



7 Essential 1099 Preparation Steps in MIP

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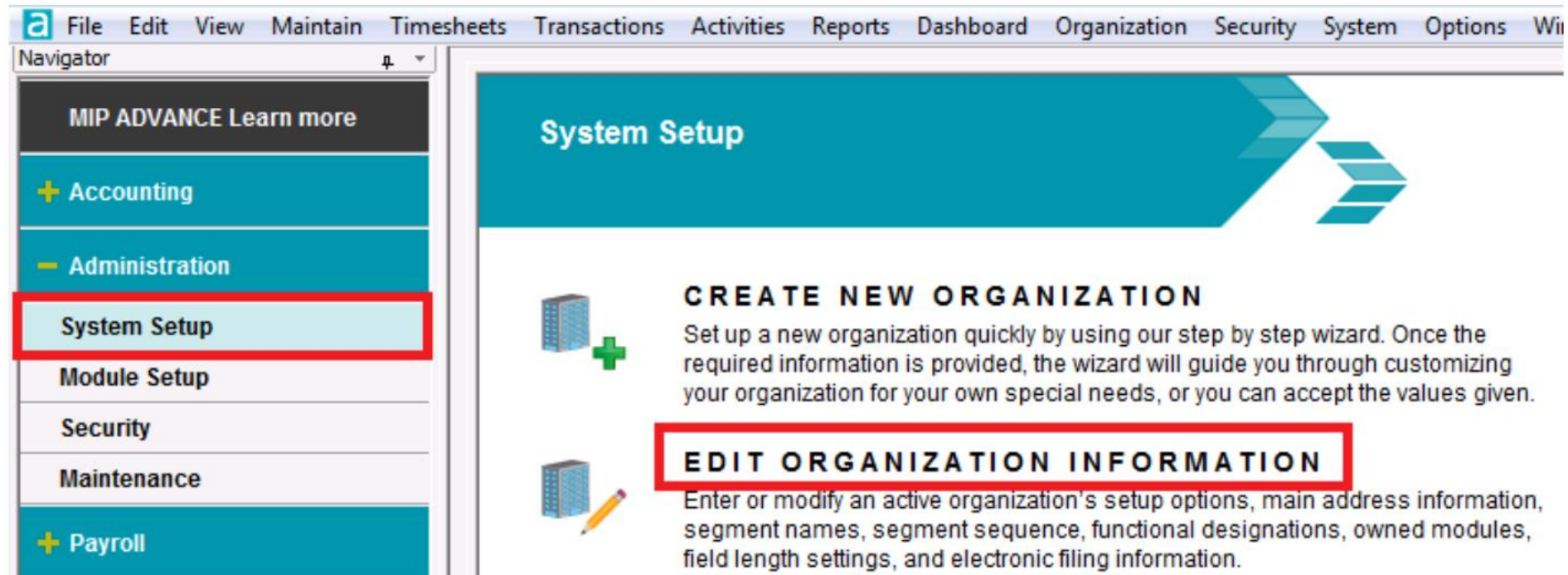
Important Notes Before You Begin

- Efiling Thresholds for 2024 Tax forms are 10 combined forms.
 - If you have more than 10 forms combined (1099/W2/1095 etc) you will be required to efile the Federal copy.
- The Federal Copy no longer requires RED preprinted forms. They can be printed on plain paper.
- You must be on MIP Version 24.1 or later to process the 1099-NEC or 1099-MISC for 2024.

