

**Idaho State Tax Commission
Information Return 1099
E-Filing Guide**

(November 2017)



2017 INFORMATION RETURN 1099 E-FILING GUIDE

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2017 Information Return 1099 E-Filing Guide

New for 2017

Idaho is making no changes to our record layouts or other requirements.

Filing Form 1099

Form 967 and W-2s are due by January 31 and 1099s are due by February 28. If you have 1099s to file, you have two options:

1. **File all forms (967, W-2s, and 1099s) by January 31.**
 - a. Following this schedule can help you reconcile your withholding since you'll be working with all your records at once.
 - b. You can file online using Taxpayer Access Point (TAP) at tax.idaho.gov/gotoTAP or you can file by paper.

2. **File your 967 and W-2s by January 31, and file your 1099s by February 28.**
 - a. Make sure to include the amount of Idaho withholding from the 1099s along with the withholding from the W-2s in the "Total Idaho Tax Withheld" amount reported on the Form 967.
 - b. Also, include the number of 1099s with Idaho withholding on the Form 967.

If you choose the 2nd option, follow these instructions when you file your 1099s:

If filing 1099s in February online through TAP:

1. Report in the RV record (the electronic Form 967) only the withholding amounts from the 1099s included in the file.

If filing 1099s in February by paper (and the 1099s **do** include Idaho withholding):

1. Include the amount of Idaho withholding from the 1099s in the "Total Idaho Tax Withheld" amount on the Form 967, line 2 (along with the withholding from the W-2s filed earlier).
2. Include the number of 1099s with Idaho withholding on the Form 967, line 9 (adding it to the amount of W-2s filed earlier).
3. Check the "Amended" box on the Form 967.
4. Mail the Form 967 and your 1099s to:
Idaho State Tax Commission, PO Box 76, Boise ID 83707-0076.

If filing 1099s in February by paper (and the 1099s **don't** include Idaho withholding):

1. Complete Form 96 (or include a copy of IRS Form 1096).
2. Mail the form and your 1099s to:
Idaho State Tax Commission, PO Box 36, Boise ID 83722-0410.

Specifications

- Idaho follows the Internal Revenue Service (IRS) specifications outlined in Publication 1220 for filing information returns. You can find more information on the IRS website at www.irs.gov.
- Idaho specifications are in addition to IRS Publication 1220.
- Idaho has modified the end of the Payer C Record for reporting the RV Record, Idaho's electronic Form 967, *Idaho Annual Withholding Report*.
- Use numeric postal code 16 in B records to ensure they're identified as Idaho records.

Requirements

- Employers must provide current year information returns to employees by January 31.
- The due date for filing information returns that contain Idaho withholding with the Idaho State Tax Commission is February 28, but the Form 967, *Idaho Annual Withholding Report*, is due January 31.

E-Filing

Idaho accepts only 1099 files meeting the IRS specifications. No other 1099 e-filing options are available on our website.

- E-file your information returns on our secure TAP site at tax.idaho.gov/gotoTAP. Maximum file size is 25 MB.
- If you file information returns that contain Idaho withholding, you must include the electronic version of Form 967 in your file. Please see instructions for the RV record below.
- If you participate in the Combined Federal/State Filing Program, don't e-file information returns through TAP or by paper as that will result in duplicate filings. Only file information returns once. If any of the 1099s you filed through the Combined Federal/State Filing Program contain Idaho withholding, you'll need to file Form 967 by January 31, either electronically or by paper. Be sure to check the box indicating the information returns were submitted through Combined Federal/State filing.
- If you file information returns containing Idaho withholding after the due date, penalty and interest will be charged on the amount of tax due from the Form 967 due date until the date paid.
 - The minimum penalty is \$10 and the maximum penalty is 25% of the tax due.

- To calculate interest, multiply the amount of tax due by the daily interest rate, and then multiply the result by the number of days late. To get the daily interest rate, go to tax.idaho.gov/i-1040.cfm.
- If you submit your information returns containing Idaho withholding after the 1099 due date, a penalty of \$2 can also be applied to each information return for each full or partial month overdue. The minimum penalty is \$10 and the maximum penalty is \$2,000.
- An active EIN (Employer Identification Number) and Idaho withholding account number combination is required to e-file information returns through TAP at tax.idaho.gov/gotoTAP.
- You can test your information return files at tax.idaho.gov/gotoTAP before submitting them. Upload your test file, and the site will either return a specific error message or a confirmation screen indicating your format is correct and your file is ready for upload. Files are only submitted to the Tax Commission when you click the “Submit” button. Contact the E-File Help Desk at efilehelp@tax.idaho.gov for error correction help.
- This publication contains filing procedures for 2017 information returns only. You can only e-file 2017 information returns using the current year layout. When filing previous years, use the record layout for that year.

