1099 Tax Reporting Program

Convenience Check

User's Manual

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For updates contact*: 1099-TRP Team*

Changes:
Section II. System Access:
pp.7-10, - removed items: 'Steps to Change Your Password' and **'***Password Resets'*
p.7-11, - added instructions for PKE Registration

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I. GENERAL

A. *System Description*

The 1099 Tax Reporting Process is an application that was created to collect and report payments for "services" to the Internal Revenue Service (IRS). Convenience Checks written for "service" type transactions should be entered during the calendar year. At the end of the calendar year, transactions for each Merchant will be totaled. Any Merchant who received **total** payments of $600 or more for "services" will be issued a 1099-Miscellaneous. Transactions made for "services" using the Purchase Card will be collected from the participating banks.

Transactions for "services" are defined as payments made for work performed as a "service" rather than the purchase of "goods." Examples of "services" include dry cleaning of uniforms, booth rentals for job fairs/recruiting, maintenance fees, instructors, speakers and interpreters and other "service-type" work. Do not include Convenience Checks written solely for the purchase of products/goods or to tax-exempt agencies such as state and local governments, Universities or to the US Postal Service. Report only payments for products/goods purchased and used in the performance of a "service."

For specific information regarding 1099-Misc reportable data, see IRS "Instructions for Forms 1099, 1098, 5498 and W-2G." The instructions are available at the following web address Http://www.irs.ustreas.gov. The instructions are also located at the back of Publication 1220, "Specifications for Filing Forms 1098, 1099, 5498 and W-2G Magnetically or Electronically."

B. *Tax Reporting Deadline*

Since 1099-Misc data is reported to the IRS on a **calendar year** basis, it is critical that information for all Convenience Checks issued during the calendar year is entered into the 1099 Tax Reporting Process by December 31st of each year. Any data that is entered past this cut-off date will not be included in the yearly reporting completed by the Defense Finance and Accounting Service (DFAS). In this case, your Agency will be responsible for issuing the 1099s and reporting the information to the IRS.

C. *System Requirements*

To participate in the 1099 Tax Reporting Process via the Internet, you must meet the following system requirements:

	Minimum	**Preferred**
Web Browser	Netscape 7.0 Internet Explorer 6.0	Internet Explorer 6.0
RAM	16 MB	128 MB
CPU Speed	Pentium 90 MHZ	Pentium 450 MHZ
Monitor	15"	21"

D. DoD Accreditation

The 1099 Tax Reporting Process complies with security and accreditation requirements in accordance with DoD DITSCAP 5200.28 and 5200.40.

E. Program Trouble Reporting:

When using the 1099 Tax Reporting Process, if a user should encounter any trouble, he/she should call the Tax Compliance Office (TCO), see VI. User Assistance. If the TCO determines the situation requires further research, the TCO will instruct the user to complete a Program Trouble Report Form. The Program Trouble Report Form and instructions can be found on the 1099 Tax Reporting Home Page at Https://dfas4dod.dfas.mil/systems/1099.

NOTE: The Program Trouble Report Form is saved in pdf format, which means to open and view the form, you must have Adobe Acrobat reader software loaded on your computer. If you do not have Adobe Acrobat reader, see your security representative or TASO to obtain it.

II. SYSTEM ACCESS

A. Types of System Access

Each user will receive a User ID based upon his or her function in the Purchase Card program. The following is a list of user functions and a brief description of each:

NOTE: Each user can be assigned only one function in the 1099-TRP.

1. Agency Program Coordinator (APC)

The person assigned to be the coordinator of the Account Holders for the Agency. The APC function is permitted access to Convenience Check Transactions and to all user reports.

2. Approving Official (AO)

The person who approves account funding. The AO may also be known as the Billing Official. The AO function is permitted read-only access to the Convenience Check Transactions screen. The AO also has access to all user reports.

3. Account Holder (AH)

An Account Holder is anyone approved to write and issue Convenience Checks to Merchants/Vendors. Some Agencies may have persons who are in charge of tracking and issuing Convenience Checks yet are not Convenience Check writers. Typically, these persons are referred to as Check Custodians. In most cases, Check Custodians will be assigned the Account Holder function within the 1099 Tax Reporting Process. The Account Holder function is permitted access to the Convenience Check Transactions screen and will only be able to view the data they entered. The Account Holder also has access to run all user reports.

B. Obtaining a User ID

Each person requesting access to the 1099 Tax Reporting Process must complete DISA's System Authorization Access Request Form 2875 and DFAS' 1099-Misc System Access Request Form 2869. Both System Access Request Forms and Instructions are located at Https://dfas4dod.dfas.mil/systems/1099. Please read the instructions carefully. If you need assistance, please see Section VI. User Assistance.

C. ***Initial System Access***

Sun Java Plug-In

To access the 1099 Tax Reporting Program (1099-TRP), all users will be required to have the Sun Java Plug-In loaded on their pc. The Sun Java Plug-In allows users to view the application on the web. If you do not have the Sun Java Plug-In loaded, you will receive a message and you will have to have your local LAN/Technical Office load the Sun Java Plug-In.

When accessing the 1099-TRP for the first time you may receive a security warning message that the site's certificate cannot be verified. Click the "always trust content from this publisher" check box and select 'Yes' and you should not see this message again. You may also receive a digital signature error. Click the "always trust content from this publisher" check box and select 'Run' and you should not see this message again.

PKE Registration with Common Access Card (CAC) or Soft Certificate

The 1099-TRP web application is Public Key Enabled (PKE) which means, after receiving your initial userid and password and accessing the 1099-TRP web site, you will be required to Register your user account (userid). After a successful PKE Registration, you will be able to access the 1099-TRP web site with your CAC certificate and CAC pin instead of your userid and password.

IMPORTANT: If you do not have a Common Access Card (CAC), you will be required to obtain a Soft Certificate to access the 1099-TRP. See your local security office to find out how to obtain a Soft Certificate.

D. ***Steps to Sign-on to the 1099 Tax Reporting Program:***

Once you have received your User ID, you are ready to access the web site.

1. Open your web browser. To do this, click the Start Button in the lower left-hand corner of the screen. Then, go to Programs and click Internet Explorer.

2. Enter the following web address in the Location or Address field on the Toolbar: Https://dfas4dod.dfas.mil/systems/1099/ and press the "Enter" key on the Keyboard.

3. Once you are at the 1099 system access screen, select "Convenience Check User's Manual" to download or print the user manual. **Note:** All manuals are in PDF format, which means to open and view the files, you must have Adobe Acrobat reader software loaded on your computer. If you do not have Adobe Acrobat reader, see your security representative or TASO to obtain it.

4. When accessing the 1099 Tax Reporting Process for the first time, it's a good idea to save the Internet address. Here's how:

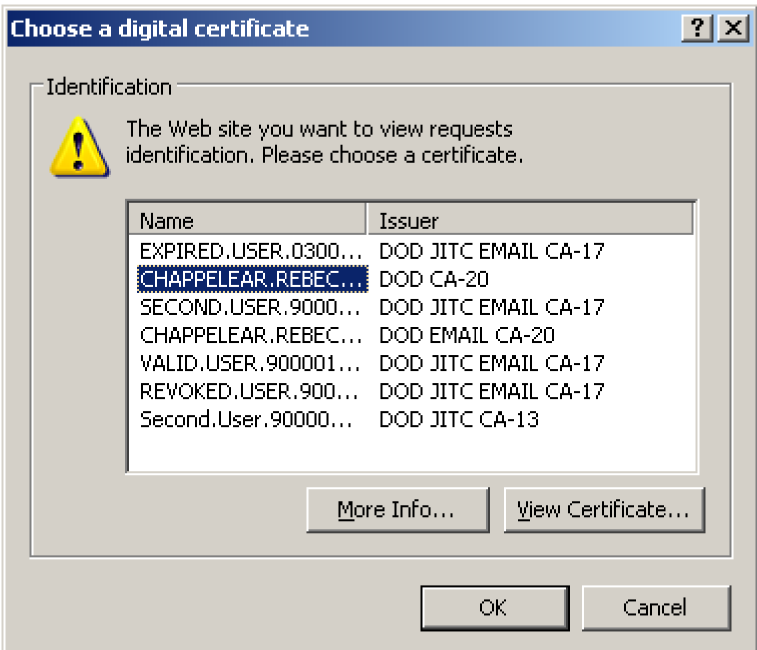
To save the1099 system access screen as a Favorite from Internet Explorer:

1) Click "Favorites" on the Toolbar.
2) Click "Add to Favorites."

