

# MICROSOFT DYNAMICS GP

2022 year-end information for 1099 processing



December 7, 2022

RSM National Dynamics GP Support Team

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# Course materials

- RSM's year-end manual is available
- Visit the Resource List to the right of your screen to download now
- It will also be available via email following this webcast



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Located in our Boston, MA office

Shirley specializes in Dynamics GP consulting with over 28 years of experience.

# 1099 process learning objectives

- Understand how GP records 1099 Amounts
- Learn how to validate and update or correct 1099 information for vendors
- Steps for 1099/1096 forms printing
- Q & A

# 1099 CHANGES

# Year-end update

- 2022 Year-end Update - Released on November 21, 2022
- Supported versions:  
Dynamics GP versions 18.2, 18.3, 18.4, and 18.5.  
There is not an update for GP2016

## Notes:

- Dynamics GP 2015, mainstream support ended on April 14, 2020 (meaning tax, year-end or further product updates for GP 2015 will not be available until an upgrade to a later version is performed and enhancement plan is current).
- Dynamics GP 2016 mainstream support end on July 13, 2021. If utilizing GP 2016 or a prior version, please contact your RSM consultant or account manager to discuss planning and options.

# Year-end update

- 1099-MISC
  - Account number has moved down a box, FACTA filing has moved over, and 2<sup>nd</sup> TIN has moved down a box
- 1099-INT, 1099-DIV, 1099-MISC, 1099-NEC
  - Add the year to dynamically print on the form (IRS removed this from the pre-printed form)
- Corresponding changes to Form 1096 for 2022

# Year-end update

- The 1099-NEC form sample

7171		<input type="checkbox"/> VOID	<input type="checkbox"/> CORRECTED			<b>Nonemployee Compensation</b>
PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.				OMB No. 1545-0116	Form <b>1099-NEC</b>	
				(Rev. January 2022)	For calendar year	<b>Copy A</b> For Internal Revenue Service Center <b>File with Form 1096.</b> For Privacy Act and Paperwork Reduction Act Notice, see the <b>current General Instructions for Certain Information Returns.</b>
PAYER'S TIN		RECIPIENT'S TIN		1 Nonemployee compensation	\$	
RECIPIENT'S name				2 Payer made direct sales totaling \$5,000 or more of consumer products to recipient for resale	<input type="checkbox"/>	
Street address (including apt. no.)				3		
City or town, state or province, country, and ZIP or foreign postal code				4 Federal income tax withheld	\$	
Account number (see instructions)		2nd TIN not.	<input type="checkbox"/>	5 State tax withheld	6 State/Payer's state no.	
				\$	\$	\$

Form **1099-NEC** (Rev. 1-2022)

Cat. No. 72590N

[www.irs.gov/Form1099NEC](http://www.irs.gov/Form1099NEC)

Department of the Treasury - Internal Revenue Service

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# Year-end update

## Form 1099-MISC

9595		<input type="checkbox"/> VOID	<input type="checkbox"/> CORRECTED		
PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.				1 Rents	OMB No. 1545-0115
				\$	Form 1099-MISC
				2 Royalties	(Rev. January 2022)
				\$	For calendar year
				3 Other income	20
				\$	
PAYER'S TIN	RECIPIENT'S TIN			4 Federal income tax withheld	<b>Miscellaneous Information</b>
				\$	
				\$	
RECIPIENT'S name				5 Fishing boat proceeds	6 Medical and health care payments
				\$	\$
				\$	\$
Street address (including apt. no.)				7 Payer made direct sales totaling \$5,000 or more of consumer products to recipient for resale	8 Substitute payments in lieu of dividends or interest
				\$	\$
				\$	\$
City or town, state or province, country, and ZIP or foreign postal code				9 Crop insurance proceeds	10 Gross proceeds paid to an attorney
				\$	\$
				\$	\$
				\$	\$
				\$	\$
Account number (see instructions)				13 FATCA filing requirement	14 Excess golden parachute payments
				<input type="checkbox"/>	\$
				\$	\$
				\$	\$
2nd TIN not.				16 State tax withheld	17 State/Payer's state no.
				\$	\$
				\$	\$
				\$	\$
<b>Copy A</b> For Internal Revenue Service Center					
<b>File with Form 1096.</b> For Privacy Act and Paperwork Reduction Act Notice, see the <b>current General Instructions for Certain Information Returns.</b>					

Form 1099-MISC (Rev. 1-2022)

Cat. No. 14425J

[www.irs.gov/Form1099MISC](http://www.irs.gov/Form1099MISC)

Department of the Treasury - Internal Revenue Service

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# 1099 PROCESSING

# 1099 functionality

- In prior versions, several enhancements were made to help view and edit 1099 information. These features include:
  - Ability to edit 1099 information at the transaction level
  - Ability to easily change a vendor designation if they were not marked as either a 1099 vendor or a non-1099 vendor before transactions were entered and posted
  - New Address ID on Vendor Maintenance window to be used on the 1099 forms
  - Ability to print the 1096 Summary form
  - Ability to populate the DBA name field added to the Vendor Maintenance Options window and print it under the Vendor Check Name

# Backup company database – “Pre-1099 Edits”

- Make a backup of the company database(s) before starting the year-end processing activities. Label this backup as “Pre-1099 Edits”.
- This backup is a permanent record of the company’s financial position at year-end.
- This backup allows for quickly restoring the information in the event a problem occurs during the year-end close process.

