

1099 and W2 Tax Form Tips and Instructions for 2017

(Effective December 26, 2017)

The latest 2018 Payroll software updates are available now by using the “DP/Update” feature to get the latest State and Federal Tax Table updates. You must be on Version 7.5x to use the latest “DP/Update” feature.

Per the **IRS** web site:

December 26, 2017

The IRS is working to develop withholding guidance to implement the tax reform bill signed into law on December 22. We anticipate issuing the initial withholding guidance in January, and employers and payroll service providers will be encouraged to implement the changes in February. The IRS emphasizes this information will be designed to work with the existing Forms W-4 that employees have already filed, and no further action by taxpayers is needed at this time.

Use of the new 2018 withholding guidelines will allow taxpayers to begin seeing the changes in their paychecks as early as February. In the meantime, employers and payroll service providers should continue to use the existing 2017 withholding tables and systems.

Data Pro Accounting Software will deploy the latest changes made by the **IRS** using the “DP/Update” feature just as they become available.

This document outlines the various forms that can be used to print **W-2s** in the **Infinity POWER Payroll** module and **1099s** in the **Accounts Payable** module. There are a wide variety of form files that can be used depending on your specific needs. Make sure you have set your **Master Configuration** properly before attempting to print either set of documents.

To configure the proper form name in the **Payroll** module, go to the Windows Graphical Version (**GUI**) of Payroll by selecting **“Systems,” “Payroll,” “Set Up and Maintenance,”** and **“Payroll Configuration”** as shown below.

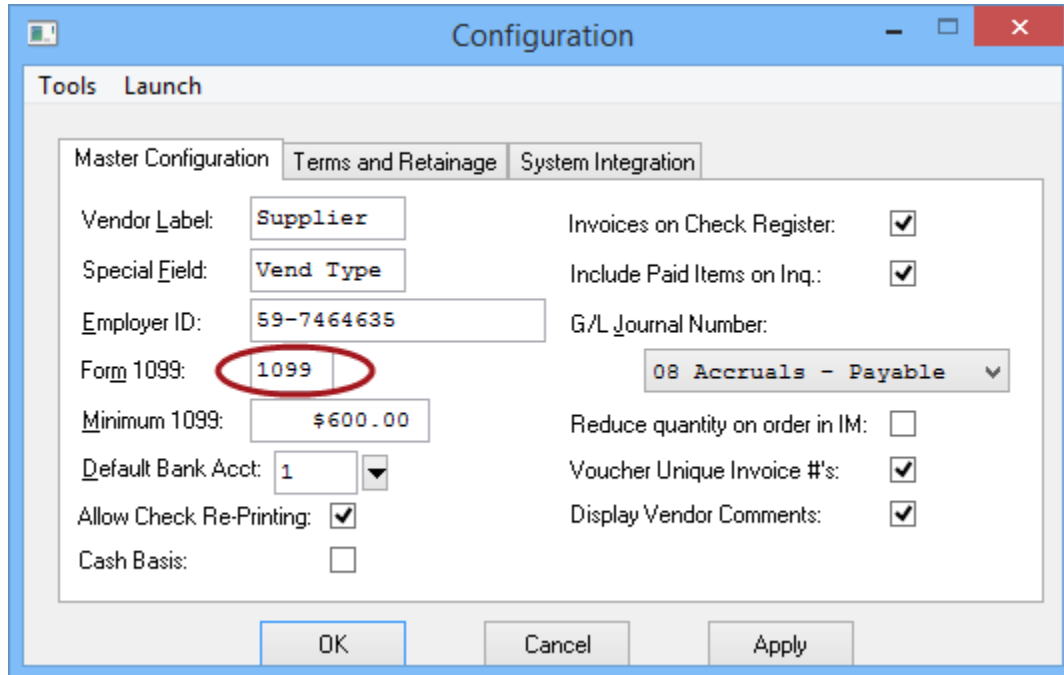
Make sure you are in the latest version of the **Infinity POWER** software (**Version 7.5x**). You will enter the desired **“W-2 Form”** name at the top right of the screen as circled in **“red.”**

The screenshot shows a 'Configuration' dialog box with the following fields and values:

Field	Value
Departments:	<input checked="" type="checkbox"/>
Rate Override:	<input checked="" type="checkbox"/>
Workers Comp. Class:	<input checked="" type="checkbox"/>
Variable OT Calculation:	<input type="checkbox"/>
FICA Override:	<input checked="" type="checkbox"/>
Allocate Dept. Overhead:	<input checked="" type="checkbox"/>
Allow Check Reprint:	<input checked="" type="checkbox"/>
Default Pay Cycle:	Bi-Weekly
Minimum Wage:	\$8.25
Social Security Tax %:	6.20 %
Social Security Limit:	\$128,400.00
Medicare Tax %:	1.45 %
Medicare Tax Limit:	\$999,999.99
Emp. Federal ID Number:	69-7482328
Emp. State ID Number:	3679202
W-2 Form:	W2
Employee Review Form:	REV
G/L Journal Number:	04 Checking - Payroll
Hours Decimals:	2
Rate Decimals:	2
Next Check Number:	34106
Check Form:	L106
JC Detail Type:	Employee Name
Direct Deposit Form:	DSTB
Checking Account:	3

To configure the Accounts Payable module for **1099s**, select the options **“Systems,” “Accounts Payable,” “Set Up and Maintenance,” “Accounts Payable Configuration.”**

The following screen will be displayed.



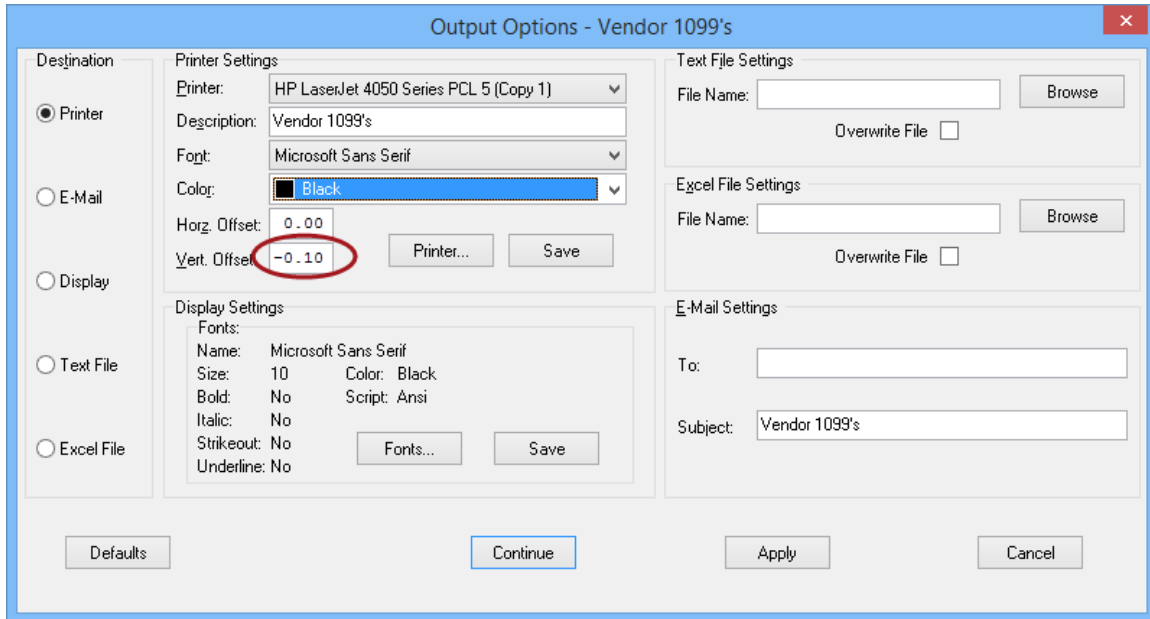
The screenshot shows a 'Configuration' window with a 'Tools Launch' menu. The 'Master Configuration' tab is active, showing various settings. The 'Form 1099' field is circled in red and contains the value '1099'. Other fields include 'Vendor Label' (Supplier), 'Special Field' (Vend Type), 'Employer ID' (59-7464635), 'Minimum 1099' (\$600.00), 'Default Bank Acct' (1), 'Allow Check Re-Printing' (checked), 'Cash Basis' (unchecked), 'Invoices on Check Register' (checked), 'Include Paid Items on Inq.' (checked), 'G/L Journal Number' (08 Accruals - Payable), 'Reduce quantity on order in IM' (unchecked), 'Voucher Unique Invoice #'s' (checked), and 'Display Vendor Comments' (checked). Buttons for 'OK', 'Cancel', and 'Apply' are at the bottom.