5. When accessing the 1099 Tax Reporting Process the next time, click "Favorites" and click the "1099 Tax Reporting Program."

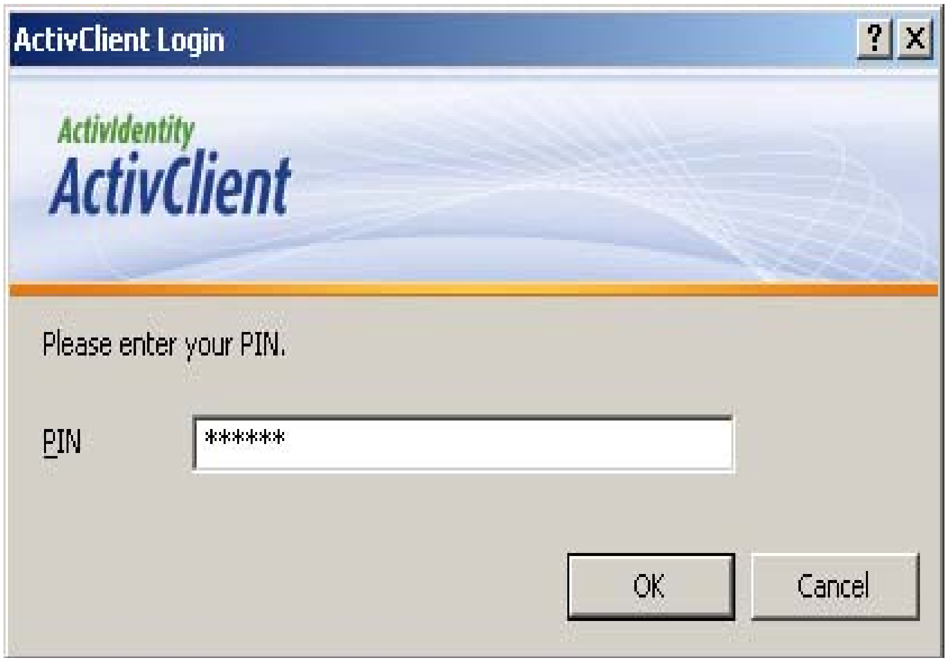
6. Select "1099 Tax Reporting Program."
NOTE: If you are accessing the 1099 Tax Reporting Process for the first time, see Section C. "Initial System Access" above or if you have not obtained your User ID, see Section B "Obtaining a User ID."

7. Select your digital certificate from the list and click the 'ok' button. *(You must have a Common Access Card (CAC) or Soft Certificate to access the 1099-TRP. Contact your local security office for information on obtaining a Soft Certificate if you do not have a CAC.)*



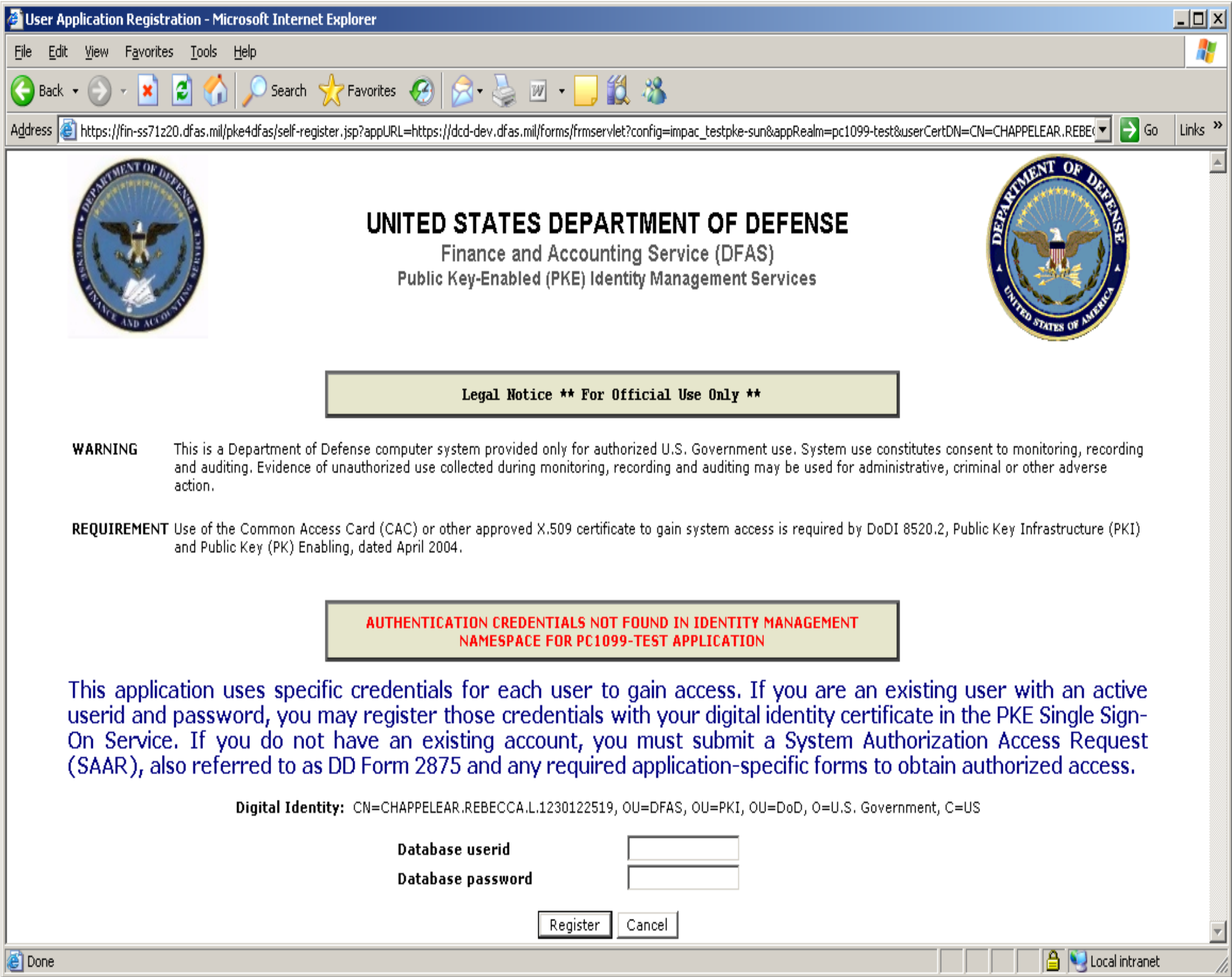
PROMPT TO SELECT DIGITAL CERTIFICATE

8. Enter your CAC pin and select 'ok.'
NOTE: Since the CAC pin is cached for approximately 15 minutes, you may not always receive a pop-up box to enter your CAC pin.