1099 Preparation Steps

- 1) Review Org Information setup
- 2) Verify MLP user security rights
- 3) Review the vendor record setup as it affects 1099 reporting
- 4) Create a report to review 1099 Vendor Information
- 5) Prepare and review Detailed cash Journal
- 6) Prepare and review Summary Cash Journal
- 7) Decide and prepare for your chosen filing method

1) Confirm Organization Information



Confirm Organization Information

- Verify Name, Tax ID and applicable State Withholding

Organization	Address	Segments	Modules	Field Lengths	Electronic Filing	SMTP Email
Name:	NPS Training Organization					
Server:	543019-ICSQLDB2\ICSQLDB2					
Database:	PART_3041_NTO					
Currency:	USD					
Fiscal Year-end:	12/31/2018					
Federal Tax Identification Number						
☒ FEIN ☐ Foreign						
						74-4568489
1099 State Withholding Information						
State:	State Tax ID:					

Confirm Organization Information

- Verify Address information

Organization	Address	Segments	Modules	Field Lengths	Electronic Filing	SMTP Email
Main Address						
Address:		10800 Pecan Park Blvd Suite 400				
City:		Austin	State/Province:		TX	
Postal Code:		78750				
Country:						
Voice:		(512) 861-3000 Ext	FAX:			
Email:			Website:		www.abila.com	

2) Verify User Security Settings

- Security>Set up Organization Menus

Type: **USER** ☐ Display All Rights

ID: **Jeron** Jeron

	V	E	D	A	P	S
Accounting	V	E	D	A	P	S
File					P	
Maintain	V	E	D	A		S
Timesheets	V	E	D	A		
Transactions	V	E	D	A	P	
Activities	V	E	D	A	P	
Check Writing	V	E	D	A	P	
Receipt Writing	V	E	D	A	P	
Manage Sessions	V				P	
Manage Recurring Entries	V			A	P	
Display Balances	V					
Close Fiscal Year					P	
Reconcile Cash Accounts	V	E	D	A	P	
Budget Worksheet	V	E	D	A	P	
Process Allocations	V	E	D	A	P	
Display Encumbrance Balances	V					
Accounts Payable	V	E	D	A	P	
Select A/P Invoices to Pay	V	E	D	A	P	
Pay Selected A/P Invoices	V	E	D		P	
Create/Send A/P Electronic Payments					P	
Produce Vendor 1099's	V	E			P	

Rights

- ☒ View Existing Records
- ☒ Edit Existing Records
- ☐ Delete Existing Records
- ☐ Add New Records
- ☒ Process Records
- ☐ Display Sensitive Data

Description

Calculate and print vendor 1099's

Group Assignments

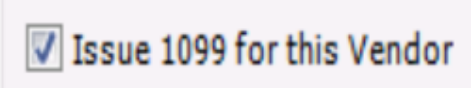
3) Understand the Vendor Record 1099 Tab

- Must check Issue 1099
- Proprietor Name required for SSN
- If Company, may use Proprietor Name for dba Name
- Name Control 4 characters
- SSN Surname
- FEIN (ignore “The”)

The screenshot displays the '1099 Information' tab within a vendor record interface. The tab is part of a series including 'Vendor', 'Addresses', 'Payment and Terms', 'Default Coding', '1099 Information', and 'Notes'. The 'Issue 1099 for this Vendor' checkbox is checked. A 'Foreign Address Indicator' checkbox is present but unchecked. The 'Proprietor Name' field is empty. The 'Federal Tax Identification Number' section has four radio buttons: 'FEIN' (selected), 'SSN', 'Applied For', and 'Foreign'. The 'FEIN' value '74-9876543' is displayed in a yellow-highlighted box. The 'Organization State Withholding' section includes an unchecked 'Override State Withholding' checkbox, a 'State' dropdown menu, and a 'State Tax ID' text field. The '1099 Form Setup' section shows 'Default Form Type' as 'MISC' and 'Default Box Number' as 'MISC-07', both in dropdown menus. The 'Name Control' is set to 'ABCO' in a yellow-highlighted box.