# Verification of 1099 information

- Review 1099 vendor data – missing tax IDs, addresses, vendors not marked correctly.
  - Run a SmartList of 1099 vendors with appropriate columns
  - Run a SmartList of ALL vendors - identify / mark new or additional 1099 vendors
  - Identify vendors marked as 1099 that should not be
  - Correct / modify vendor data
  - Collect W-9 form from vendors
- Review 1099 amounts. Print the 1099 edit list: Go to *Microsoft Dynamics GP >> Tools >> Routines >> Purchasing >> Print 1099, choose 1099 Type and Year, click Printer icon.*
  - Use this for verifying / reviewing 1099 amounts

# Vendor 1099 Smartlist

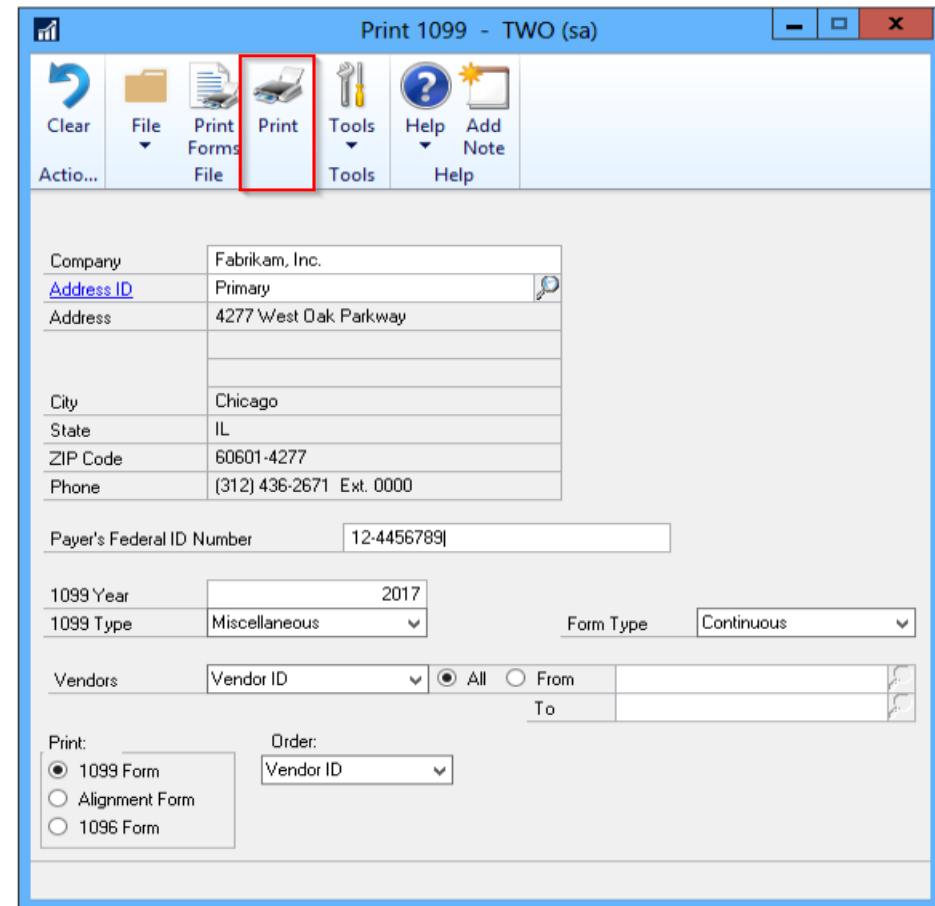
- Go to *Microsoft Dynamics GP >> SmartList >> Purchasing >> Vendors >> 1099 Vendors*
  - Review 1099 Tax Type
  - Review Tax ID number

**Caution:** Do not trust the 1099 amount field. GP displays the amount since last closed, not the calendar YTD

Vendors - 1099 Vendors*				
VendorID	Vendor Name	1099 Type	Tax ID Number	1099 Amount ...
ACETRAVE...	A Travel Company	Miscellaneous	100304000	\$2,226.78
BEAUMON...	Beaumont Constructi...	Miscellaneous	169876654	\$3,634.00
BERGERON...	Bergeron Communica...	Miscellaneous		\$0.00
COMNETE...	Comnet Enterprises, Inc	Miscellaneous	548-365-557	\$31,499.70
COMPUTE...	Computer Training Sy...	Miscellaneous	520388001	\$9,395.00
DOLECKICO...	Dolecki Catering	Miscellaneous		\$2,052.98
GARDNERS...	Gardner Services	Miscellaneous	897-615-833	\$24,000.00
GKCLEANIO...	G & K Cleaning	Miscellaneous		\$2,365.99
INLINESE00...	Inline Service Systems	Miscellaneous		\$13,768.99
INTERNAT0...	International TeleCo...	Miscellaneous		\$8,326.91
INTERNAT0...	International Telephone	Miscellaneous		\$12,231.16
MULTINAT...	Multinational Comm...	Miscellaneous		\$10,000.00
PERMIERS0...	Premier System, Inc.	Miscellaneous		\$0.00
RELIANCE0...	Reliance Systems, Inc.	Miscellaneous		\$0.00
SIGNATURO...	Signature Services	Miscellaneous		\$12,217.94
TELECONN...	Teleconnect Systems l...	Miscellaneous		\$0.00
WOODCO...	Wood Consulting	Miscellaneous		\$0.00