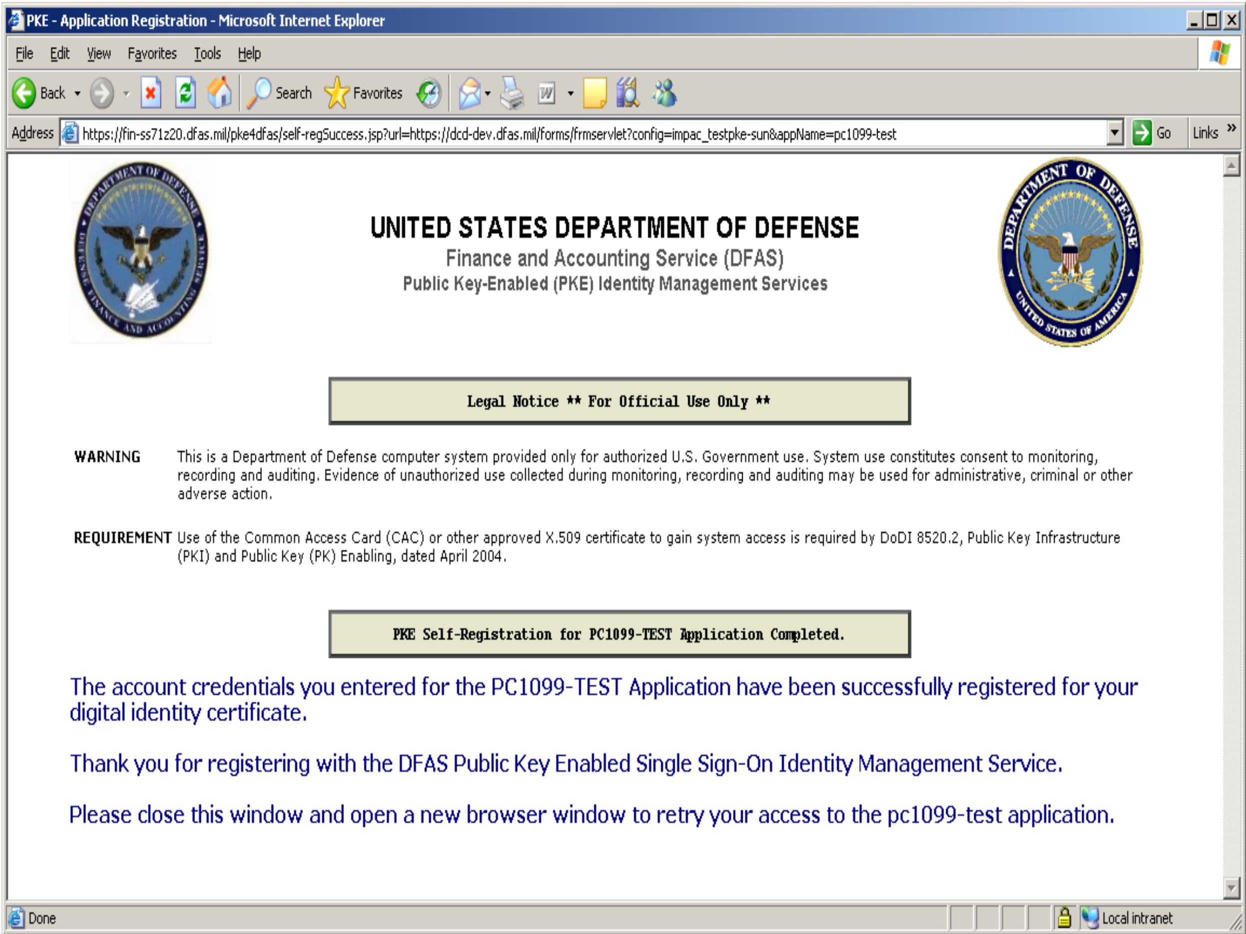
PROMPT TO ENTER COMMON ACCESS CARD (CAC) PIN

9. The first time you access the 1099-TRP web site, you will be required to PKE Register your user account (userid and password).



<u>TAX REPORTING PROGRAM PKE REGISTRATION SCREEN</u>

10. Enter your assigned userid and password and click the Register button.



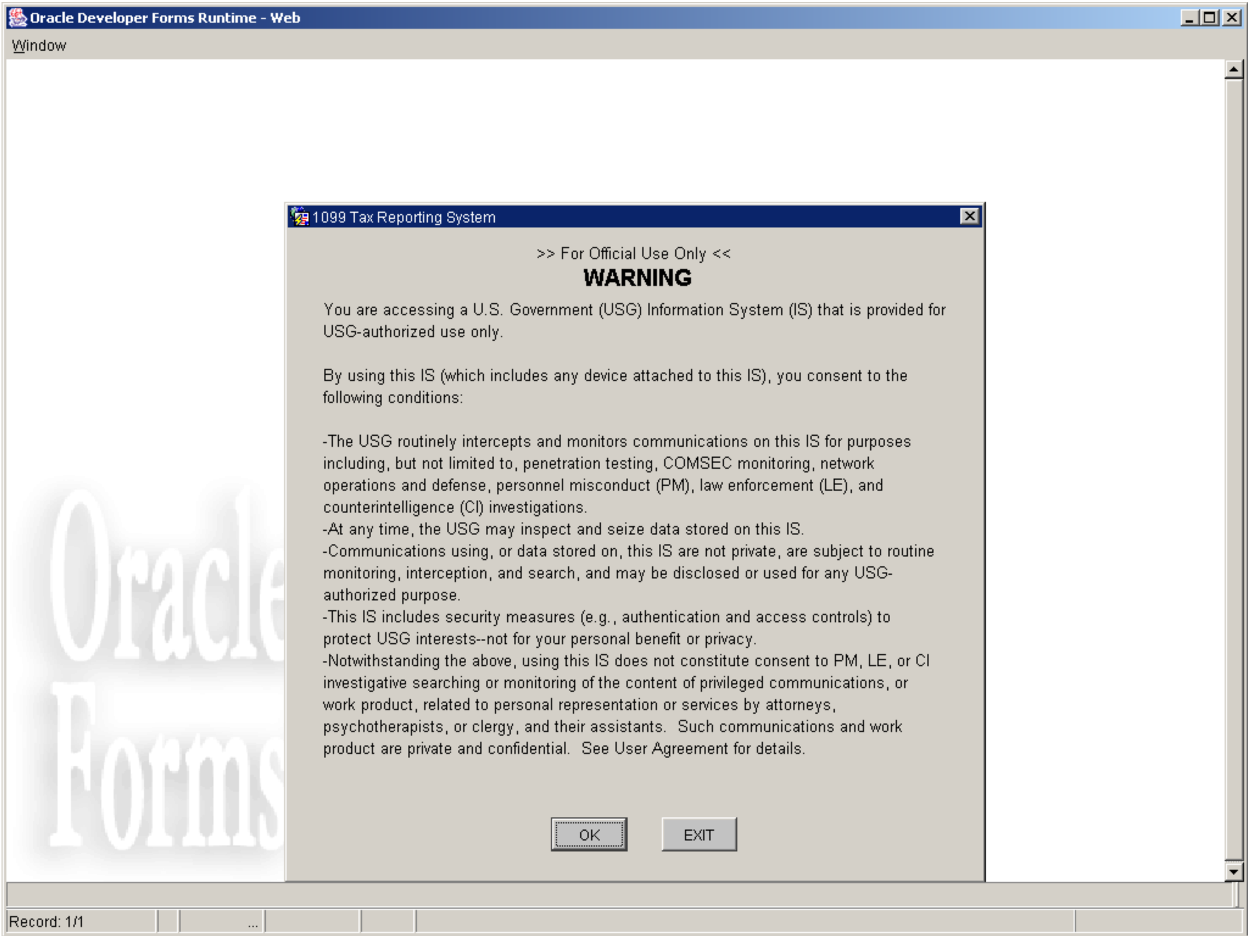
<u>TAX REPORTING PROGRAM PKE SUCCESSFUL REGISTRATION SCREEN</u>

11. If your account was successfully PKE Registered, then you will receive the above message.
<u>Note:</u> *****Once you Register your account, you will need to sign-in once every 90 days to avoid your account being locked.***

12. Close your web browser.

13. Enter the following web address Https://dfas4dod.dfas.mil/systems/1099/ and select "1099 Tax Reporting Program" OR access the web site from your Internet Explorer Favorites list.

14. Each time you sign-on to the 1099-TRP, a **Warning Banner Box** will display.



TAX REPORTING SYSTEM WARNING BANNER BOX

15. Select the 'OK' button to continue into the 1099-TRP or select the 'EXIT' button if you do not wish to continue into the 1099-TRP.

E. Steps to sign off of the 1099 Tax Reporting Program:

1. Click the "Exit" Button on the Toolbar.

2. Close the browser by clicking the "X" in the upper right-hand corner of the screen or select "File" and "Exit" from the Toolbar.

F. Sign-in/PKE Registration Issues/Account Resets

If you have any difficulties with your sign-on or if you need your account reset, notify the 1099 Tax Compliance Office. See Section VI User Assistance for contact instructions.