Field	Value
Issue 1099 for this Vendor	☒
Foreign Address Indicator	☐
Proprietor Name	
Federal Tax Identification Number	
FEIN	☒
SSN	☐
Applied For	☐
Foreign	☐
FEIN Value	74-9876543
Organization State Withholding	
Override State Withholding	☐
State	
State Tax ID	
1099 Form Setup	
Default Form Type	MISC
Default Box Number	MISC-07
Name Control	ABCO

Understand the Vendor Record 1099 Tab

- To affect the value of a 1099 box these conditions must be met
 - 1099 Box coded to a vendor that is flagged as a 1099 vendor 
at the time of data entry
 - Only posted AP Checks or Disbursements will be included in 1099 totals
 - Check or Disbursement transaction effective date must be in applicable year
 - It is not necessary to close a fiscal year to produce 1099s

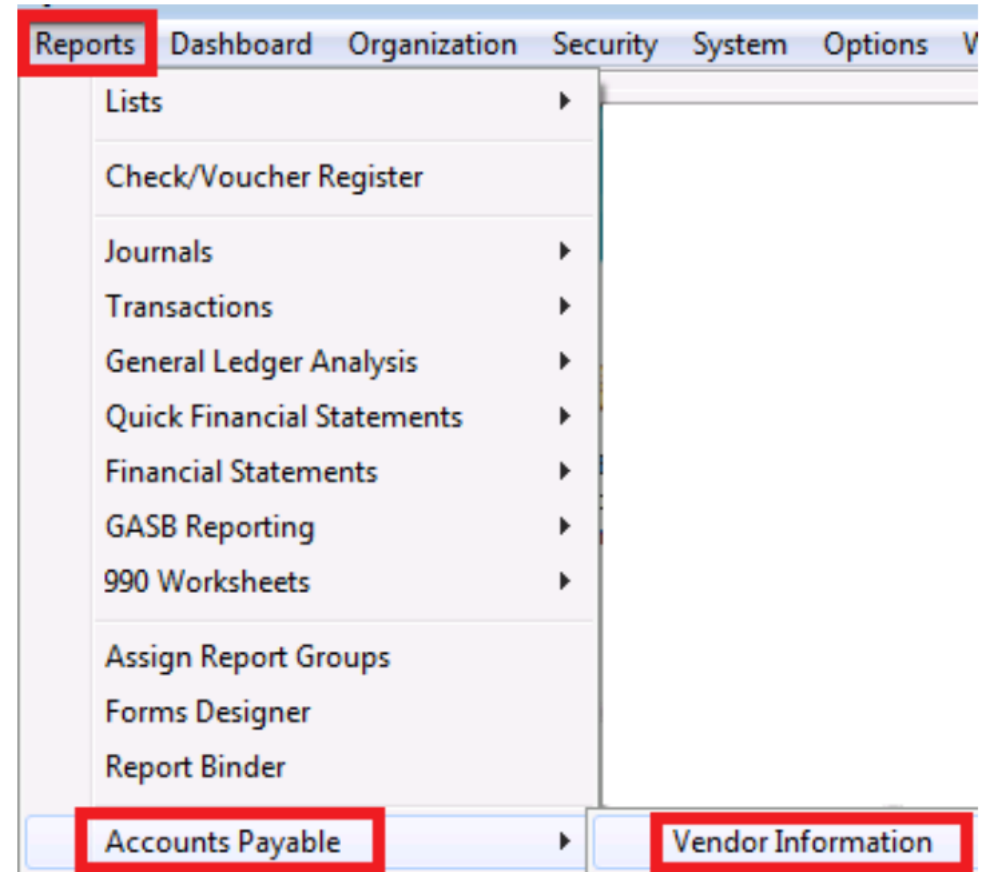
Understand the Vendor Record 1099 Tab

- Make changes to the amounts on your 1099's without affecting your other financial information
- Make adjustments for each type of 1099 form separately
- Multiple entries with same Year and Type/Box will be summarized into one line

1099 Adjustments				
	Year	Type	Box	Amount
	2004	MISC	MISC-07	100.00
	2005	MISC	MISC-01	700.00
	2005	MISC	MISC-07	(300.00)
	2006	MISC	MISC-01	500.00
	2017	MISC	MISC-07	100.00

4) Verifying Vendor Information

- Identify 1099 Vendors
- Check Tax Information
- Confirm Name Control
- Verify Address
 - No punctuation (optional)
 - 1099 form supports up to 3 address lines



