

November 19, 2020

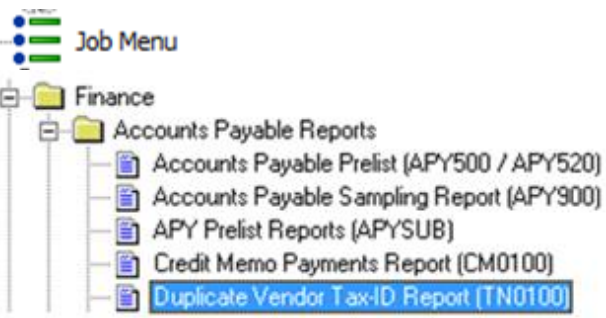
TO: Superintendents; CBO's; Accounts Payable

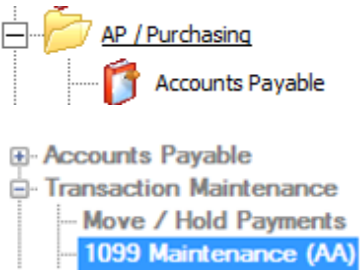
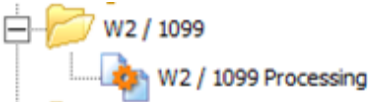
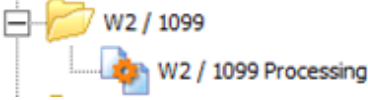
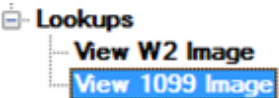
FROM: Division of Administration, Finance & Accountability

SUBJECT: 1099-MISC and 1099-NEC 2020

Districts that want the Kern County Superintendent of Schools Office to print 1099s for 2020 should submit signed 1099 pre-lists (omit or redact SSN/TINs) **by January 14, 2021**, to External Business Services (EBS) – email bass@kern.org. Only those districts that submit signed pre-lists will have 1099s processed and printed January 15, 2021.

A new Form **1099-NEC** replaces Form **1099-MISC** for reporting nonemployee compensation (in Box 7), shifting the role of the **1099-MISC** for reporting all other types of compensation. The final IRS 1099 electronic transmittal files will be created on January 28, 2021.

December 10	1099 Training – KCSOS via ZOOM 10:00 AM – 12:00 PM Register through OMS: https://kern.k12oms.org/eventdetail.php?id=196175
1099 Prelist (TNSB19)	Preliminary Prelist for 2020 Available NOW – Use NEW Next Year Option!
Print Duplicate Vendor Tax-Id Report (TN0100)	Run any time during the year to report vendors that have the same TIN under multiple vendor numbers. This report will allow you to begin resolving some of the 1099 issues prior to January 1. 
2020 1099 Prelist (TNSB20)	Prelist for 2020 Mid to Late December after Tax Release Installed
1099 Maintenance (AA) AP Adjust 1099 Payment Code/Value after Warrants are Issued	You may need to use Vendor Maintenance to Adjust the Vendor 1099 Flag (Yes or No) and the payment Preset/Default Payment Code/Value - See Figure 1

<table border="1"> <thead> <tr> <th>CODE</th> <th>EXPLANATION</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Rent.</td> </tr> <tr> <td>2</td> <td>Royalties.</td> </tr> <tr> <td>3</td> <td>Other Income.</td> </tr> <tr> <td>4</td> <td>Federal Income Tax withheld</td> </tr> <tr> <td>6</td> <td>Medical and health care payments.</td> </tr> <tr> <td>D</td> <td>Golden parachute (box 13).</td> </tr> <tr> <td>E</td> <td>Gross proceeds paid to an attorney (box 14)</td> </tr> <tr> <td>G</td> <td>State tax withheld (box 16)</td> </tr> <tr> <td>H</td> <td>State income (box 17).</td> </tr> <tr> <td>Y or 7</td> <td>Nonemployee compensation.</td> </tr> <tr> <td>N or Blank</td> <td>Not subject to 1099 reporting.</td> </tr> </tbody> </table> <p style="text-align: center;">Figure 1</p>	CODE	EXPLANATION	1	Rent.	2	Royalties.	3	Other Income.	4	Federal Income Tax withheld	6	Medical and health care payments.	D	Golden parachute (box 13).	E	Gross proceeds paid to an attorney (box 14)	G	State tax withheld (box 16)	H	State income (box 17).	Y or 7	Nonemployee compensation.	N or Blank	Not subject to 1099 reporting.	<p>Be advised that even though you adjust the vendor’s 1099 flag with the Vendor Maintenance module, when you view the purchase order payment screen, the 1099 flag will not have changed. The purchase order payment screen always indicates the status of the 1099 flag at the time of payment and does not change. The vendor record 1099 flag must be set to Yes and one or more payments to the vendor that have been set to a code/value for 1099 reporting must exist before a vendor will be taken into consideration when determining whether a 1099 will be generated.</p> 
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<p>Add and Adjust 1099-Misc. Additional Data as Needed</p>	<p>Create adjustments or add records for vendors, coaches or ASB who had reportable transactions that were not processed through the accounts payable system. Records created with this program show up on the 1099 prelist report with a reference type of 'FD' (meaning Foreign Data)</p>  <p>1099-Misc Additional Data (TNFD20)</p>																								
<p>January 14</p> <p>Deadline 1099 Prelist</p>	 <p>1099-Misc Prelist (TNSB20)</p> <p>Signed Prelist provided to bass@kern.org</p>																								
<p>January 15</p>	<p>KCSOS Print and Seal 1099-MISC and 1099-NEC Forms</p>																								
<p>January 19-22</p>	<p>Districts pick up 1099s for distribution by the January 31 deadline – earlier if possible.</p>																								
<p>February 1</p> <p>View 1099 Image</p>	<p>1099 Images Available from OASIS</p> <p>View/Reprint 1099 PDF Image</p> 																								

Please email bass@kern.org or contact Bruce Storer at (661) 636-4733 if you have any questions regarding this process.