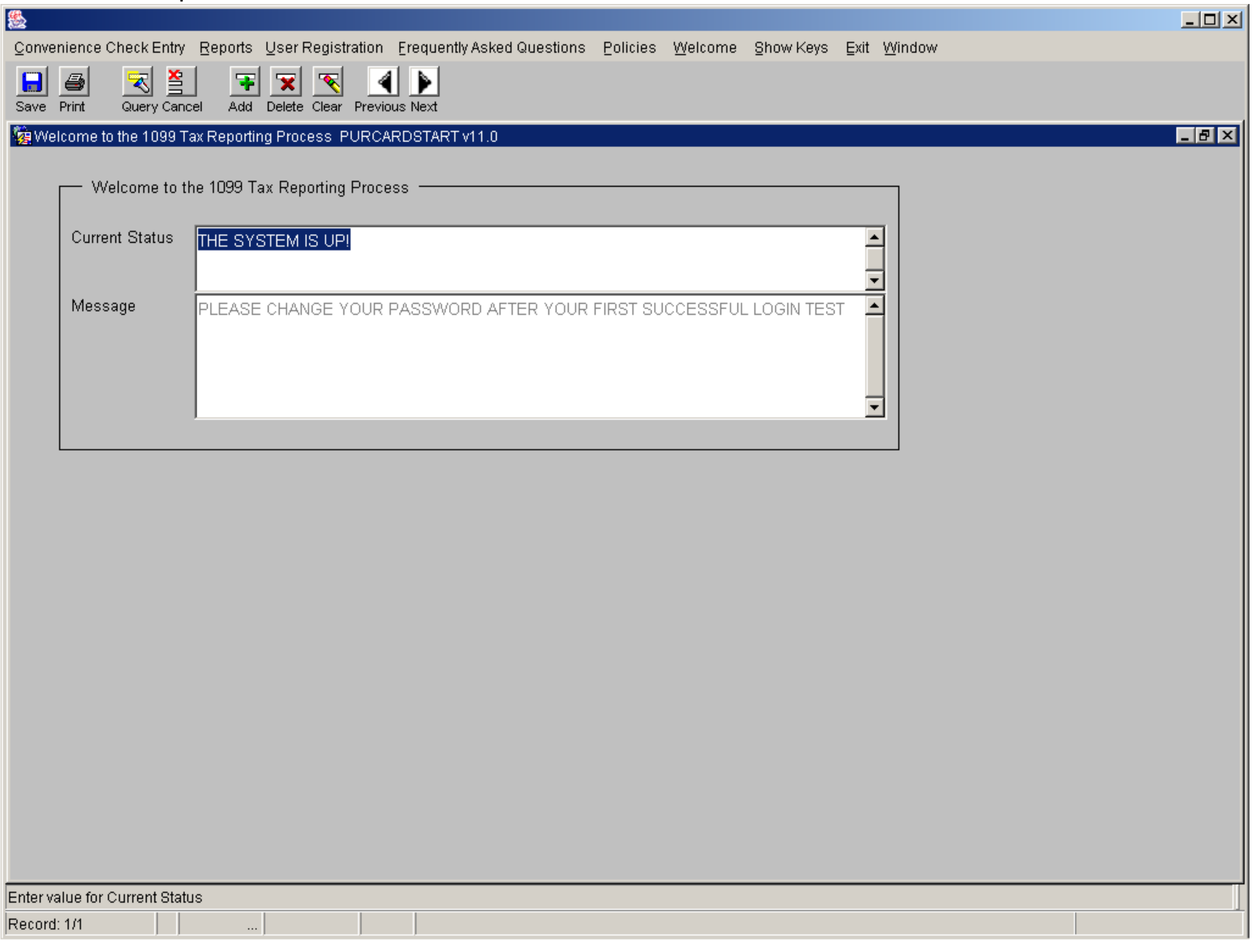
90-Day Account Expiration:

Please be aware that you will need to sign-in once every 90 days to avoid your account being locked.

III. SYSTEM OVERVIEW

A. __Welcome Screen__

This is the first screen of the application. You will see this screen each time you sign-on. The Welcome screen provides the Current Status of the 1099 Tax Reporting Process. The DFAS Tax Compliance Office will also post information for the users on this screen.



__WELCOME SCREEN TO THE TAX REPORTING PROGRAM__

B. __Title Bar__

The Title Bar is located at the top of the current window and indicates which screen you are using. For instance, "Welcome to the 1099 Tax Reporting Process" is a screen title.

C. <u>Menus</u>

The Menus are located across the top of the window. To access them, use your mouse to click the Menu name. Not all Menus are available to all users. Access depends upon the role assigned to you with your User ID. If you are not permitted access to a particular menu, you will not see it. The following is a list of the available Menus. If a menu contains more than one option, a drop-down list will appear when you select the menu.

1. Convenience Check Entry

This menu opens the Convenience Check Transaction screen. Convenience Check Writers will use this screen to enter data and query data on convenience checks they have entered.

2. Reports

This menu opens a drop-down list to access the various Report Request screens where users can generate reports.

3. Frequently Asked Questions

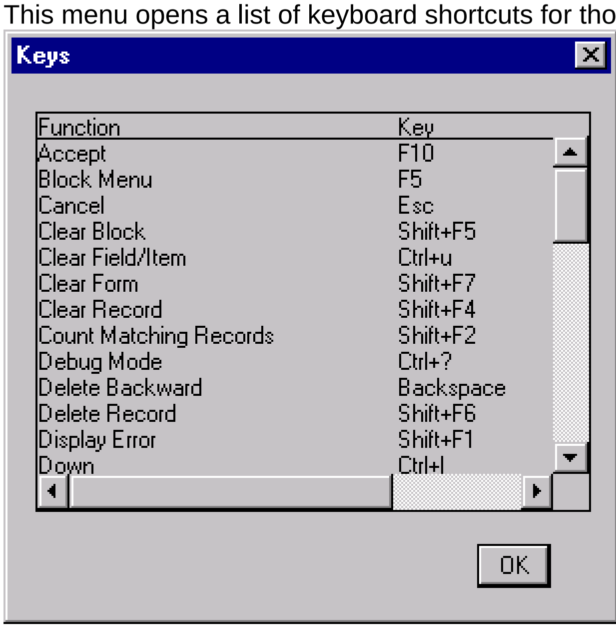
This menu opens the Frequently Asked Questions (FAQ) screen. All users are permitted access to this screen. Users should check this screen for any questions they may have prior to calling the help desk for assistance. Users are encouraged to submit questions/answers to the Tax Compliance Office that do not appear on the FAQ screen if they believe others may benefit from the questions and answers. To see each FAQ, use the Next and Previous Buttons (forward and backward arrows) on the Toolbar.

4. Policies

This menu opens the Policy Page screen. All users are permitted access to this screen. Users should check this screen for policies regarding specific guidance applicable to the filing of 1099 Miscellaneous forms and changes instituted by the IRS. To see each Policy, use the Next and Previous Buttons (forward and backward arrows) on the Toolbar.

5. Show Keys

This menu opens a list of keyboard shortcuts for those who do not have a mouse. See below.



<u>SHOW KEYS BOX</u>

6. Exit

This option exits the user from the application.

7. Window

This option allows the user to see what screens are open. Users will not need to use this option.

D. Toolbar

1. The Toolbar is located under the Menus. The Toolbar options are represented using buttons.
2. Below is a grid that explains what each button represents.

BUTTON	TEXT	USE
Disk	Save	To save a record
Printer	Print	To print the current screen.
Flashlight	Query	To query a record.
Document with red X	Cancel	To end the query mode.
Plus sign	Add	To insert a new record.
Dark red X	Delete	To delete the current record. Note: to complete the delete function, you must also select the Save Button.
Pencil with eraser	Clear	To clear the screen of the current record.
Left-pointing arrow	Previous	To move to the previous record.
Right-pointing arrow	Next	To move forward to the next record.

3. For detail instructions about specific Toolbar options, see Section IV. D. General System Instructions.

E. Hint Text/Message Line

1. Hint text is located at the bottom of the screen in the left-hand corner. Hints are used to provide information to the user regarding each field on the screen. Hint text includes directions for the formats required when entering dates, phone numbers etc. Please follow these hints, as they will help you avoid potential errors when entering data.

2. Messages also appear on the same line that the Hint Text is located in. Please refer to the Message Line for error messages.

