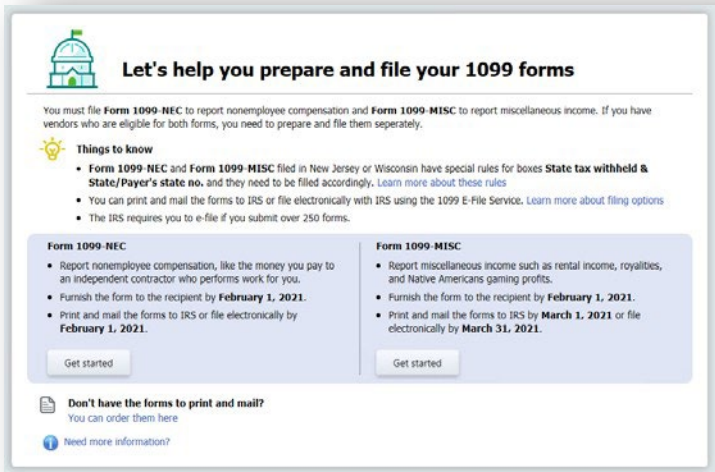




## Preliminary 1099 Review in QB Desktop

1. Verify Names:
  - a. Vendor list:
    - i. Verify all vendors are listed as such.
  - b. Other Name List
    - i. Lists > Other Names List
    - ii. Verify that no names on that list should be converted to vendors or employees.
  - c. Employee List
    - i. Verify all employees are listed as such.
2. Go through the 1099 setup for either 1099-NEC or 1099-MISC and prepare the preliminary report (Vendors > Print/E-file 1099 forms):
  - a. Step 1: Select Get Started for NEC or MISC




 **Let's help you prepare and file your 1099 forms**


You must file **Form 1099-NEC** to report nonemployee compensation and **Form 1099-MISC** to report miscellaneous income. If you have vendors who are eligible for both forms, you need to prepare and file them separately.

 **Things to know**

- **Form 1099-NEC** and **Form 1099-MISC** filed in New Jersey or Wisconsin have special rules for boxes **State tax withheld & State/Payer's state no.**, and they need to be filled accordingly. [Learn more about these rules](#)
- You can print and mail the forms to IRS or file electronically with IRS using the 1099 E-File Service. [Learn more about filing options](#)
- The IRS requires you to e-file if you submit over 250 forms.

Form 1099-NEC	Form 1099-MISC
<ul style="list-style-type: none"><li>• Report nonemployee compensation, like the money you pay to an independent contractor who performs work for you.</li><li>• Furnish the form to the recipient by <b>February 1, 2021</b>.</li><li>• Print and mail the forms to IRS or file electronically by <b>February 1, 2021</b>.</li></ul>	<ul style="list-style-type: none"><li>• Report miscellaneous income such as rental income, royalties, and Native Americans gaming profits.</li><li>• Furnish the form to the recipient by <b>February 1, 2021</b>.</li><li>• Print and mail the forms to IRS by <b>March 1, 2021</b> or file electronically by <b>March 31, 2021</b>.</li></ul>

 **Don't have the forms to print and mail?**  
You can order them here

 [Need more information?](#)

- b. Step 2: Click Continue – this screen shows only vendors with 1099s entered in their pay information

### Select your 1099 vendors

Select the vendors that need a **Form 1099-NEC**. You need to make the vendor selection every time you start this process.

[Clear all](#)

Vendor Name	Account Used

Only 1099 vendors are shown here.  
To make a vendor eligible for 1099, go to **Vendors > Vendor Center** and edit the vendor to mark as eligible for 1099 from Tax Settings.

[Need more information?](#) [Continue](#)

- c. Step 3: Verify your 1099 info

### Verify your 1099 info

Edit each vendor's information as needed.

[Need more information?](#) [Back](#) [Save & Close](#) [Continue](#)

Vendor Name	Tax ID	Company Name	First Name	M.I.	Last Name	Address	Phone	State & Payer's State No.

Note: Tax ID and Address are required for e-filing.

d. Step 4: Select Show all Accounts – Map to 1099-MISC or 1099-NEC

## Map vendor payment accounts

You used these QuickBooks accounts to track payments to your 1099 vendors. Now, tell us where the amounts paid from each account should appear on **Form 1099-NEC**.