Verifying Vendor Information

- Reports>Accounts Payable>Vendor Information Select default report <Default & 1099 Information>
- Use the below columns in the Report Body
- Filter tab Issue 1099 = Yes

Selected Columns	Sort	Width	Show Repeats	Wrap	Column Heading
Issue 1099	None	0.30	☒	☒	Issue 1099
Vendor ID	Asc	0.60	☒	☒	Vendor ID
Vendor Name	None	1.50	☐	☐	Vendor Name
Tax ID Type	None	0.40	☐	☐	Tax ID Type
Tax ID Number	None	0.75	☐	☒	Tax ID Number
Proprietor Name	None	1.00	☒	☐	Proprietor Name
Proprietor First Name	None	0.60	☒	☒	Proprietor First Name
Proprietor Last Name	None	0.60	☒	☒	Proprietor Last Name
Default 1099 Box Number	None	0.50	☒	☒	Default 1099 Box Number
Name Control	None	0.30	☒	☒	Name Control
Address	None	1.75	☒	☒	Address
City	None	0.40	☒	☒	City
State/Province	None	0.25	☒	☒	ST
Postal Code	None	0.75	☒	☒	Zip

Verifying Vendor Information

- Potential problems
- Note that First and Last Name now required when SSN used

Vendor ID	Vendor Name	Tax I...	Tax ID Number	Proprietor Name	Proprietor First Name	Proprietor Last Name	Default 1099 Box Number	Na... Con...	Address	City	ST	Zip
ABC	ABC Office Supply	FEIN	74-9876543				MISC-03	ABCO	161 North Lamar Suite 200	Austin	TX	78755
City	City Constructors	FEIN	01-1234567				MISC-03	CITY	5678 Congress Avenue	Austin	TX	78701
CPA	Williams & Errickson, CPA's	FEIN	65-4646464				NEC-01	WILL	7100 Highway 360 South Suite 210	Austin	TX	78346-5744
Mulberry	Mulberry & Thompson, Attor...	SSN	399-64-5545	Mulberry & Thom...			NEC-01	MULB	2121 West Grand Parkway	Austin	TX	78705-1111
Trans	Transportation Services	Applie...		John Madisson			NEC-01	TRAN	1200 South Congree Avenue	Austin	TX	787046455
Windell	Windell Property Management	FEIN	74-9548446	Robert Windell			MISC-01	WIND	3747 Town West Boulevard, Suite 1400 PO Box 37471400 Lincoln Center	Austin	TX	78705-5445

5) Cash Journal: 1099 Detailed Vendor Total Report

- Purpose: Verify Vendor 1099 Activity including Document Detail
- Set up tab Current Dates

Report Name
<1099 Detailed Vendor Total Report>

Print Name In
☐ Header ☐ Footer ☒ Do Not Print

Current Transaction Dates
Date Items: Custom

From: 1 / 1 / 2023 Through: 12/31/2023

- Filter tab

Selected Filter	Compares To	Criteria 1
Source	=	V
Vendor Issue 1099	=	Yes

5) Cash Journal: 1099 Detailed Vendor Total Report

- Contents Tab>Report Body

Selected Columns	Sort	Show Total	Width	Show Repeats	Wrap	Column Heading
ID	Asc	☒	0.30	☐	☐	ID
Payee/Recipient Name	None	☒	1.00	☒	☒	Payee/Recipient Name
1099 Type-Box	Asc	☒	0.60	☒	☐	1099 Box
Effective Date	None	☐	0.60	☐	☐	Effect Date
Document Number	Asc	☐	0.60	☐	☐	Doc Num
Transaction Description	None	☒	0.65	☒	☒	Transaction Description
Disbursements	None	☒	0.75	☒	☐	Disbursements
1099 Adjustment Amount	None	☒	0.75	☒	☐	1099 Adjustments
Transaction Source	Asc	☒	0.50	☒	☒	Transaction Source