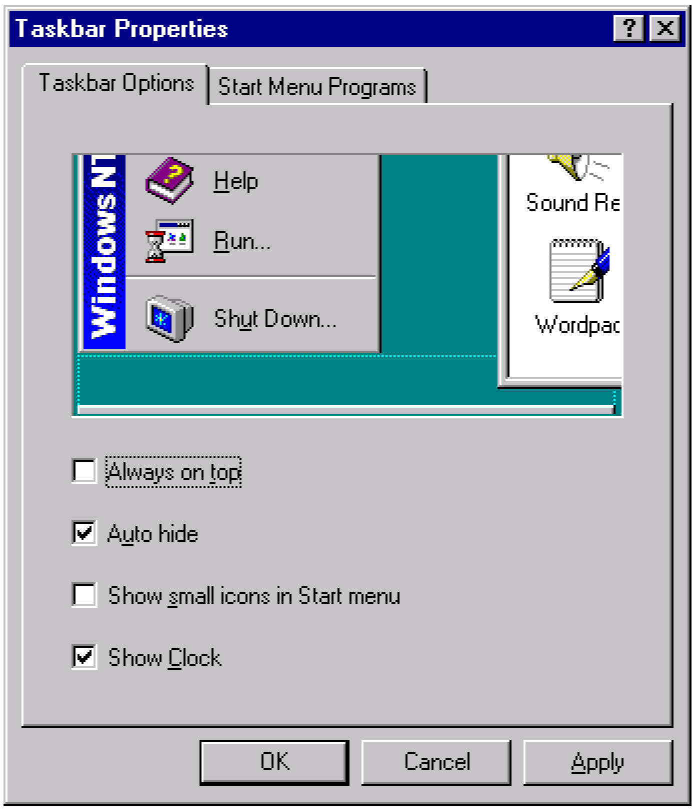
F. Record Count Box

The Record Count Box is located at the bottom of the screen under the Hint Text. The Record Count Box indicates how many records there are and which one you are on. For instance, if there are 12 records total to view and you are viewing record 3, then the Record Status will show: "Record: 3/12."

G. ***Taskbar (Start Bar)***

The Taskbar is located at the bottom of the screen on your Desk Top. The Taskbar may cover the Hint Text at the bottom of your screen. If this occurs, you can "Auto-hide" the Taskbar or remove the "Always on Top" option. Here's how:

1. While on a blank section of the Taskbar, click the right button on the mouse and select "Properties." You should see the following appear:



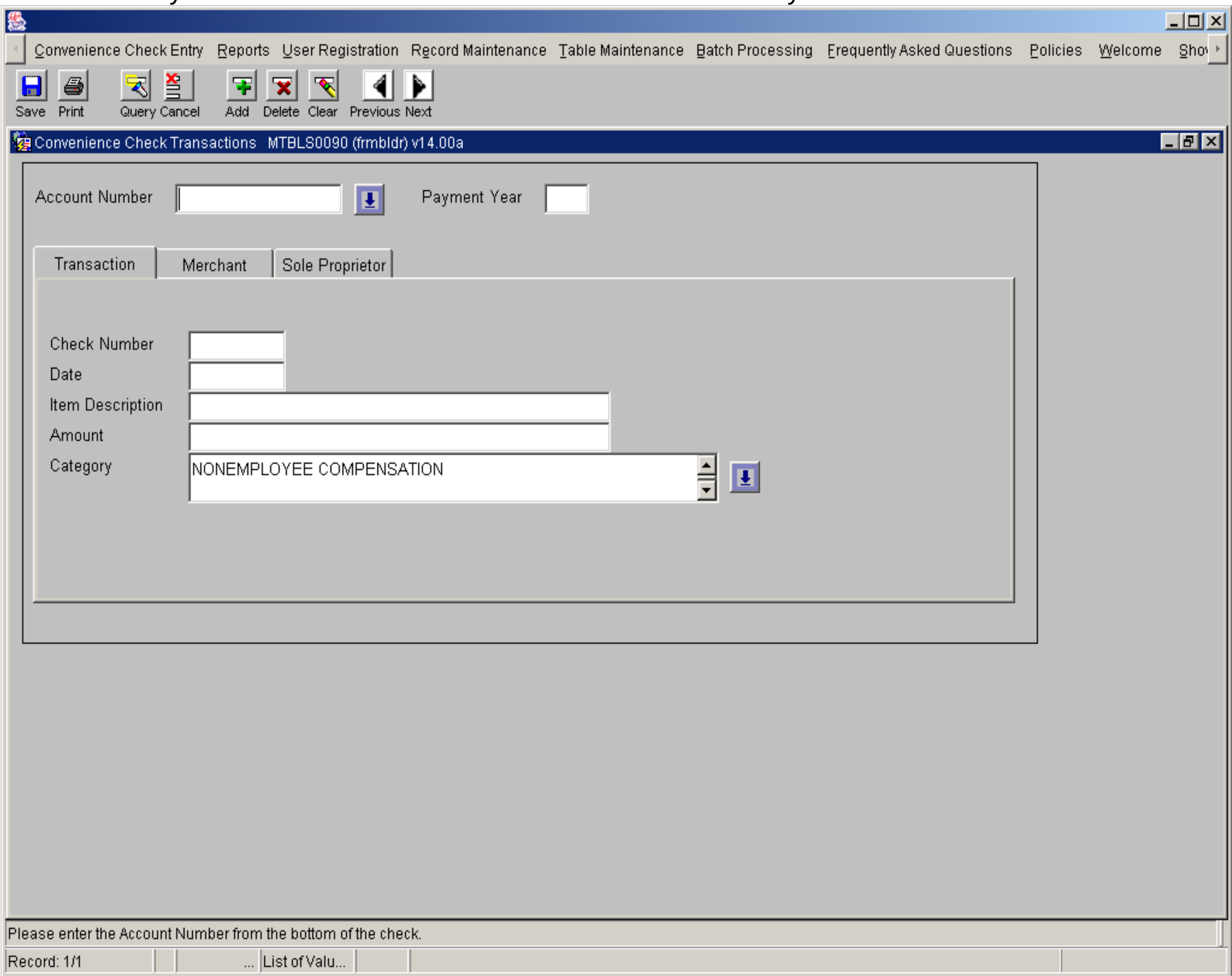
TASKBAR PROPERTIES BOX

2. Select the "Auto-hide" option and click the "ok" Button. This will cause the Taskbar to disappear. To view the Taskbar, move your mouse to the bottom of the screen and the Taskbar will reappear.
3. If you would rather not auto-hide your Taskbar, remove the "Always on top" check mark.

H. Screen and Field Definitions:

1. Convenience Check Transactions

This screen is accessed from the Main Menu and is used by Convenience Check writers and Check Custodians to enter Convenience Check data into the DFAS 1099 Tax Reporting Process. APCs will have data entry access to this screen also. AOs will have "read-only" access.



