

**Idaho State Tax Commission
Electronic Information Return 1099
Reporting Manual**

(November 2016)



2016 ELECTRONIC INFORMATION RETURN FILING INFORMATION

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2016 Electronic Information Return Filing Information

New for 2016

The due date for the Form 967 and W-2s is January 31. The due date for 1099s is still February 28.

→ Filing Form 1099 (beginning in 2017)

Form 967 and W-2s are due by the last day of January, and 1099s are due by the last day of February. If you have 1099s to file, you have two options:

1. **File all forms (967, W-2s, and 1099s) by the last day of January.**
 - 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 TAP, or you can file by paper.

2. **File your 967 and W-2s by January 31, and file your 1099s by the last day of February.**
 - 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.
 - c. If you're participating in the Combined Federal/State filing program, check the appropriate box on the form.

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. Write "AMENDED" clearly 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 will follow the Internal Revenue Service (IRS) specifications outlined in Publication 1220 for filing 2016 information returns. Additional information can be found on the IRS website at www.irs.gov.
- Idaho specifications are in addition to Internal Revenue Service (IRS) Publication 1220.
- Idaho has modified the end of the Payer C Record for reporting Idaho withholding on information returns. This will require an RV Record for each information return type that contains Idaho withholding.

Requirements

- Employers must provide current year information returns to employees before February 1.
- The due date for filing information returns that contain Idaho withholding with the Idaho State Tax Commission is on or before the last day of February but the Form 967 Idaho Annual Withholding Report is due January 31.

Electronic Filing

- File your information returns electronically on our secure Taxpayer Access Point (TAP) site at tax.idaho.gov.
- If you file information returns that contain Idaho withholding, you must include the electronic version of Form 967 Idaho Annual Withholding Report in your file. Please see instructions for RV record below.
- If you participate in the Combined Federal/State Filing Program, please don't file information returns electronically or by paper, as they will result in duplicate filings. Only file information returns once.
- If you file information returns (that contain 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 \$10.00, and the maximum penalty is twenty five percent (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.
- If you submit your information returns (that contain Idaho withholding) after the 1099 due date, a penalty of \$2.00 may also be applied to each information return for each full or partial month overdue.
 - The minimum penalty is \$10.00, and the maximum penalty is \$2,000.00.

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"/>

- An active EIN (Employer Identification Number) and Idaho withholding account number combination is required to file information returns electronically through tax.idaho.gov.
- A payroll provider site is available to verify EIN and Idaho withholding account number combinations, and the filing cycles associated with each account. Payroll providers must register before they can access this site. To register, e-mail the Electronic Filing Help Desk at efilehelp@tax.idaho.gov or call 332-6632 in the Boise area or toll free at (800) 972-7660, ext. 6632.
- You can test your electronic information return files at tax.idaho.gov prior to submission. 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 Idaho State Tax Commission when you click the “Submit” button. Contact the Electronic Filing Help Desk at efilehelp@tax.idaho.gov for error correction assistance.
- This publication contains filing procedures for 2016 information returns only. You can only file 2016 information returns electronically using the current year layout.

For questions not covered in this publication or for more information about electronic filing, contact the Electronic Filing 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

- The state of 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 have Idaho withholding, Combined Federal/State filers must complete Form 967 (Idaho Annual Withholding Report) using Idaho TAP (Taxpayer Access Point) at tax.idaho.gov or by paper, report the number of 1099s with Idaho withholding and check the Combined Federal/State box on the paper form (displayed below). The due date for filing Form 967 with the Idaho State Tax Commission is January 31.

- Information on this program is available in IRS Publication 1220, located at www.irs.gov.
- The following information returns may be filed 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

Instructions For 1099's 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.

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, Q-Quarterly, B-Semimonthly, Y-Annual
533-538	Tax Period	6	MMYYYY (122016).
539-549	Zero Fill	11	Zero Fill
550-560	Total Idaho Tax Withheld on 1099's	11	Right justify and zero fill. Omit decimal points.
561-571	Withholding Payments Made During the Year	11	Payments made from 1/1/16 - 12/31/16 Right justify and zero fill. Omit decimal points.
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)
- An Idaho Information Return file
- The RV Record Layout from this publication (Pages 5-6)
- A text editing software, similar to Notepad

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 "122016".
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", which represents a placeholder for cents. Example: Withholding of \$7958.21 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", which represents 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" which represents 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 are unsure how much penalty and/or interest to calculate, zero fill positions 606-616 and 617-627. A statement will be issued 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” which represents a placeholder for cents. Example: Total amount due of \$2503.67 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 are unsure how much penalty to calculate, zero fill positions 662-672. A statement will be issued 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” which represents 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.

Electronically File Information Returns on Idaho TAP (Taxpayer Access Point)

You must have a TAP logon to file information returns electronically.

1. Go to tax.idaho.gov.
2. Select TAP on the right side of the page.
3. Click “Sign Up” in the Sign Up For Online Access section of the page to create a logon. Refer to the TAP FAQ for more information about using TAP.

Contact the Electronic Filing Help Desk at efilehelp@tax.idaho.gov or call 332-6632 in the Boise area or toll free at (800) 972-7660, ext. 6632 for additional assistance.

Common Problems

1. Invalid Line Length:
 - Internal Revenue Service (IRS) specifications for line length state that each record within the file must be 748 characters in length, and allows 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. Missing File Data:
 - Occasionally, information returns are issued with incomplete information, and may be fields that are required by the IRS and by Idaho. If you receive missing data error messages when filing, please open your file and populate the missing information.
3. 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 5-6) for specific field specifications. If errors are detected when filing, our site will provide specific error messages to help with correcting the file. If you need further error correction assistance, please contact the Electronic Filing Help Desk at efilehelp@tax.idaho.gov.

4. Most Common RV Record Errors:

- Name control (RV Positions 519-522) does not match our records.
- The filing cycle/frequency (RV Position 532) does not match our records.
 - M = Monthly, Q = Quarterly, B = Semimonthly, 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 not including the place holder for cents.
 - All payment/amount fields should be rounded to the nearest whole dollar, and should be followed by “00” which represents a placeholder for cents. Example: Withholding of \$7958.21 should appear as: “00000795800”.

Correcting Information Return Submissions

To correct information returns that contain Idaho withholding, please include Form 967 (Idaho Annual Withholding Report) with your submission and send it to the address below. If you need a copy of your Form 967 to submit with your correction, email the Electronic Filing Help Desk at efilehelp@tax.idaho.gov and include your Idaho withholding account number in the request.

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

To correct information returns that do not contain Idaho withholding, please include Idaho Form 96 or IRS Form 1096 to the address below.

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

Commonly Asked Questions and Answers

1. Q: Are all electronically 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 electronic 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 obtain 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 on or before the last day of January. The Form 967 may be filed electronically on Idaho TAP or by paper.

Mail paper Form 967s to:

Idaho State Tax Commission

PO Box 76

Boise, Idaho 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, attach them to 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 filed electronically with Idaho?

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