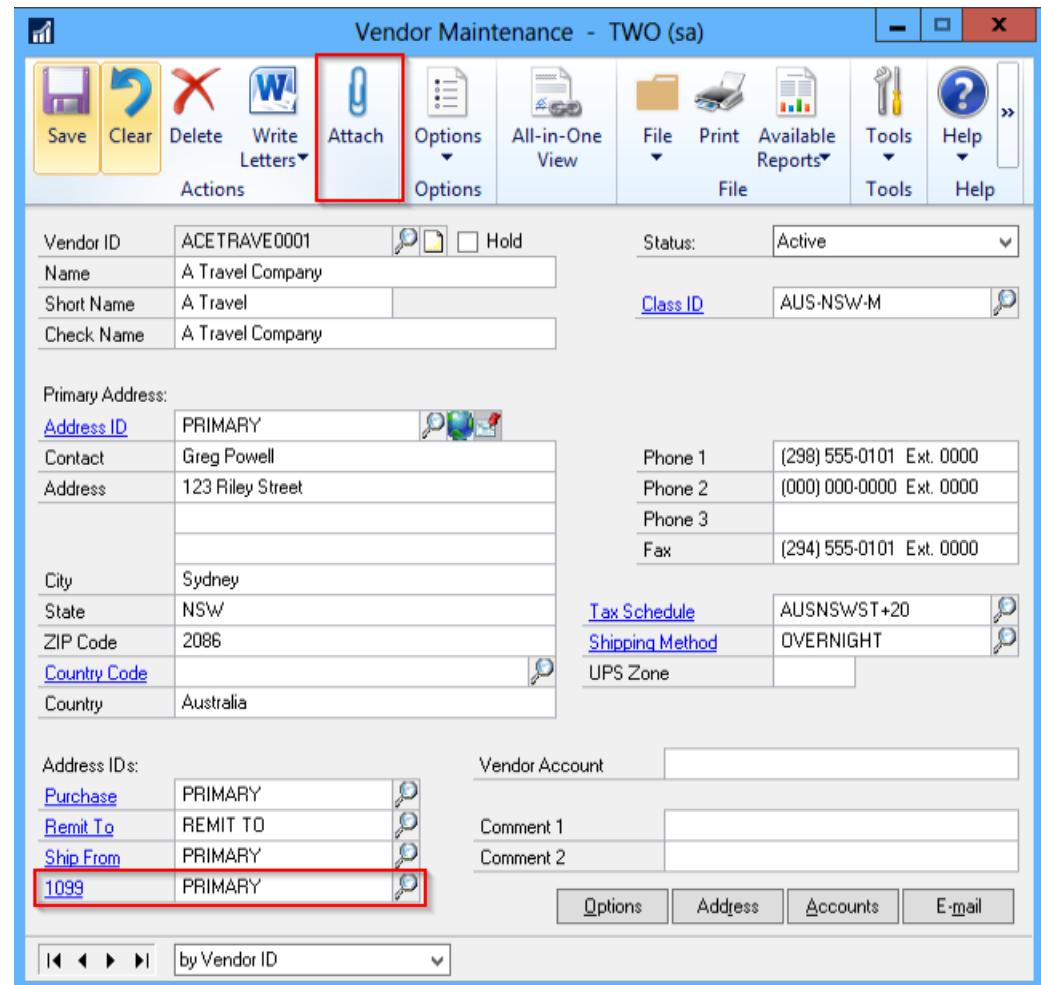
# Printing 1099 Edit Report

- Go to *Microsoft Dynamics GP >> Tools >> Purchasing >> Routines >> Print 1099*
  - Print 1099 Edit Report.
  - Review 1099 Address and Amounts
- \* Further validate amounts using Payables Transaction SmartList and compare to the Edit 1099 report



