ADOA – General Accounting Office

QUICK REFERENCE GUIDE: REVIEW AND UPDATE FORM 1099

REVIEW AND UPDATE FORM 1099

Review and Update form 1099

GAO prepares the initial set of 1099 forms for vendors doing business with Arizona. Each agency reviews reports of their own reportable payments and submits changes to GAO for entry in AFIS.

This Quick Reference Guide shows you how to review 1099 reports and submit corrections.

Background Setup for 1099 Processing

GAO manages several settings and processes within AFIS:

- 1099 Withholding Rate (percentage)
- Chart of Accounts (e.g., Object Codes) that are 1099 reportable
- Thresholds and 1099 Classifications for each Box of the 1099 forms
- Requirements for Vendor registration relating to 1099 setup
- Reporting State agencies' data as a single reportable entity as the "State of Arizona"
- Printing of forms and distribution to vendors
- Preparation of IRS file and distribution to IRS

APP (Arizona Procurement Portal) vendors manage their own 1099 information in APP. GAO and Agencies manage other non-APP Vendors in AFIS:

- Backup withholding requirement
- 1099 Indicator (Yes, No)
- 1099 Classification (e.g., Corporation, Individual, Trust, Not Reportable)
- Taxpayer ID Number and TIN Type (EIN or SSN)

As the calendar year is ending, GAO prepares 1099 reports:

- AFIS collects reportable payments for the calendar year (for 2015, July through December).
- AFIS runs the Offline 1099 Process in Testing Mode to generate 1099R records.
- AFIS loads 1099 records from interfacing agencies to generate 1099ER records.

1099 Data Review

After the 1099 data from New AFIS has been generated and updated with 1099 data from Legacy AFIS, all Departments review their individual 1099 Reports in order to identify any changes needed.

After the interfacing agencies submit their 1099 data, these Departments review their ***1099 External Report*** in order to identify any changes needed.

1099 Data Correction

After identifying changes needed, Departments submit Form GAO-94 to make changes.

Procedure for Agency 1099 Review & Corrections

Log into **AFIS**. **Navigate** to the InfoAdvantage Reports to find the 1099 Report.

1. In the **Jump to** field, enter ***INFOADV***
2. Click **Folders** tab
3. Navigate to your agency 1099/AP Confidential report folder to find the ***FIN-AZ-AP-N176i 1099 Internal Report*** that contains 1099 data from New AFIS. For 2015, you will also find DAFM953U that contains 1099 data from Legacy AFIS

Report ID: FIN-AZ-AP-N176i
Run Date: 12/10/2015
Run Time: 4:07 PM

State of Arizona
1099 Master Report
From Record Date: 7/1/2015 12:00:00 AM To Record Date: 12/10/2015 12:00:00 AM

Department: AAA - STATEWIDE SYSTEMS PROCESSING

TIN/SSN	Vendor Name	State	1099 Form Type	Org Type	Box 1	Box 7
118922289	FUNNYFARMS	AZ	1099-MISC	EIN	0.00	9,033.00
151690018	ANY DOC SOFTWARE INC	FL	1099-MISC	EIN	0.00	400,000.00
750809990	U S BANK NATIONAL ASSOCIATION	AZ	1099-INT	EIN	1,829,675.00	0.00
750809990	U S BANK NATIONAL ASSOCIATION	AZ	1099-MISC	EIN	0.00	2,200.00
965150865	KINGMAN NEUROLOGY	AZ	1099-MISC	EIN	0.00	105,000.00

1099 Form	Box 1	Box 7
1099-INT	1,829,675.00	0.00
1099-MISC	0.00	516,233.00
Total for Department: AAA	**1,829,675.00**	**516,233.00**

1099 Form	Box 1	Box 7
1099-INT	1,829,675.00	0.00
1099-MISC	0.00	516,233.00

```
DAFM953U ADA USAS 01            ******          S T A T E   O F   A R I Z O N A          **********************AGCY NUMBER    ADA
                                                      1099 MASTER REPORT                                        AGCY PAGE        1
09/15/15 (20:43) CYCLE 00000 ***********************************************************************************RUN PAGE         2
09/15/15 (SYS MGMT EFFECTIVE DATE)

*****************************************************************************************************************************
                                                                                                  ---  AMOUNT  ---  P V S S
YR IDENT     SEQ NAME                                    STATE ZIP        ACCOUNT NO.          FLD       DOLLARS  A T T I  CREATE DATE
*****************************************************************************************************************************

15                                                                                                 07          10.80    2 A AA 20150915
15                                                                                                 06      24,303.81    1 A AA 20150915
15                                                                                                 06         500.85    1 A AA 20150915
15                                                                                                 06         176.36    1 A AA 20150915
15                                                                                                 06         537.38    1 A AA 20150915
15                                                                                                 06         413.46    1 A AA 20150915
15                                                                                                 06       5,218.23    1 A AA 20150915
```

