contains three options:

- a. **Append:** Each record of your source file is appended to the end of the file regardless of the existence of another return with the same primary key (e.g. - TIN).
- b. **Rollup (or Append):** The primary key field of each record is compared with those already on file. If a match occurs, the existing record's currency information is accumulated (rolled up). Otherwise, the record is appended to the end of the file.
- c. **Erase existing records:** If checked, existing records are first erased ensuring that the current import session begins with an empty table.

22. Select **Append** and **OK**.

The **Append** function creates a 1099-MISC form for each row that exists in the source file. **Append** does not discern if a recipient's form already exists in Account Ability. Each record of your source file is appended to the end of the file regardless of the existence of another return with the same primary key, such as the TIN.

23. If you wanted to start over from the beginning, you can use the **Tools...Kill This File...** feature.

Using this feature will clean out your client's reporting year of all 1099-MISC forms previously created via the Import Utility. It is very important to preserve your source files.

24. When finished, you can exit Account Ability. Select **File...Exit this Form**.
25. Then select **Module...Exit Account Ability**. Select **Yes** to confirm.
26. Please **Log Off**, if you are still logged on to Citrix.
27. At the end of class, please delete the Excel and text files from the training room's computer.