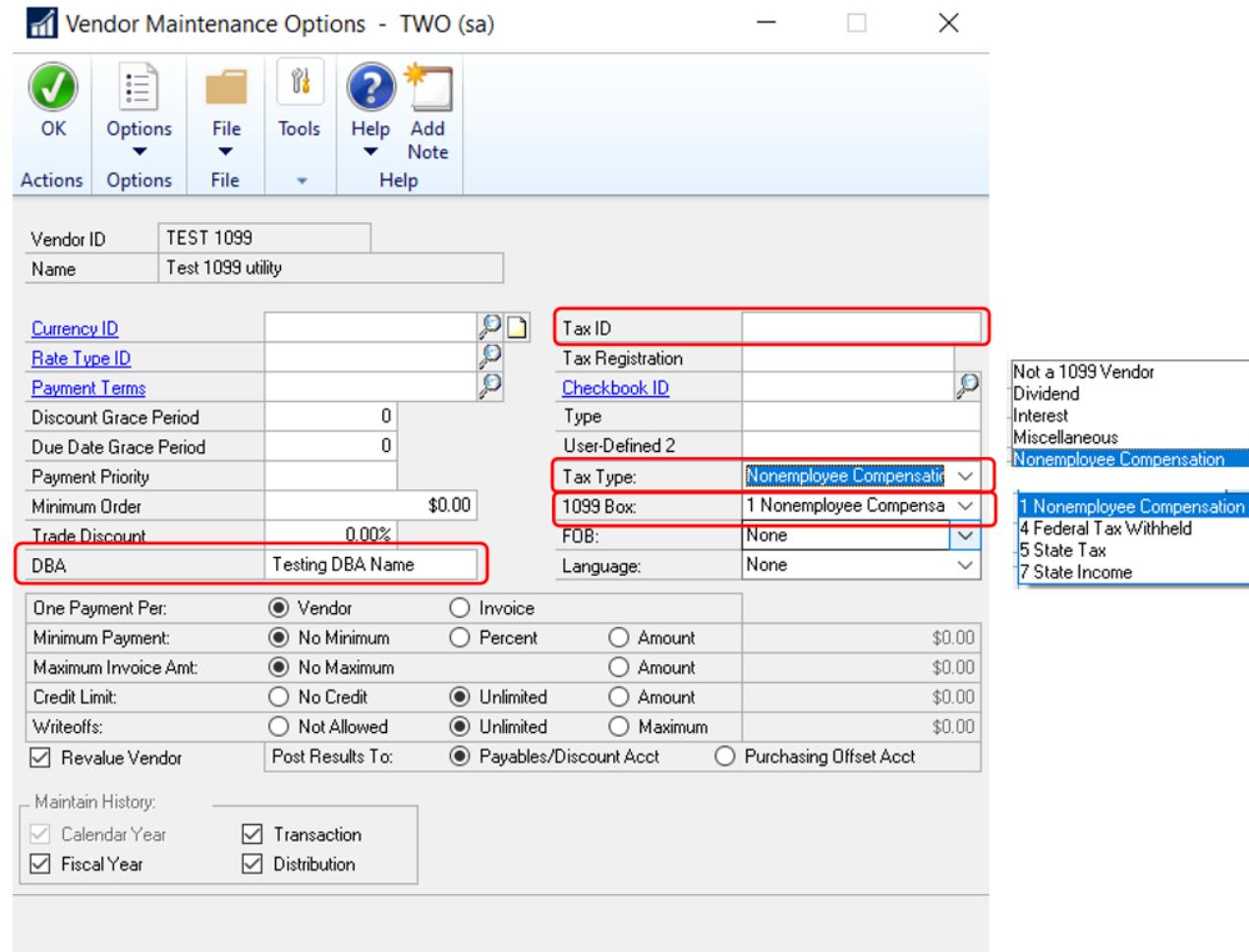
# Vendor 1099 information

- New 1099 Address ID field on the Vendor Maintenance screen will be used for printing 1099s.
- Attachments for W9 Forms can be added to the Vendor Maintenance window



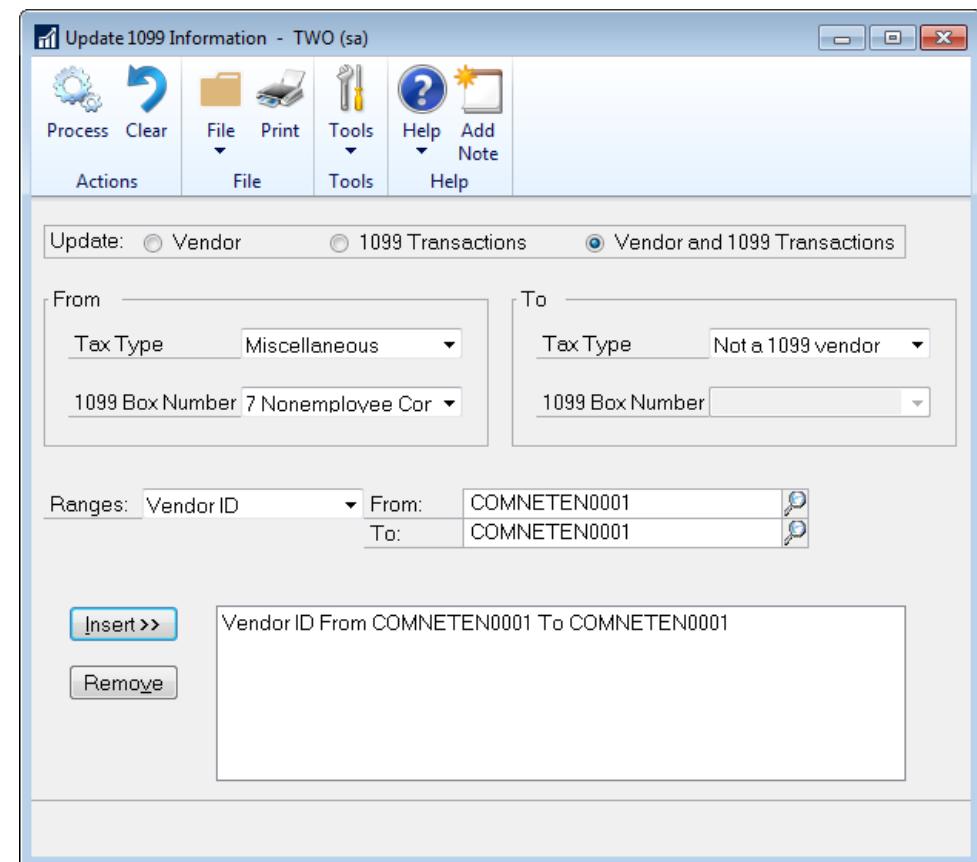
# Vendor 1099 information

- *Cards >> Vendor >> Options*  
window used to assign Tax ID, Tax Type and 1099 Box
- DBA name is optional



# Edit of 1099 information

- Use the Update 1099 Information window to fix vendors not marked correctly (use this method if ALL transactions for the vendor(s) should be updated)
- Go to *Microsoft Dynamics GP >> Purchasing >> Utilities >> Update 1099 Information*