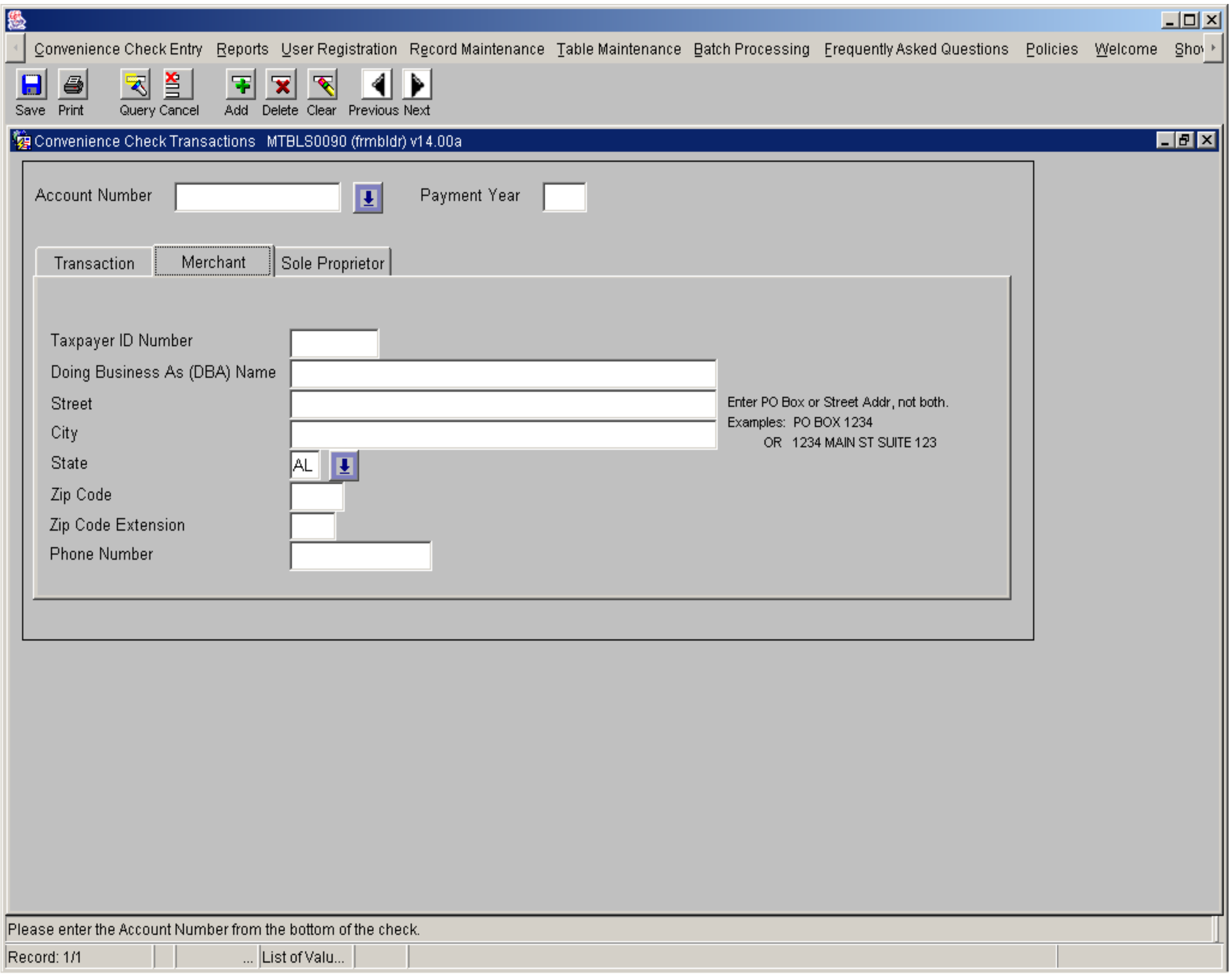
CONVENIENCE CHECK TRANSACTIONS SCREEN – TAB 1

Account Number – The account number assigned to the Account Holder.
Payment Year – The year the transaction occurred.

Tab 1: Transaction

Check Number – The check number that appears on the check in the upper right-hand corner.
Date – The date the check was written.

Item Description - The narrative that describes the item.
Amount – The sum in dollars of the transaction.
Category – The transaction category corresponds to payment blocks on the IRS 1099-Misc Form. The IRS determines the categories.



CONVENIENCE CHECK TRANSACTIONS SCREEN – TAB 2

Tab 2: Merchant:

Taxpayer ID Number – A unique number assigned by the Internal Revenue Service. The Taxpayer Identification Number may be a Social Security Number (SSN) or Employee Identification Number (EIN).

Doing Business As (DBA) Name – The name the Merchant used when applying for a Taxpayer ID Number.

Street – The street number and street name of the merchant location. May also be a P.O. Box number.

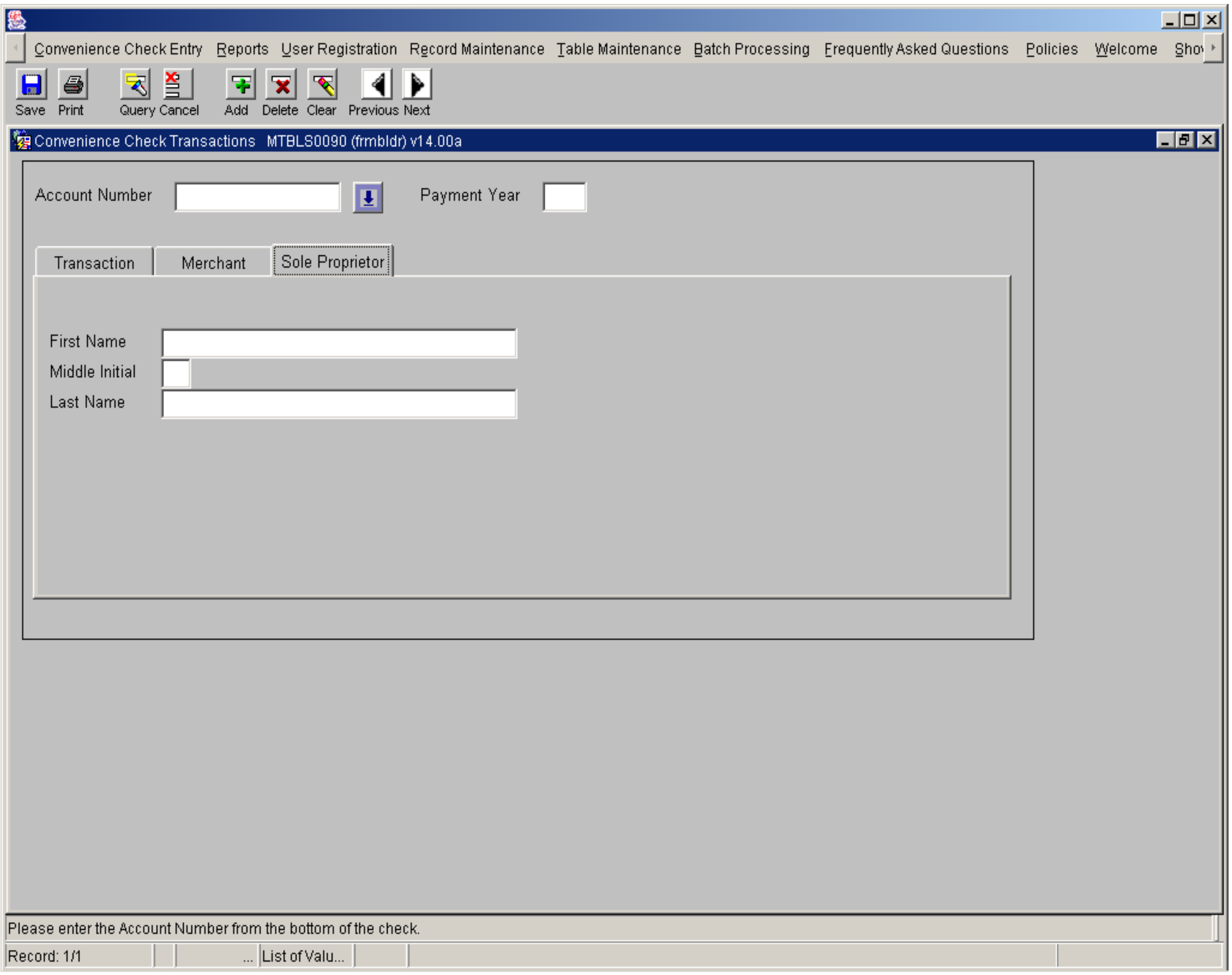
City – The name of the city in which the Merchant is located.

State - The name of the state in which the Merchant is located.

Zip Code – A five-digit code used to identify a specific geographic mail delivery area.

Zip Code Extension – The last four digits in a nine-digit ZIP code. The four-digit extension further subdivides these areas.

Phone Number – The ten-digit phone number of the Merchant.