5) Cash Journal: 1099 Detailed Vendor Total Report

- Requires research

Name	ID	Tax ID	1099 Box	Effect Date	Doc Num	Disbursements	1099 Adjustments	Transaction Description	Tra... Sou...
ABC Office Supply	ABC	74-9876543	N/A	3/20/2022	2012014	408.48	0.00	Pay Invoices	APC
ABC Office Supply		74-9876543	N/A	4/17/2022	2012022	420.14	0.00	Pay Invoices	APC
Total N/A						828.62	0.00		
ABC Office Supply		74-9876543	NEC-01	2/3/2022	2012001	60.73	0.00	Pay Invoices	APC
ABC Office Supply		74-9876543	NEC-01	3/5/2022	2012009	70.98	0.00	Pay Invoices	APC
ABC Office Supply		74-9876543	NEC-01	4/2/2022	2012017	72.52	0.00	Pay Invoices	APC
ABC Office Supply		74-9876543	NEC-01	5/3/2022	2012025	74.10	0.00	Pay Invoices	APC
ABC Office Supply		74-9876543	NEC-01	6/2/2022	2012033	77.36	0.00	Pay Invoices	APC
ABC Office Supply		74-9876543	NEC-01	7/3/2022	2012041	81.40	0.00	Pay Invoices	APC
ABC Office Supply		74-9876543	NEC-01	8/2/2022	2012049	78.31	0.00	Pay Invoices	APC
ABC Office Supply		74-9876543	NEC-01	9/2/2022	2012057	77.14	0.00	Pay Invoices	APC
ABC Office Supply		74-9876543	NEC-01	10/3/2022	2012065	75.99	0.00	Pay Invoices	APC
ABC Office Supply		74-9876543	NEC-01	11/2/2022	2012073	78.24	0.00	Pay Invoices	APC
ABC Office Supply		74-9876543	NEC-01	12/3/2022	2012081	75.32	0.00	Pay Invoices	APC
Total NEC-01						822.09	0.00		
Total ABC Office S...						1,650.71	0.00		

6) Cash Journal: 1099 Summarized Vendor Totals

- Purpose: Reconcile with Aatrix Preparer Grid
- Start with default report and update Current Transaction Date to your target dates
- Rename report