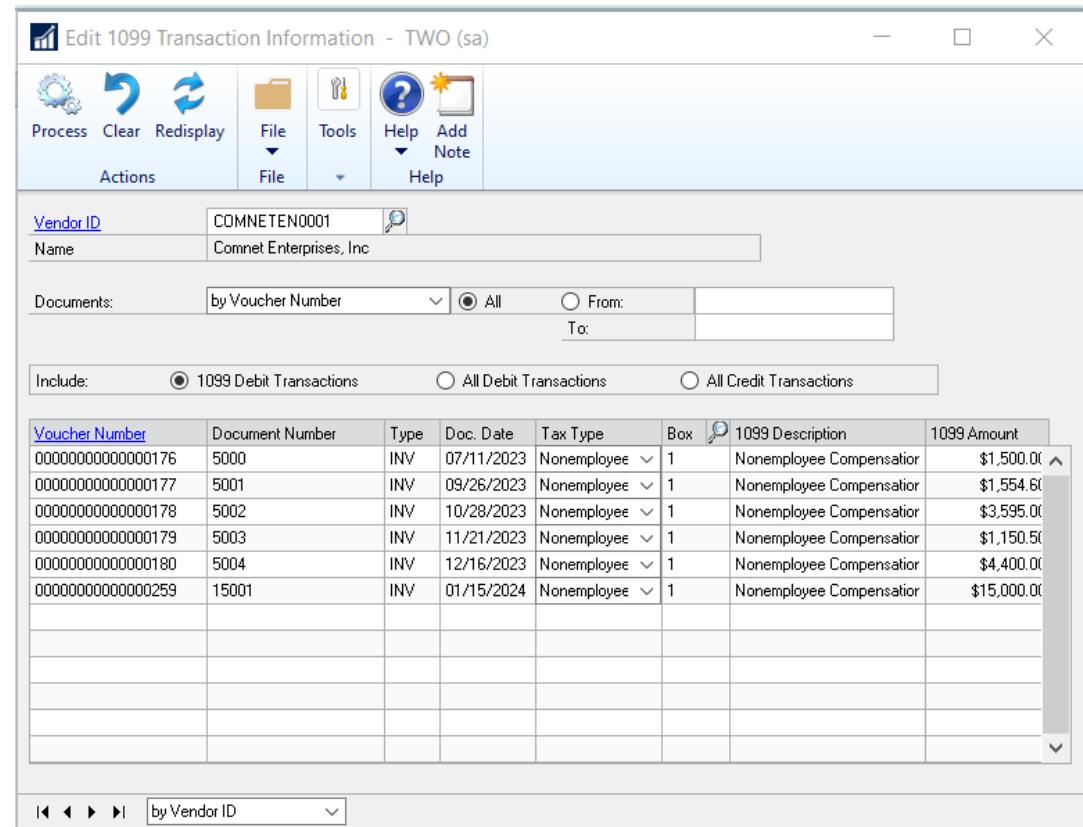


Note:

In version 2013 and higher, Not a 1099 Vendor is an option in the drop down list.

# Edit of 1099 information

- Use the Edit 1099 Transaction Information window (use this method if only specific transactions for specific vendors require editing)
- Go to *Transactions >> Purchasing >> Edit 1099 Transaction Information*
  - Edit the fields as needed
  - Click Process



The screenshot shows the 'Edit 1099 Transaction Information - TWO (sa)' window. At the top, there are buttons for Process, Clear, Redisplay, File, Tools, Help, Add, Note, and a magnifying glass icon. The 'Vendor ID' field is set to 'COMNETEN0001' with a search icon. The 'Name' field shows 'Comnet Enterprises, Inc.'. Below this, there are search and filter options for 'Documents' (by Voucher Number, All, From, To) and 'Include' (1099 Debit Transactions, All Debit Transactions, All Credit Transactions). The main table lists transactions for vendor 'Comnet Enterprises, Inc.' with the following data:

Voucher Number	Document Number	Type	Doc. Date	Tax Type	Box	1099 Description	1099 Amount
0000000000000000176	5000	INV	07/11/2023	Nonemployee	1	Nonemployee Compensation	\$1,500.00
0000000000000000177	5001	INV	09/26/2023	Nonemployee	1	Nonemployee Compensation	\$1,554.60
0000000000000000178	5002	INV	10/28/2023	Nonemployee	1	Nonemployee Compensation	\$3,595.00
0000000000000000179	5003	INV	11/21/2023	Nonemployee	1	Nonemployee Compensation	\$1,150.50
0000000000000000180	5004	INV	12/16/2023	Nonemployee	1	Nonemployee Compensation	\$4,400.00
0000000000000000259	15001	INV	01/15/2024	Nonemployee	1	Nonemployee Compensation	\$15,000.00

# Edit of 1099 information

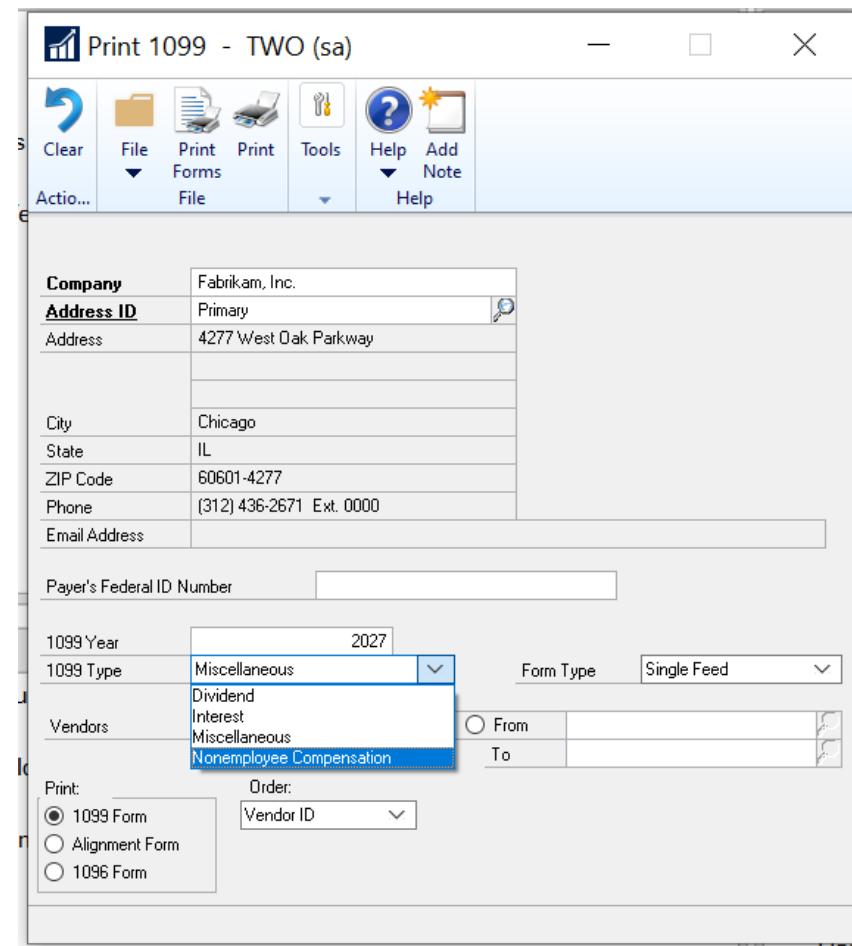
- While users CAN edit the information from the 1099 Details window shown here, it is not recommended – it is better to correct the underlying transactions using one of the previously described options
- If a Reconcile of 1099 information is later performed, the changes made directly to this window will be lost