For questions not covered in this publication or for more information about e-filing, contact the E-File Help Desk at efilehelp@tax.idaho.gov or call 332-6632 in the Boise area or toll-free at (800) 972-7660, ext. 6632.

Combined Federal/State Filing Program for Information Returns

- Idaho participates in and encourages the 1099 Combined Federal/State Filing Program. This program allows the payer or its agent to file information returns with the federal government, and authorizes the release of this information to the applicable states involved. If your information returns filed through this program have Idaho withholding, you must complete and file Form 967 with the Idaho State Tax Commission by January 31. You can either e-file using TAP at tax.idaho.gov/gotoTAP or file by paper.

Be sure to report the number of 1099s with Idaho withholding and check the Combined Federal/State Filing box on the paper form as displayed below.

9. Number of 1099s <i>with Idaho withholding</i> for the year (send 1099s with this form) • _____
Check box if 1099s were submitted through combined federal/state filing • <input type="checkbox"/>

- Information on this program is available in IRS Publication 1220 at www.irs.gov.
- You can file the following information returns under the Combined Federal/State Filing Program:

Form 1099-B	Form 1099-DIV	Form 1099-G	Form 1099-INT	Form 1099-K
Form 1099-MISC	Form 1099-OID	Form 1099-PATR	Form 1099-R	Form 5498

- Use Combined Federal/State Code **16** in the B records to identify Idaho information returns. Idaho will only receive information returns with code **16**.

Instructions For 1099s With Idaho Withholding

To report state income tax withholding on Forms 1099-B, 1099-DIV, 1099-G, 1099-INT, 1099-K, 1099-LTC, 1099-MISC, 1099-OID, 1099-PATR, 1099-R, 1099-S, 1099-SA, W2-G

B Record Position	Field Name	Length	Field Specifications
663-722	Special Data Entries	60	Enter the 9-digit Idaho Withholding Account Number. <ul style="list-style-type: none">• Enter only numeric characters.• Omit hyphens and “W” Left justify and blank fill.
723-734	State Income Tax Withheld	12	Right justify and zero fill. Omit decimal points. Example: Total withholding of \$7,958.21 should appear as: “00000795800”

End of Payer C - RV Record Layout

RV Position	Field Name	Length	Field Specifications
508-509	Record Identifier	2	Enter "RV".
510-518	Federal Employer Identification Number (EIN)	9	Enter the employer's federal Employer Identification Number (EIN). <ul style="list-style-type: none"> • Enter only numeric characters. • Omit hyphens.
519-522	Name Control	4	Enter the first four letters of the legal business name. Left justify and fill with blanks.
523-531	Idaho Withholding Account Number	9	Enter the 9-digit Idaho withholding account number. <ul style="list-style-type: none"> • Enter only numeric characters. • Omit hyphens.
532	Filing Cycle	1	M, B, Q or Y indicates the payment frequency of the Withholding Account. (M=Monthly; B=Semimonthly; Q=Quarterly; Y=Annual)
533-538	Tax Period	6	MMYYYY (122017).
539-549	Zero Fill	11	Zero Fill
550-560	Total Idaho Tax Withheld on 1099s	11	Right justify and zero fill. Omit decimal points. Example: Total withholding of \$7,958.21 should appear as: "00000795800"
561-571	Withholding Payments Made During the Year	11	Payments made from 1/1/17 - 12/31/17 Right justify and zero fill. Omit decimal points. Example: Total payments of \$7,958.21 should appear as: "00000795800"
572-593	Zero Fill	22	Zero Fill
594-604	Remaining Tax Due or Refund	11	Total of positions "550-560" minus positions "561-571". Right justify and zero fill. Omit decimal points.

RV Position	Field Name	Length	Field Specifications
605	Tax Due Sign	1	Enter negative sign (-) if there is a refund. Leave blank if zero or if there is a tax due.
606-616	Penalty on Balance Due	11	Right justify and zero fill. Omit decimal points.
617-627	Interest on Balance Due	11	Right justify and zero fill. Omit decimal points.
628-638	Total Amount Due or Refund	11	Total amounts in positions "594-604" plus positions "606-616" plus positions "617-627". Right justify and zero fill. Omit decimal points.
639	Tax Due Sign	1	Enter negative sign (-) if there is a refund. Leave blank if zero or if there is a tax due.
640-646	Zero Fill	7	Zero fill
647-653	Total Number of 1099s with Idaho withholding	7	Right justify and zero fill. Cannot be blank.
654	Combined Federal/State 1099 Participant	1	Enter "1" for Yes, "0" for No.
655-661	Total Number of statements	7	Total of position "647-653". Right justify and zero fill.
662-672	Penalty for Late Filing	11	Right justify and zero fill. Omit decimal points.
673-683	Total Due or Refund	11	Total of positions "628-638" plus positions "662-672". Right justify and zero fill. Omit decimal points.
684	Total Due Sign	1	Enter negative sign (-) if there is a refund. Leave blank if zero or if there is a tax due.
685-748	Filler	64	Fill with blanks.
749	End of Line Marker	2	Enter blanks or Carriage Return/Line Feed (CR/LF) characters. Mainframe users can use X

