

FEATURE 4014/4015

1099- MISC AND 1099-NEC FOR TAX YEAR 2020

OVERVIEW:

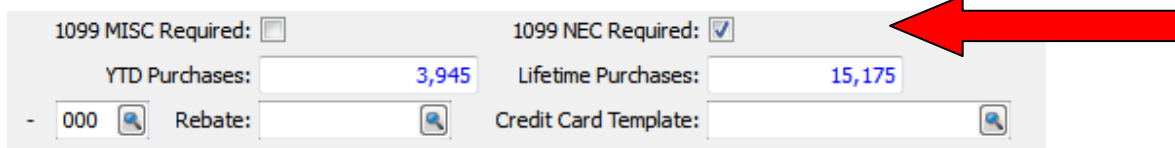
Effective January 2021 employers will need to file a new form 1099-NEC for companies/persons that were paid Nonemployee compensation instead of reporting this income on the 1099-MISC form Box 7 for tax year 2020. For more information go to this IRS website:

<https://www.irs.gov/instructions/i1099misc>

This modification was done to create the new programs needed to support the new 1099-NEC form and to also modify the existing 1099-MISC programs to support the revised format for 2021.

SET UP REQUIRED:

Prior to creating the 1099s you must first designate which of your vendors should receive the 1099-MISC versus a 1099-NEC. This is done by checking either the 1099 MISC Required box or the 1099 NEC Required box in the Vendor Master record.



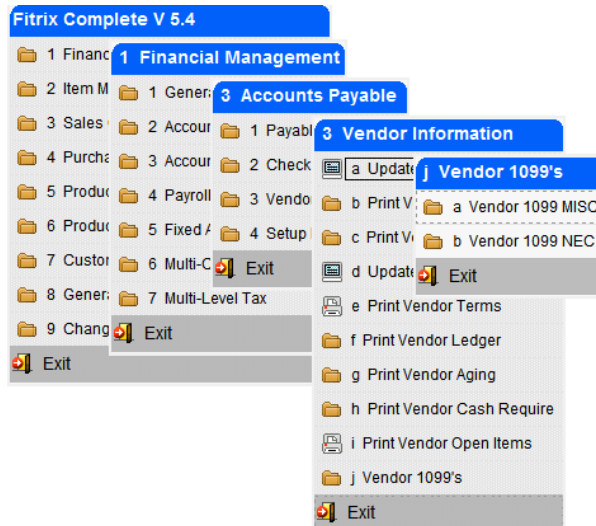
The screenshot shows a form with the following fields and values:

1099 MISC Required:	<input type="checkbox"/>	1099 NEC Required:	<input checked="" type="checkbox"/>
YTD Purchases:	3,945	Lifetime Purchases:	15,175
- 000	Rebate:	Credit Card Template:	

A red arrow points to the '1099 NEC Required' checkbox.

CREATING YOUR 1099 FORMS:

The programs are accessed using this submenu:



There has been no change in the process to create the 1099 MISC forms, only the format of the form itself has changed. To process use option (a) on the above submenu. These programs will only select those vendors where the 1099 MISC Required box is checked in the Vendor Master record.

To create your 1099 NEC forms use menu option (b). The process is exactly the same as with 1099 MISC programs but these programs will only select those vendors where the 1099 NEC Required box is checked in the Vendor Master record.