The screenshot shows a Windows application window titled "1099 Details - TWO (sa)". The window has a toolbar with "Save", "Clear", "File", "Print", "Tools", "Help", and "Add Note" buttons. Below the toolbar, there are fields for "Vendor ID" (ACETRAVE0001) and "Name" (A Travel Company). A dropdown menu for "Tax Type" is set to "Miscellaneous". The "Display" section shows "Month" selected. The "Month" dropdown is set to "April" and the "Year" dropdown is set to "2017". Below these, there are checkboxes for "Payer made Direct Sales of \$5,000 or more etc." and "FATCA Filing Requirement". A "State/Payer's State No." field is also present. At the bottom, there is a table titled "1099 Box" with columns for "1099 Box", "Description", and "Amount". The table lists various boxes from 1 to 18, each with a description and a \$0.00 amount. At the bottom of the table, there are navigation buttons (back, forward, search) and a dropdown menu set to "by Vendor ID".

1099 Box	Description	Amount
1	1 Rents	\$0.00
2	2 Royalties	\$0.00
3	3 Other Income	\$0.00
4	4 Federal Tax Withheld	\$0.00
5	5 Fishing Boat Proceeds	\$0.00
6	6 Medical Payments	\$0.00
7	7 Nonemployee Compensation	\$2,176.78
8	8 Substitute Payments	\$0.00
10	10 Crop Insurance	\$0.00
13	13 Golden Parachute	\$0.00
14	14 Attorney Proceeds	\$0.00
15a	15a Section 409A Deferrals	\$0.00
15b	15b Section 409A Income	\$0.00
16	16 State Tax Withheld	\$0.00
18	18 State Income	\$0.00

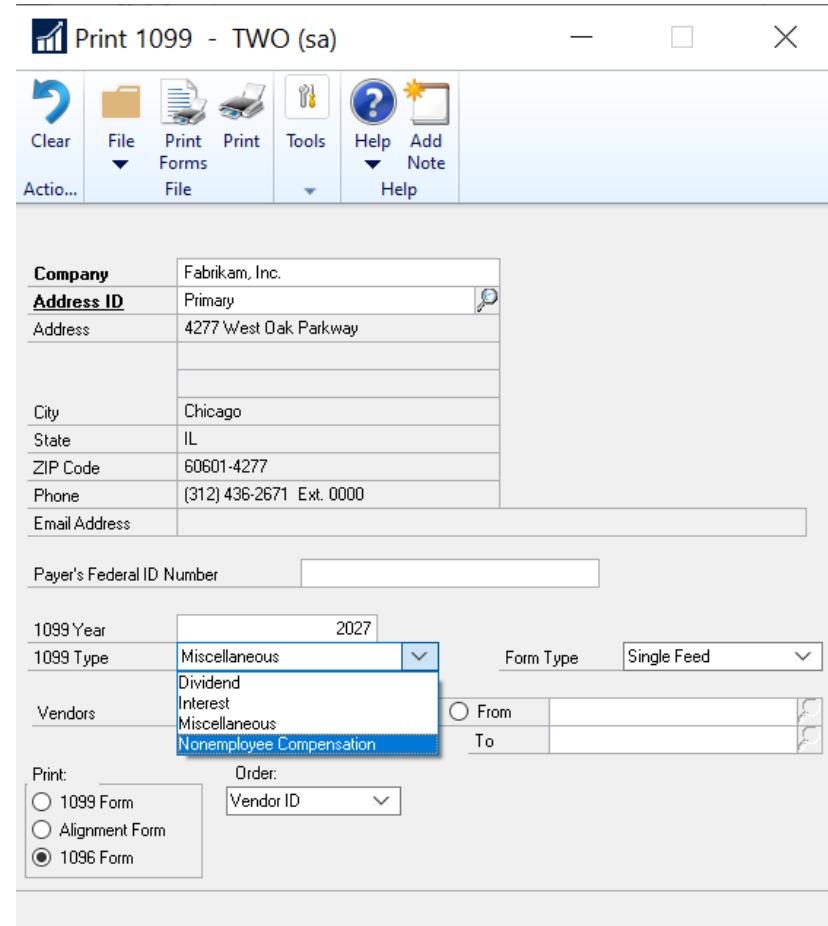
# Printing 1099 statements

- Go to *Microsoft Dynamics GP* >> *Tools* >> *Purchasing* >> *Routines* >> *Print 1099*
  - Fill in Payers Federal Tax Id #
  - Print a few pages to blank paper to check alignment before running to forms (Print Forms button)
  - Recommend 2-up laser forms
  - Print each 1099 type separately



# Printing Form 1096

- Go to *Microsoft Dynamics GP >> Tools >> Purchasing >> Routines >> Print 1099*



# Printing Form 1096

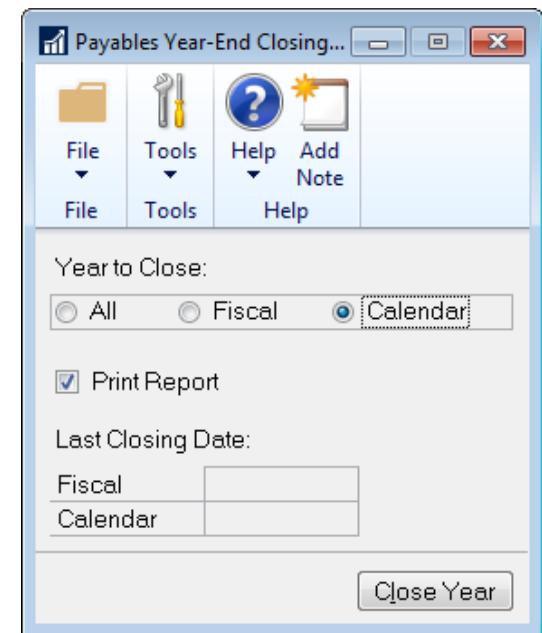
- The 1096 form has been updated to include the 1099-NEC summary amounts
- Box 1099-NEC 71 has been inserted on the bottom line