Report Name

<1099 Summarized Vendor Totals Report>

Print Name In

☐ Header ☐ Footer ☒ Do Not Print

Current Transaction Dates

Date Items: This Year

From: 1 / 1 / 2023 Through: 12/31/2023

6) Cash Journal: 1099 Summarized Vendor Totals

- No changes needed to Content or Filter tab
- Notice the total by 1099 Box

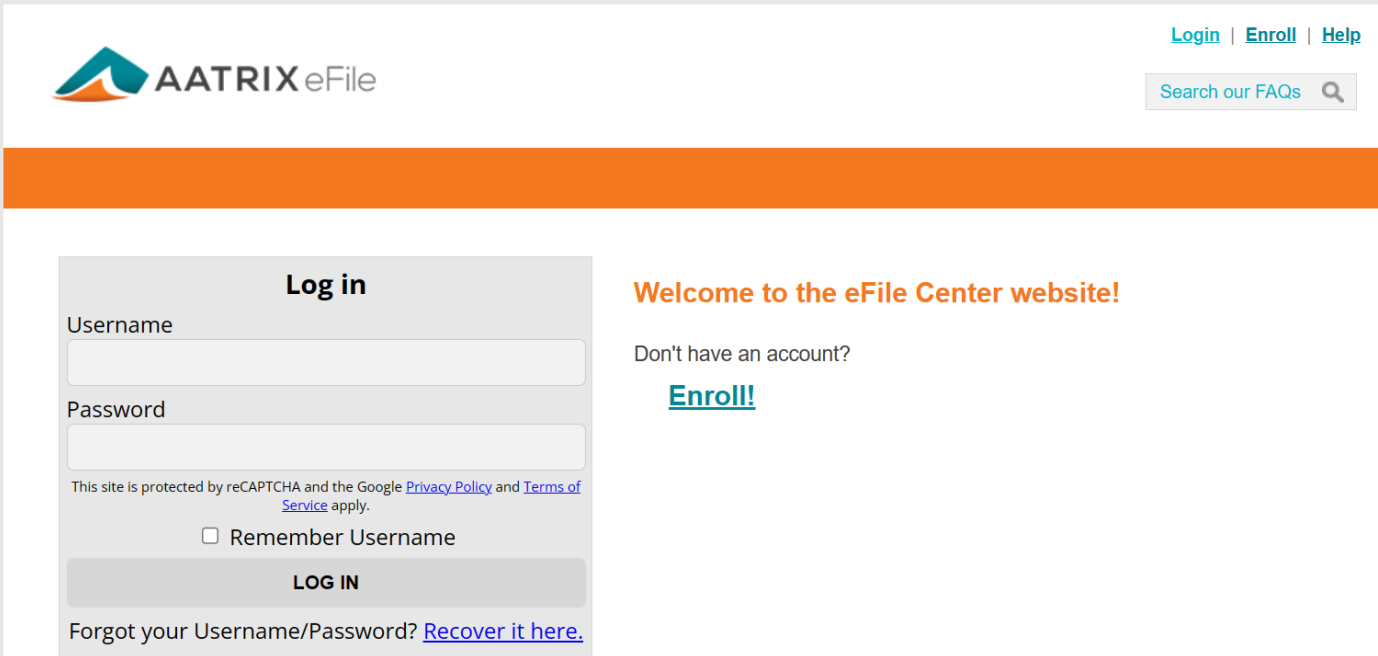
Name	ID	Tax ID	1099 Box	Disbursements	1099 Adjustment Amount
ABC Office Supply	ABC	74-9876543	N/A	828.62	0.00
ABC Office Supply		74-9876543	NEC-01	822.09	0.00
Total ABC Office Supply				1,650.71	0.00
Mulberry & Thompson, Attor...	Mulberry	399-64-5545	NEC-01	26,781.32	0.00
Total Mulberry & Thompson,...				26,781.32	0.00

7) Decide on Your Filing method

- All or partial Electronic Submission: Sign up or verify your Aatrix account www.Aatrix.com
- Print and mail yourself: Order necessary forms www.mipchecks.com
Enter the Discount Code 24YEARE15B for a 15% discount

Aatrix Registration or Log In

- First time users of Aatrix must register if you intend to efile
- Create account, credit card is required
- The deadline for the Aatrix Complete Filing Option is two business days before Federal deadline of January 31, 2023



The screenshot displays the Aatrix eFile website interface. At the top left is the Aatrix eFile logo. To the right are links for [Login](#), [Enroll](#), and [Help](#). Below these is a search bar labeled "Search our FAQs" with a magnifying glass icon. A prominent orange horizontal bar spans the width of the page. Below this bar, on the left, is a "Log in" form with fields for "Username" and "Password". Below the password field is a checkbox for "Remember Username" and a "LOG IN" button. At the bottom of the form is a link: "Forgot your Username/Password? [Recover it here.](#)". To the right of the login form, the text "Welcome to the eFile Center website!" is displayed in orange. Below this, it says "Don't have an account?" followed by a blue link "Enroll!".

Required Forms when self-printing & mailing

MIP Checks and Forms Ordering www.mipchecks.com
or call 844-857-2898

- Federal Copy (1099 and 1096): Plain paper, no forms needed
- Recipient Copy of 1099: Blank 4-part perforated paper and envelope
- Payer Copy for 1099: Plain paper or save as pdf

If you have more than 10 combined federal forms (W2, 1099, 1095 etc) you must efile instead of printing and filing

Technical Support for 1099's and MIP

- Nonprofits enrolled in a FTM Client Care Plan (CCP) at the Silver level or higher receive unlimited phone and email support for all MIP topics
- Nonprofits not enrolled in a FTM CCP can still receive assistance with MIP but will be invoiced for technical support services
- For more information on FTM and more MIP educational topics, visit www.ftmllc.com, or email jcomeau@ftmllc.com