Step-By-Step Instructions for Creating an RV Record

To create an RV Record (Electronic Form 967), you'll need:

- A valid EIN (Employer Identification Number)
- A valid Idaho withholding account number (associated with the EIN above) and the filing cycle
- Total Idaho withholding reported on the information returns
- Total withholding payments made during the year (910 payments)
- An Idaho Information Return file
- The RV Record Layout from this publication (Pages 7-8)
- A text editing software. Notepad++ is ideal and free to download.

When creating an RV Record (Electronic Form 967), complete the following steps:

1. Open the file in a text editing software, and use the down arrow key until you reach the bottom of the file. Locate the "Payer C Record".
2. Once you have located the "C" Payer Record, move the cursor to position 508.
3. Position 508 – Enter RV.
4. Position 510 – Enter the 9-digit EIN (Employer Identification Number). Make sure that the line positions match the RV Record Layout (positions 510-518)
5. Position 519 – Enter the first four letters of the legal business name
6. Position 523 – Enter the 9-digit Idaho withholding account number.
7. Position 532 – Enter the filing cycle (M, B, Q, and Y) associated with the Idaho withholding account.
8. Position 533 – Enter the tax period for the filing year in the correct format of "MMYYYY". A correct entry would be "122017".
9. Position 539-549 – Enter zeroes.
10. Position 550-560 – Enter the total Idaho tax withheld on 1099s. The figure should be rounded to the nearest whole dollar, and should end with "00" to represent a placeholder for cents. Example: Withholding of \$7,958.21 should appear as: "00000795800".
11. Position 561-571 – Enter the withholding payments made during the year. The figure should be rounded to the nearest whole dollar, and end with "00" to represent a placeholder for cents. Example: Total payments of \$7,958.21 should appear as: "00000795800".
12. Position 572-593 – Enter zeroes.
13. Position 594-604 – Enter the remaining tax due or refund.
 - Total of positions 550-560 minus 561-571

The figure should be rounded to the nearest whole dollar and should be followed by "00" to represent a placeholder for cents. Example: Tax due of \$156.73 should appear as: "00000015700".

14. Position 605 – Enter a negative sign (-) if positions 594-604 result in a refund. If positions 594-604 result in a tax due or zero tax liability, leave position 605 blank.
15. Position 606-616 – Enter the amount of self-assessed penalty if you have any on the remaining tax due.
16. Position 617-627 – Enter self-assessed interest if you have any on the remaining tax due
 - Penalty and interest figures should be rounded to the nearest whole dollar and end with “00” to represent a placeholder for cents. Example: Self-assessed penalty of \$50.00 should appear as: “00000005000”.
 - If you’re unsure how much penalty and/or interest to calculate, zero fill positions 606-616 and 617-627. We’ll send you a statement with the correct penalty and interest due.
17. Position 628-638 – Enter the total amount due or total refund amount. This amount should equal the total of positions 594-604, 606-616 and 617-627. The figure should be rounded to the nearest whole dollar and should end with “00” to represent a placeholder for cents. Example: Total amount due of \$2,503.67 should appear as: “00000250400”.
18. Position 639 – Enter a negative sign (-) if positions 628-638 result in a refund. If positions 628-638 result in a tax due or zero tax liability, leave position 639 blank.
19. Position 640-646 – Enter zeroes.
20. Position 647-653 – Enter the total number of 1099s submitted. This seven digit field is right-justified and zero-filled, so a total of 33 1099s would appear as “0000033”.
21. Position 654 – Enter a “1” if any 1099s or other informational return types will be submitted using the Combined Federal/State filing program. If the 1099s will be filed electronically, enter a zero.
22. In positions 655-661, enter total number of 1099s (total of positions 647-653) included in the filing. This is a seven digit field, which is right-justified. A total number of 158 statements would appear as “0000158”.
23. If you have self-assessed a late filing penalty, enter the amount in positions 662-672.
 - This figure should be rounded to the nearest whole dollar and should be followed by “00” to represent a placeholder for cents. Example: Late filing penalty in the amount of \$1,500.00 should appear as: “00000150000”.
 - If you’re unsure how much penalty to calculate, zero fill positions 662-672. We’ll send you a statement with the correct penalty due.
24. Enter the total due or refund amount in positions 673-683. This amount should be a result of the total of positions 628-638 and 662-672. The figure should be rounded to the nearest whole dollar and should be followed by “00” to represent a placeholder for cents. Example: A total amount due of \$4,304.04 should appear as: “00000430400”.