Do Not Staple 6969		Annual Summary and Transmittal of U.S. Information Returns														OMB No. 1545-0108	2022
Form 1096 Department of the Treasury Internal Revenue Service																	
FILER'S name																	
Street address (including room or suite number)																	
City or town, state or province, country, and ZIP or foreign postal code																	
Name of person to contact						Telephone number										For Official Use Only	
Email address						Fax number										<input type="checkbox"/>	
1 Employer identification number			2 Social security number			3 Total number of forms			4 Federal income tax withheld			5 Total amount reported with this Form 1096					
\$						\$											
6 Enter an "X" in only one box below to indicate the type of form being filed.																	
W-2G 32	1097-BTC 50	1098 81	1098-C 78	1098-E 84	1098-F 03	1098-Q 74	1098-T 83	1099-A 80	1099-B 79	1099-C 85	1099-CAP 73	1099-DIV 91	1099-G 86	1099-INT 92	1099-K 10	1099-LS 16	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
1099-LTC 93	1099-MISC 95	1099-NEC 71	1099-OID 96	1099-PATR 97	1099-Q 31	1099-QA 1A	1099-R 98	1099-S 75	1099-SA 94	1099-SB 43	3921 25	3922 26	5498 28	5498-ESA 72	5498-QA 2A	5498-SA 27	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

Return this entire page to the Internal Revenue Service. Photocopies are not acceptable.  
Send this form, with the copies of the form checked in box 6, to the IRS in a flat mailer (not folded).

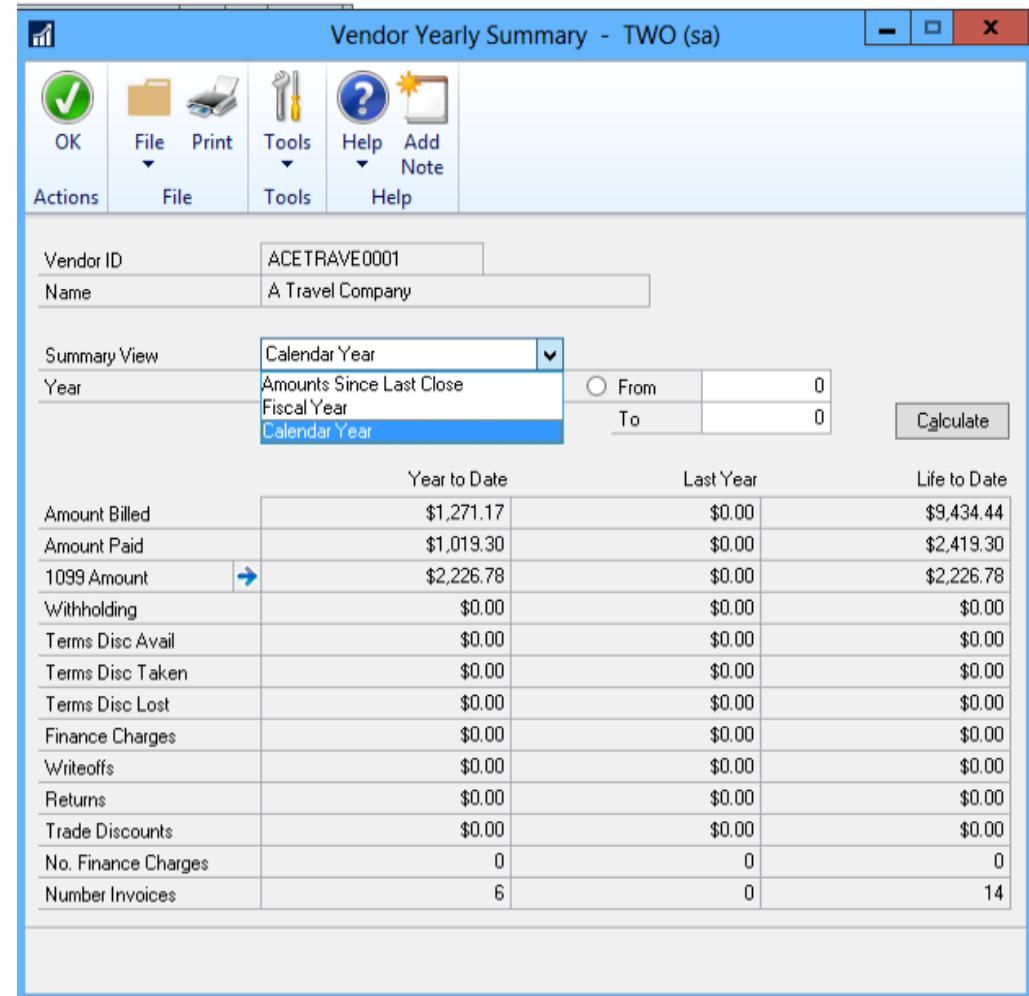
# Closing Payables Management Calendar Year

- The calendar year-end process:
  - Clears the 1099 amount year-to-date field
  - Transfers the Current Year 1099 amount to the Last Year 1099 amount field for all vendors.
    - These are the summary fields that are used in some SmartLists and other reports.
    - Due to timing of completing the year end process and finalizing entry of payables transactions, these summary numbers may not reflect transactions based on document dates.
    - If specific and accurate total dollars for a year are required, use transaction detail reports or SmartLists to summarize the required data.



# Closing Payables Management Calendar Year

- Amounts in the Year to Date column are updated when a payables transaction is posted, regardless of posting and transaction dates.