This will be the form file name (**circled in red**) used when printing **1099s** from the system. There are several variations available. The following sections describe the variations of **W-2** and **1099** forms available for printing.

It is possible that, depending on your specific printer, some forms may print one space or line off in any given direction. Should this occur, there is a utility within the **Infinity POWER Windows Graphical (GUI)** version of the product that will allow you to adjust the form to conform specifically to your printer locally.

When you select to print either a **W-2** or **1099**, as shown in the following example, you will be prompted to select your Output Option (*i.e. printer*). Once you have selected your printer, look just below the selected printer in the section titled **“Printer Settings,”** under the Color section, there are two **Offset** options. These offset options are designed to allow the user to adjust any report or form up or down on their specific printer on a temporary or permanent basis, depending on whether you save the settings or not.

Choosing the **Horizontal Offset** will move the printing functions left or right on the form. Selecting the **Vertical Offset** will move the printing functions up or down on the form. Start by entering a number such as **0.10** for moving the form up or down one tenth of an inch at a time in the **Vertical Offset**. Entering a number such as **-0.10** will move the form the opposite direction.



***** WARNING *****

If Data Pro or your Dealer has modified a W-2 or 1099 form for you in previous years to accommodate your specific printer(s) and the form name does not match one of the form names listed in the following sections, then this form has not been adjusted for the current IRS reporting requirements. You have a custom form that needs to either be modified again or you may want to consider using one of the standard forms below.

W2 Form File Descriptions

If you are utilizing **Mag Media**, you **MUST** be on **Version 7.5x or higher**.

The various **W2** form files are described below:

- 1) Form file **W2** is the standard, and will function properly in most instances.
- 2) Form file **W2U** prints one line higher than the standard form.
(U = Up, DN = Down)
- 3) Form file **W2DN** prints one line lower than the standard form. It may be necessary to use form **W2DN** with ink jet style printers.
- 4) Form file **W24** is the form for printing four up per employee, per page on a LaserJet printer.

1099 Form File Descriptions (All Versions)

Except where specified, all **1099** form files will print to **HP LaserJet** compatible, **Dot Matrix**, **HP DeskJet** printers. The various **1099** form files are described below:

- 1) **1099** is used to print the **Non-Employee Compensation** dollar amount in **Box 7** on the **1099-MISC** form. **Variations: 199U and 199DN**
(*U = Up, DN = Down*)
- 2) **1099R** is used to print the **Rents** dollar amount in **Box 1** on the **1099-MISC** form. **Variations: 199RU and 199RD** (*U = Up, D = Down*)
- 3) **1099K** is used to print the **Royalties** dollar amount in **Box 2** on the **1099-MISC** form. **Variations: 199KU and 199KD** (*U = Up, D = Down*)
- 4) **1099F** is used to print the **Fishing Boat Proceeds** dollar amount in **Box 5** on the **1099-MISC** form. **Variations: 199FU and 199FD** (*U = Up, D = Down*)
- 5) **1099P** is used to print the **Prizes and Awards, etc.** dollar amount in **Box 3** on the **1099-MISC** form. **Variations: 199PU and 199PD** (*U = Up, D = Down*)
- 6) **1099I** is used to print the **Interest Income** dollar amount in **Box 1** on the **1099-INT** form. **Variations: 199IU and 199ID** (*U = Up, D = Down*)
- 7) **1099D** is used to print the **Ordinary Dividends** dollar amount in **Box 1** on the **1099-DIV** form. **Variations: 199DU and 199DD** (*U = Up, D = Down*)
- 8) **1099G** is used to print **Capital Gain Distributions** dollar amount in **Box 1b and 2a** on the **1099-DIV** form. **Variations: 199GU and 199GD**
(*U = Up, D = Down*)
- 9) **1099A** is used to print the **Gross Proceeds paid to an Attorney** dollar amount in **Box 14** on the **1099-MISC** form. **Variations: 199U and 199DN**
(*U = Up, DN = Down*)
- 10) **1099M** is used to print fees paid for **Medical and Health Care Payment** dollar amounts in **Box 6** on the **1099-MISC** form. **Variations: 199U and 199DN**
(*U = Up, DN = Down*)

The **Standard Form Files** will function properly in most instances. Otherwise, use the **Offset Utility** as described earlier to make minor adjustments to accommodate your specific printers.