



## COMMONWEALTH of VIRGINIA

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November 30, 2009

### **MEMORANDUM**

**TO:** Fiscal Officers and 1099 Distribution List

**FROM:** Sharon H. Lawrence, Director  
Financial Reporting

**SUBJECT:** Information Returns Reporting Schedule for Calendar Year/Tax Year 2009

The Calendar Year/Tax Year 2009 year-end information returns processing schedule is attached. All agencies should adhere to the year-end IRS processing schedule to ensure that all information returns are filed timely. Agencies not participating in the Department of Accounts' (DOA) 1099 Adjustment and Reporting System (ARS) should disregard the ARS references in this memorandum and in the attachment.

For agencies participating in ARS, information returns data is available in three formats: paper CARS reports via Reportline and remote print, an Advanced Micro Solutions, Inc. (AMS) download file, and an ASCII flat file format. The latter two options are accessible through FINDS.

The first set of ARS reports contains the 1099 reportable transactions and adjustments processed from January 1, 2009 through November 30, 2009. These reports will be posted on Reportline on Tuesday, December 1, 2009. Agencies should review these reports for accuracy and completeness. Adjustments to this information should be processed through the ARS by COB, Thursday, December 31, 2009.

The second set of ARS reports will be posted on Reportline on Friday, January 1, 2010. Agencies will have through COB Thursday, January 14, 2010, to process final adjustments through the ARS for Calendar Year/Tax Year 2009.

The final set of ARS reports will be posted on Reportline on Friday, January 15, 2010. In addition, on Friday, January 15, 2010, the final set of 1099 ARS files will be available for downloading to your information returns software through FINDS. Downloading requirements vary with the software. See CAPP Topic 70805, *1099 Adjustment and Reporting System (ARS)*.

For a brief summary of selected changes for the current year, click on the DOA Accounting and Reporting homepage at [www.doa.virginia.gov/Financial\\_Reporting/Financial\\_Reporting\\_Main.cfm](http://www.doa.virginia.gov/Financial_Reporting/Financial_Reporting_Main.cfm), then click on the IRS Information Returns – 1099 Reporting link to view the summary.

DOA recommends the following procedures when preparing IRS 1099 Information Returns:

- Review the following CAPP topics for the IRS requirements for information returns compliance.
  - CAPP Topic 20319, *Electronic Federal Tax Payments Processing*
  - CAPP Topic 20320, *Information Returns Reporting*
  - CAPP Topic 70805, *1099 Adjustment and Reporting System (ARS)*
- Issue paper information returns to the recipients by Monday, February 1, 2010 for Calendar Year/Tax Year 2009. The due date is extended to February 16, 2010 if you are reporting payments in boxes 8 or 14.
- File paper information returns to the IRS using the required transmittal documents by Monday March 1, 2010 for the Calendar Year/Tax Year 2009 or file electronically with the IRS using the FIRE (Filing Information Returns Electronically) system by March 31, 2010.
- Whenever 250 or more of a particular information return type are issued, agencies must submit those returns to the IRS electronically (no paper returns are allowed). Agencies unable to comply with this requirement should contact the IRS immediately and obtain a waiver. Be sure to obtain and review the detailed requirements in **IRS Publication 1220** (Rev. 7-2009), *Specifications for Filing Forms 1098, 1099, 5498, and W-2G Electronically*.
- Report backup withholding taxes to the IRS, on the **Form 945**, *Annual Return of Withheld Federal Income Tax* by Monday, February 1, 2010, for Calendar Year/Tax Year 2009. Refer to CAPP Topic 20319, *Electronic Federal Tax Payment Processing*, for further guidance.

To report taxable payments made to foreign citizens, file the annual **Forms 1042-S**, *Foreign Person's U. S. Source Income Subject to Withholding*, and the summary **Form 1042**, *Annual Withholding Tax Return for U. S. Source Income of Foreign Persons* with both the recipient(s) and the IRS on the same annual due date, which is March 15.