CONVENIENCE CHECK TRANSACTIONS SCREEN – TAB 3

Tab 3: Sole Proprietor:

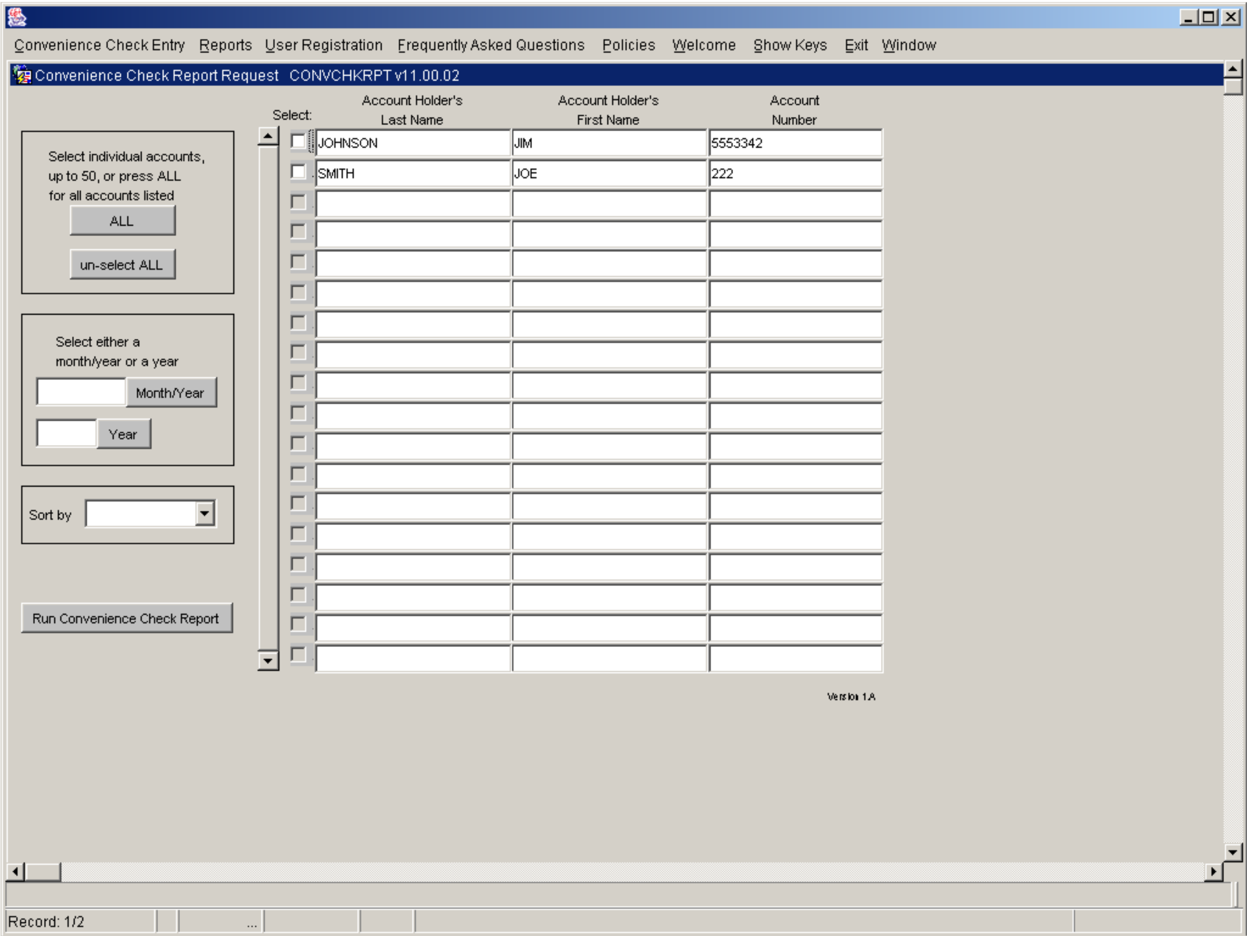
First Name – The first name of the registered owner of the business.

Middle Initial – The middle initial of the registered owner of the business.

Last Name – The last name of the registered owner of the business.

2. Convenience Check Report Request

This screen is accessed from the Reports Menu. All users have access to this screen to request a report of Convenience Checks the user has entered into the 1099-TRP or Convenience Checks that the user is authorized to see.



<u>CONVENIENCE CHECK REPORT REQUEST SCREEN</u>

<u>All button</u> – Click this button to select all Account Numbers in the list on the right.

<u>Un-select All button</u> – Click this button to un-select all Account Numbers in the list on the right.

<u>Month/Year</u> – Select a Month and Year for the report or select a Year. Not both.

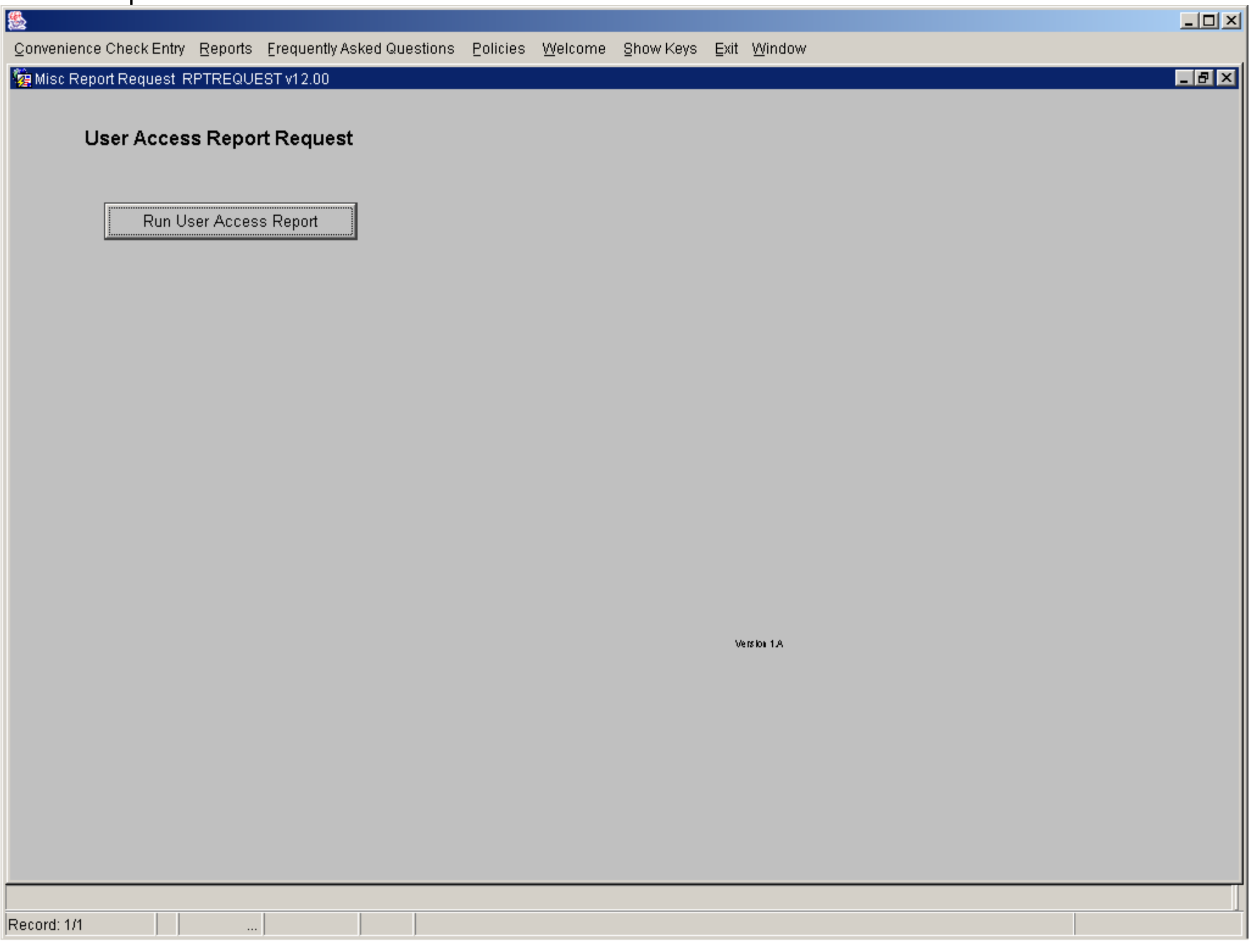
<u>Year</u> – Select a Year for the report or select a Month and Year for the report. Not both.

<u>Account Holder's Last Name, Account Holder's First Name, Account Number</u> – The list of Account Holder Names and Account Numbers the user is authorized to see.

<u>Run Convenience Check Report button</u> – Click this button to generate the report.

3. User Access Report Request

This screen is accessed from the Reports Menu. All users have access to this screen to request a User Access Report.