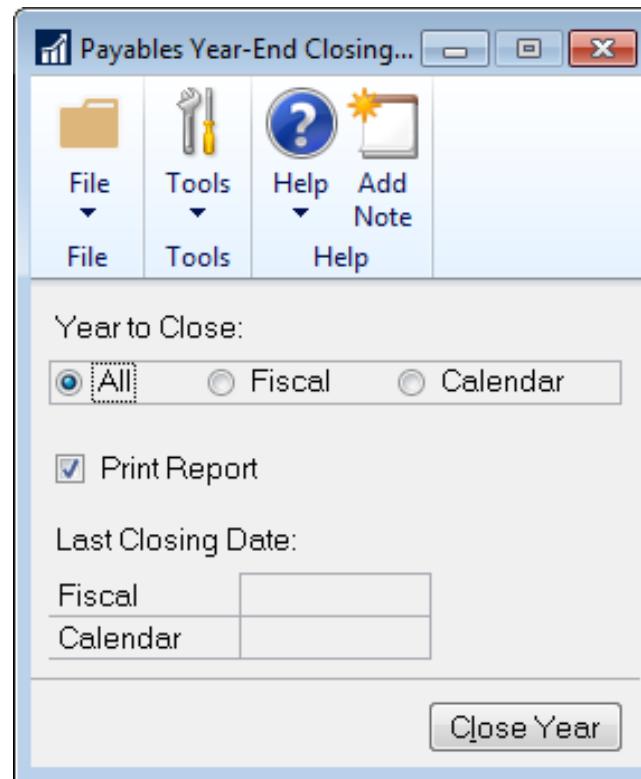


The screenshot shows a software window titled "Vendor Yearly Summary - TWO (sa)". The window has a toolbar with icons for OK, File, Print, Tools, Help, and Add Note. The main area displays vendor information: Vendor ID (ACETRAVE0001) and Name (A Travel Company). A dropdown menu for "Summary View" is set to "Calendar Year". The "Year" dropdown shows options: "Amounts Since Last Close", "Fiscal Year", and "Calendar Year" (which is selected and highlighted in blue). Below these are filters for "From" and "To" dates, both set to 0. A "Calculate" button is located to the right of the filters. The data grid has columns for "Year to Date", "Last Year", and "Life to Date". The rows list various financial items: Amount Billed (\$1,271.17), Amount Paid (\$1,019.30), 1099 Amount (\$2,226.78), Withholding (\$0.00), Terms Disc Avail (\$0.00), Terms Disc Taken (\$0.00), Terms Disc Lost (\$0.00), Finance Charges (\$0.00), Writeoffs (\$0.00), Returns (\$0.00), Trade Discounts (\$0.00), No. Finance Charges (0), and Number Invoices (6). The "Life to Date" column shows totals: \$9,434.44, \$2,419.30, \$2,226.78, \$0.00, \$0.00, \$0.00, \$0.00, \$0.00, \$0.00, \$0.00, \$0.00, and 14 respectively.

	Year to Date	Last Year	Life to Date
Amount Billed	\$1,271.17	\$0.00	\$9,434.44
Amount Paid	\$1,019.30	\$0.00	\$2,419.30
1099 Amount	\$2,226.78	\$0.00	\$2,226.78
Withholding	\$0.00	\$0.00	\$0.00
Terms Disc Avail	\$0.00	\$0.00	\$0.00
Terms Disc Taken	\$0.00	\$0.00	\$0.00
Terms Disc Lost	\$0.00	\$0.00	\$0.00
Finance Charges	\$0.00	\$0.00	\$0.00
Writeoffs	\$0.00	\$0.00	\$0.00
Returns	\$0.00	\$0.00	\$0.00
Trade Discounts	\$0.00	\$0.00	\$0.00
No. Finance Charges	0	0	0
Number Invoices	6	0	14

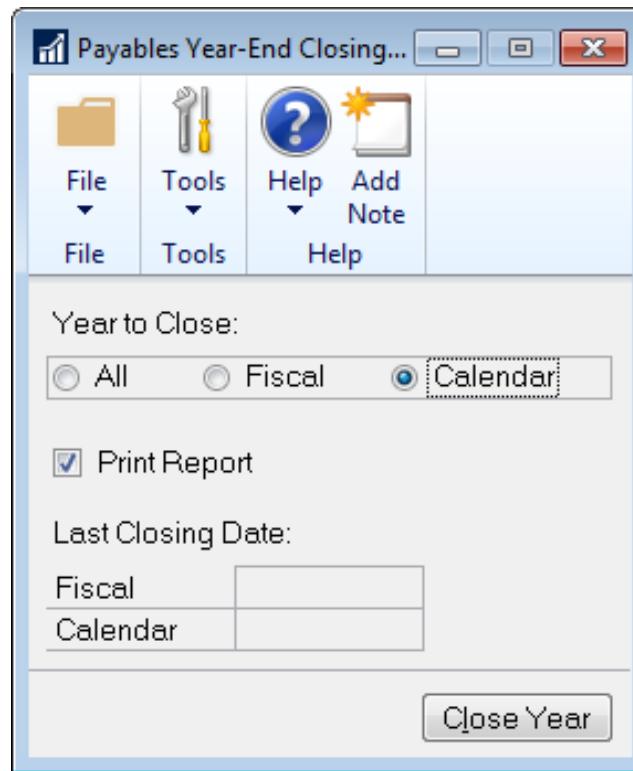
# Close PM Year / backup database

- Year-end close for Payables Management:
  - If the financial accounting year-end coincides with the calendar year, the user can choose to close “All”.



# Close PM Year

- If the financial accounting year-end is not a December year-end, close only the calendar year:



## Note

Refer to RSM's 2022 GP year-end closing procedures for more details.

THANK YOU FOR  
YOUR TIME AND  
ATTENTION

# QUESTIONS AND ANSWERS?

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