Use Form 1042-T to transmit paper Forms 1042-S. For filing 250 or more electronically refer to **IRS Publication 1187**, *Specifications for Filing Form 1042-S Electronically* (Rev. 8-2009). See also the requirements in **IRS Publication 515**, *Withholding of Tax on Nonresident Aliens and Foreign Entities* (Rev. 4-2009).

Any questions should be directed to Nick Whitby via e-mail at [Nick.Whitby@doa.virginia.gov](mailto:Nick.Whitby@doa.virginia.gov) or at (804) 371-7808.

Please review the Due Date Attachment shown on the next page:

**ATTACHMENT**

<b>Selected 2009 IRS Due Dates and Information Returns Year-End Processing Schedule</b>		
<b><u>IRS Due Dates</u></b>	<b><u>Report Period</u></b>	<b><u>Due Dates</u></b>
1099 Information Returns <b>to Recipients</b>	Jan. – Dec. 2009	February 1, 2010
<b>Form 945, Annual Return of Withheld Federal Income Tax</b>	Jan. – Dec. 2009	February 1, 2010
1099 Information Returns <b>to IRS</b> (Paper)	Jan. – Dec. 2009	March 1, 2010
1099 Information Returns <b>to IRS</b> (Electronic Filing)	Jan. – Dec. 2009	March 31, 2010
<b>Forms 1042, 1042-T &amp; 1042-S to the IRS and recipients</b>	Jan. – Dec. 2009	March 15, 2010
<b><u>First Set of ARS Reports</u></b>	<b><u>Report Period</u></b>	<b><u>Distribution Dates</u></b>
<b>ACTR3005, 1099 Reportable Transactions</b>	Jan. - Nov. 2009	December 1, 2009
<b>ACTR3010, Detailed 1099 Reportable Trans. with Adj.</b>	Jan. - Nov. 2009	December 1, 2009
<b>ACTR3015, Summarized 1099 Reportable Trans. with Adj.</b>	Jan. - Nov. 2009	December 1, 2009
<b><u>Adjustments to First Set of ARS Reports</u></b>	<b><u>Report Period</u></b>	<b><u>Processing Dates</u></b>
<b>Review First Set of ARS Reports &amp; Process Adjustments</b>	Jan. - Nov. 2009	Dec. 1 - Dec. 31
<b><u>Second Set of ARS Reports</u></b>	<b><u>Report Period</u></b>	<b><u>Distribution Dates</u></b>
<b>ACTR3005, 1099 Reportable Transactions</b>	Jan. - Dec. 2009	January 1, 2010
<b>ACTR3010, Detailed 1099 Reportable Trans. with Adj.</b>	Jan. - Dec. 2009	January 1, 2010
<b>ACTR3015, Summary 1099 Reportable Trans. with Adj.</b>	Jan. - Dec. 2009	January 1, 2010
<b><u>Adjustments to Second Set of ARS Reports</u></b>	<b><u>Report Period</u></b>	<b><u>Processing Dates</u></b>
<b>Review 2nd Set of ARS Reports &amp; Process Adjustments</b>	Jan. - Dec. 2009	Jan 1- Jan. 14
<b><u>Final Set of ARS Reports and Download Files</u></b>	<b><u>Report Period</u></b>	<b><u>Distribution Dates</u></b>
<b>ACTR3005, 1099 Reportable Transactions</b>	Jan. - Dec. 2009	January 15, 2010
<b>ACTR3010, Detailed 1099 Reportable Trans. with Adj.</b>	Jan. - Dec. 2009	January 15, 2010
<b>ACTR3015, Summarized 1099 Reportable Trans. with Adj.</b>	Jan. - Dec. 2009	January 15, 2010
<b>ACTB3035, Vendor Payments Subject to Information Returns Reporting</b>	Jan. - Dec. 2009	January 15, 2010
<b>ACTB3040, Vendor Payments Subject to Information Returns Reporting by State</b>	Jan. - Dec. 2009	January 15, 2010
<b>ACTB3045, Backup Withholding Payments by Agency</b>	Jan. - Dec. 2009	January 15, 2010
<b>FINDS - 1099 Files Available for Downloading</b>	Jan. - Dec. 2009	January 15, 2010