Show all accounts ▾

**Things to know**

- You can map an account to only one of the 1099 forms. If you have an account with payments that are applicable to both the forms, it's recommended that you create separate accounts for payments made specific to each of these forms. [Read to know more](#)
- If an account is mapped to a filed form, it's recommended that you don't make any changes as it may result in double filing.

Accounts used for 1099	Account type	Apply payments to this 1099 box
Rent Expense	Expense	Omit these payments from 1099 ▾
Professional Fees	Expense	Omit these payments from 1099 ▾
Salaries	Expense	Omit these payments from 1099 ▾
Repairs and Maintenance	Expense	Omit these payments from 1099 ▾
Payroll Expenses	Expense	Omit these payments from 1099 ▾
Office Supplies	Expense	Omit these payments from 1099 ▾
Payroll Taxes	Expense	Omit these payments from 1099 ▾
Payroll Fees	Expense	Omit these payments from 1099 ▾
Telephone Expense	Expense	Omit these payments from 1099 ▾
Income	Income	Omit these payments from 1099 ▾
Consulting Income	Income	Omit these payments from 1099 ▾
Ask Client	Other Expense	Omit these payments from 1099 ▾

Report all payments in Box 1

[Show IRS 1099-NEC filing thresholds](#)

[Need more information?](#)

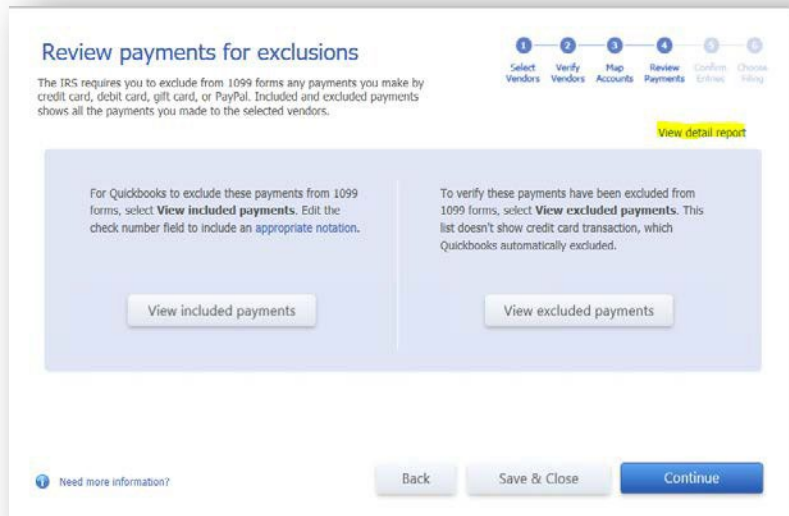
Back

Save & Close

Continue

- i. This step allows you to review the payments that are included on the 1099s. The IRS requires any payment made by debit card, credit card, gift card, or PayPal to be excluded.
- ii. QuickBooks automatically excludes credit card type payments and check payments with specific verbiage in the check number field. Per Intuit, payments to 1099 vendors made via credit card, debit card or third party systems such as PayPal are excluded from the 1099-MISC/NEC calculations. Keywords to filter: debit, debicar, DBT, DBT card, DCard Debit cd, Visa, MasterC, MC, Mcard, Chase, Discover, Diners, Paypal. If you don't want to exclude the payment use the word "EFT".

e. Step 5: Confirm Entries by clicking on view detail report



1. Click Customize report. Change date range to the correct period. Under columns, select Name Street 1, Name street 2, Name City, Name State, Name Zip; remove Clr, remove Original Amount, remove Split, remove Balance.
  - a. Export the report into Excel.
  - b. If you're certain your client cannot open Excel documents, print the report to PDF with these parameters:
    - i. Change report font to 12
    - ii. Resize columns to show all text needed. Resize columns to eliminate white space, too.
    - iii. Print > Report
2. Note: To pull the report without starting the Wizard, go to Vendors > Print/E-File 1099s > 1099 Detail Report.
3. Request W-9s for all vendors for the year.
4. As W-9s are received update the vendor's record in QB Desktop