Report ID: FIN-AZ-AP-N176e
Run Date: 12/10/2015
Run Time: 4:41 PM

State of Arizona
1099 Master Report for Year 2015

Agency (Payer): DDD

TIN/SSN	Vendor Name	State	1099 Form Type	Org Type	Box 1	Box 3	Box 6	Box 7	Box 8	Box 14
943363471	SUNRISE AMBULATORY SURG.	AZ	1099-MISC	EIN	0	0	619.36	0	0	0
952667855	HANGER P&O WEST	AZ	1099-MISC	EIN	0	0	215.11	0	0	0

1099 Form Type	Box 1	Box 3	Box 6	Box 7	Box 8	Box 14
1099-MISC	0	0	3,261,363.19	0	0	0

If your department sent 1099 External data, view ***FIN-AZ-AP-N176e 1099 External Report.***

Report ID: FIN-AZ-AP-N176e
Run Date: 12/10/2015
Run Time: 4:41 PM

State of Arizona
1099 Master Report for Year 2015

Agency (Payer): DDD

TIN/SSN	Vendor Name	State	1099 Form Type	Org Type	Box 1	Box 3	Box 6	Box 7	Box 8	Box 14
943363471	SUNRISE AMBULATORY SURG.	AZ	1099-MISC	EIN	0	0	619.36	0	0	0
952667855	HANGER P&O WEST	AZ	1099-MISC	EIN	0	0	215.11	0	0	0

1099 Form Type	Box 1	Box 3	Box 6	Box 7	Box 8	Box 14
1099-MISC	0	0	3,261,363.19	0	0	0

Validate the amounts from each report to determine whether payments were missed or incorrectly reported. Identify the amounts that need to be changed.

Review and validate the list of vendors on the N176i and N176e reports.

1. Review the list of Vendors included; verify that it includes reportable vendors and does not include non-reportable vendors.
2. Review the Vendor Name for each TIN/SSN; verify that it is the correct Legal Name.
3. Review the Address for the Vendor.
4. Review the Box Amounts; identify any incorrect, missing or misclassified amounts.

Note: GAO will process 1099 Data corrections received by agencies using GAO-94 State of Arizona 1099-MISC Correction Form as in previous years. Refer to the instructions included on Form GAO-94 for additional instructions on 1099 correction.

Enter the Tax Year, Agency, and Preparer information for the entire Form GAO-94.

1. Enter Tax Year ***2015***
2. Enter your Department code (e.g., ***AAA***)
3. Enter Prepared by, Phone#, Authorized by, and Date information. The form must be signed or submitted by an individual authorized on Form GAO-3DT

For each Vendor requiring changes, enter the Vendor information and corrected amounts.

Select the **Add, Change, or Delete box** and **Tax Year**.

- To add a 1099 Vendor record where none was present, select the ***Add*** box.
- To change a record from the amounts on the 1099 report, select the ***Change*** box and check the button for the type of data to change: Name, Address, Amount, or Other.
- To delete a 1099 Record, check the ***Delete*** box.

Enter the Taxpayer ID (EIN or SSN) for the 1099 information to add, change, or delete.

1. For each Box Number, enter the Correct Amount, Previous Amount, and calculate the Difference between the Correct and Previous Amounts (i.e., the amount of the correction)
2. Enter a **Reason for Correction**
3. Email any supporting documentation, such as a new or updated W-9

STATE OF ARIZONA
1099-MISC Correction Form

Tax Year: | Open Instructions

Department: | Dept Name:

Check only one box: ☐ **Add** ☐ **Change:** ○ Name ○ Address ○ Amount ○ Other ☐ **Delete** ☐ **Duplicate** 1099 needed, for Tax Year:
(complete address information for duplicate W-9)

TIN (SSN or EIN) | VENDOR NAME

ADDRESS | CITY | STATE | ZIP CODE

For GAO Use ONLY: Entered By: Date:

BOX# & DESC	CORRECT AMOUNT	PREVIOUS AMOUNT	DIFFERENCE	BOX# & DESC	CORRECT AMOUNT	PREVIOUS AMOUNT	DIFFERENCE
1 RENTS				2 ROYALTIES			
3 OTHER INCOME				6 MEDICAL & HLTH			
7 NONEMP COMP				14 PD TO ATTORNEY			
REASON FOR CORRECTION:							

Helpful Hints

Submit your agency 1099 corrections to ADOA-GAO as soon as possible

ADOA-GAO will produce preliminary 1099R records and N176 reports by mid December. Be sure to view these sources and have your corrections ready to be submitted when GAO opens the correction process.

Include the reason for correction on the GAO-94 form

For both internal and external 1099 data correction, indicate the reason for correction on the GAO-94 form.

Duplicate 1099 Requests

To request a duplicate 1099 for a Vendor, check the ***Duplicate 1099 Needed*** box on Form GAO-94.