25. If positions 673-683 result in a refund, enter a negative sign (-) in position 684. If positions 673-683 result in a tax due or zero tax liability, leave position 684 blank.
26. Fill positions 685-748 with blanks. This field is intended to be used for filler. Once you have reached position 749, hit the enter key on your keyboard one time. This will create the necessary Carriage Return/Line Feed within this position, and will act as an end of line marker.
 - If an empty line is created, delete the blank line.
27. The file should now be ready for upload.

Common Problems

1. Invalid line length:

- IRS specifications for line length state that each record within the file must be 748 characters in length, and allow position 749 and 750 for end-of-line markers. Idaho requires an end-of-line marker (Carriage Return/Line Feed) in position 749. Leave position 750 available for a possible control character added by the file creation software to prevent and/or avoid invalid line length errors.

2. RV Record errors:

- The RV Record is a summary record for the filing, and begins at position 508 of the Payer C Record. Only populate your RV Record with information from the filing. Review the RV Record Layout (pages 7-8) for specific field specifications. If errors are detected when you're filing, our site will provide specific error messages to help with correcting the file. If you need further error correction help, please contact the E-File Help Desk at efilehelp@tax.idaho.gov.

3. Most common RV Record errors:

- The filing cycle/frequency (RV Position 532) doesn't match our records.

M = Monthly, B = Semimonthly, Q = Quarterly, Y = Annual

- Withholding payments made during the year is blank

If RV positions 561-571 are blank or zero filled, the file is reporting that no withholding payments were made during the year. To correct this error, enter the total withholding payments made during the year in the correct RV positions.

- Amount fields don't include the placeholder for cents.

All payment/amount fields must be rounded to the nearest whole dollar and should be followed by "00" to represent a placeholder for cents. Example: Withholding of \$7,958.21 should appear as: "00000795800".

Correcting Information Return Submissions

To correct information returns **that contain Idaho withholding**, send Form 967, *Idaho Annual Withholding Report*, and a paper copy of the correct information return(s) to the address below:

1099 Corrections
Idaho State Tax Commission
PO Box 76
Boise ID 83707-0076

If you need a copy of your Form 967 to submit with your correction, email the E-File Help Desk at efilehelp@tax.idaho.gov and include your Idaho withholding account number in the request.

To correct information returns **that don't contain Idaho withholding**, send Idaho Form 96 or IRS Form 1096 and a paper copy of the correct information return(s) to the address below:

1099 Corrections
Idaho State Tax Commission
PO Box 36
Boise ID 83722-0410

Commonly Asked Questions and Answers

1. Q: Are all e-filed information returns (1099s) required to have the RV Record?

A: No. The RV Record is only required if Idaho withholding is reported on any information returns (1099s).

2. Q: Can multiple information returns be compiled into a single e-filing?

A: Yes. Files must contain a single T and F Record and be complete for each information return type (Records A through C).

3. Q: Can information returns be manually entered one at a time on the website?

A: No. Information returns must be uploaded within a properly formatted file or filed by paper.

4. Q: I want to file under the Combined Federal/State Filing Program for 1099s. Do I need the state's approval?

A: No. Approval for participation in the Combined Federal/State Filing Program is granted by the federal government. For more information on how to get approval for this filing program, see IRS Publication 1220 at www.irs.gov.

5. Q: What do I need to do if I file information returns that contain Idaho withholding using the Combined Federal/State Filing Program?

A: Complete Form 967, *Idaho Annual Withholding Report*, check the Combined Federal/State filing box on Line 9, and submit it to the Idaho State Tax Commission by January 31. The Form 967 may be e-filed on TAP or by paper.

Mail paper Form 967s to:

Idaho State Tax Commission

PO Box 76

Boise ID 83707-0076

6. Q: Do information returns filed on paper require a cover sheet?

A: Yes. For information returns that contain Idaho withholding, attach them to Form 967, *Idaho Annual Withholding Report*. If the information returns don't have Idaho withholding, submit them with Idaho Form 96 or IRS Form 1096. When choosing to file the 1099s with Idaho withholding after the Form 967 due date, include a copy of the timely-filed Form 967 and write "Amended" across the top.

7. Q: What 1099 types can be e-filed with Idaho?

A: Idaho accepts all 1099 types that can be e-filed with the Internal Revenue Service. For more information, see IRS Publication 1220 at www.irs.gov.