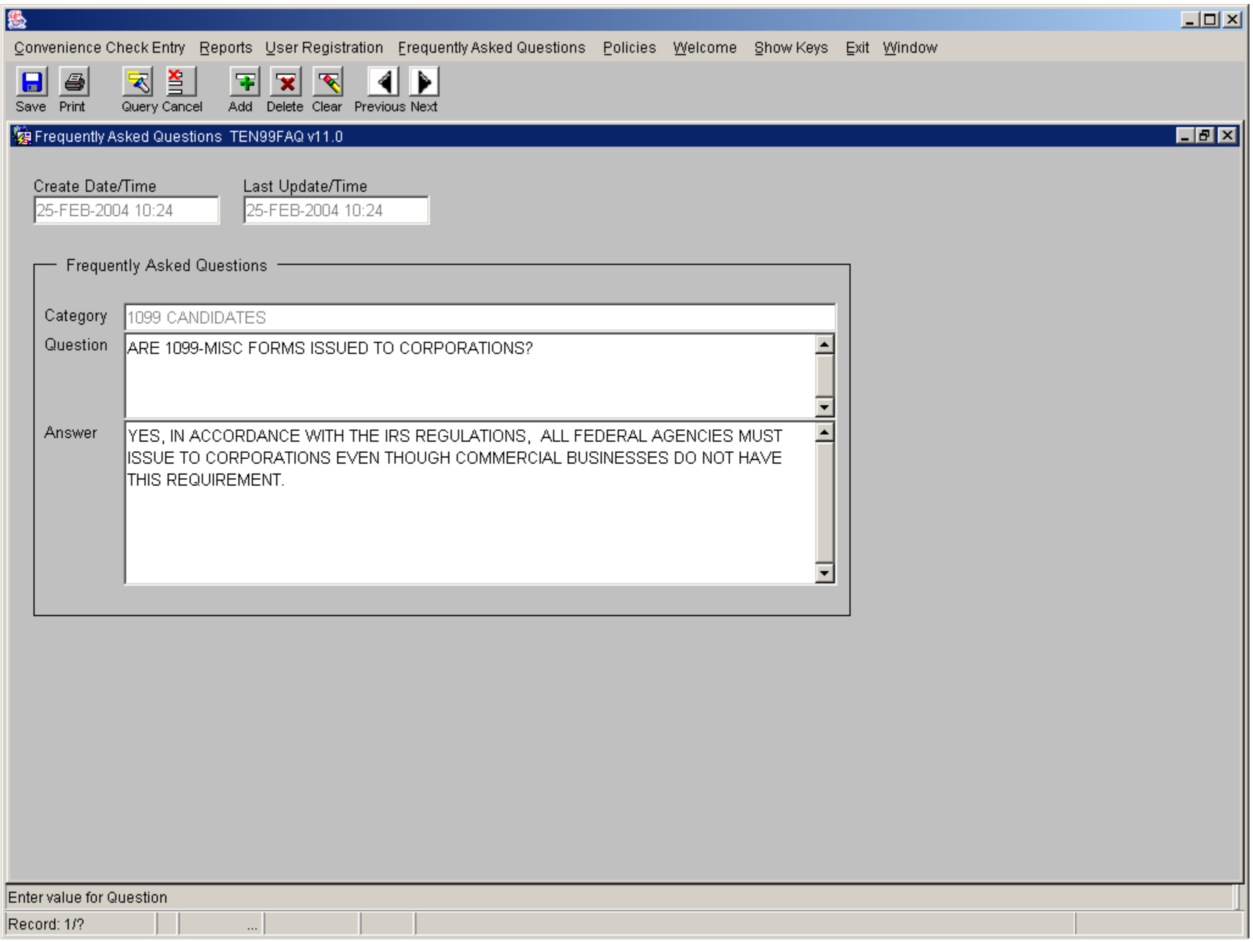


USER ACCESS REPORT REQUEST SCREEN

Run User Access Report button – click this button to generate the report.

4. Frequently Asked Questions

All users have read only access to this screen to obtain answers to Frequently Asked Questions.



FREQUENTLY ASKED QUESTIONS SCREEN

Create Date/Time – The date that the Frequently Asked Questions was created.

Last Update – The date that the Frequently Asked Questions were last updated.

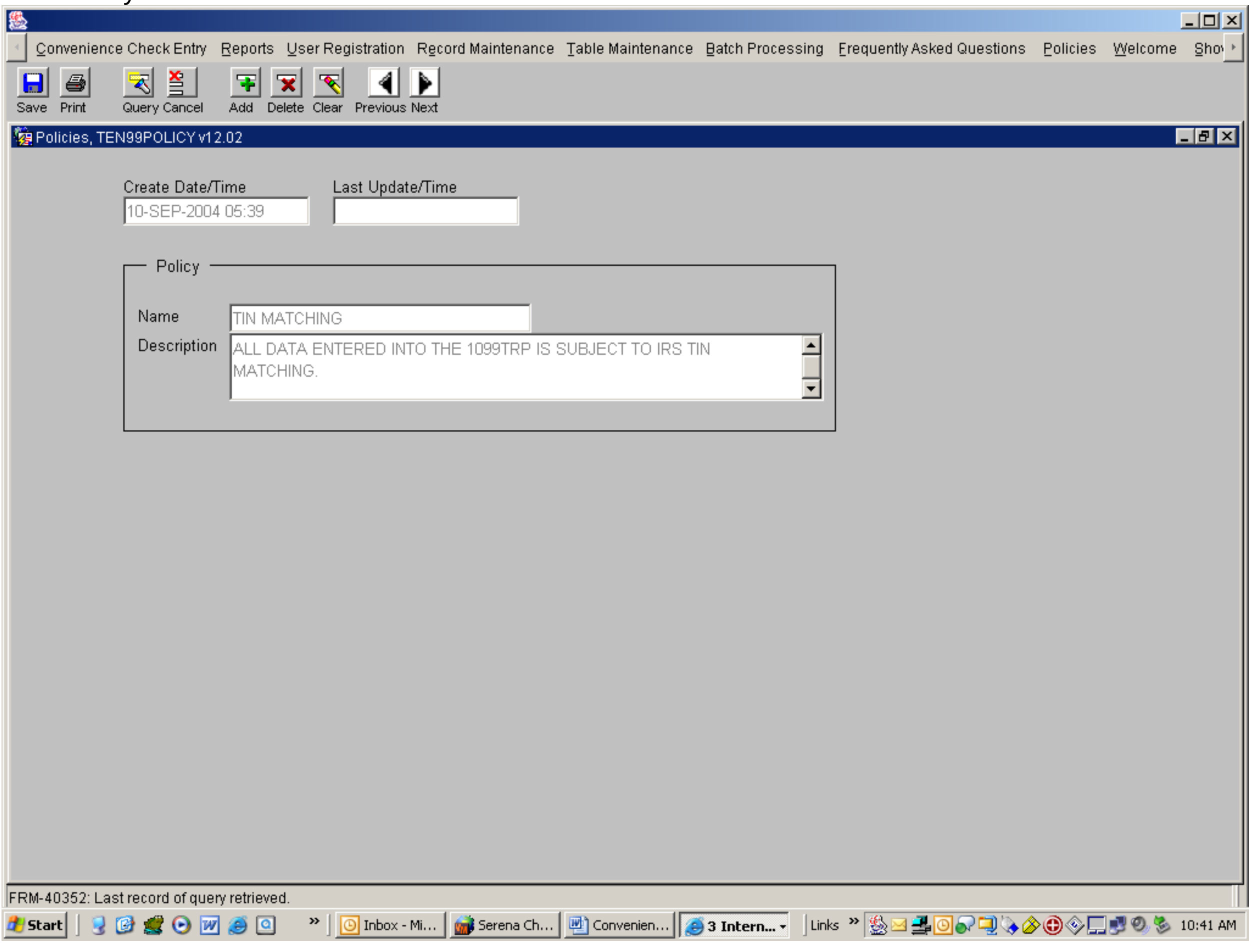
Category – The title to the Frequently Asked Question (FAQ).

Question – The Frequently Asked Question.

Answer – The answer to the Frequently Asked Question.

5. Policies

All users have read only access to this screen to obtain guidance regarding 1099-Misc Policies. The TCO uses Policy Maintenance to enter the information seen here.



POLICIES SCREEN

Create Date/Time – The date and time the policy was created.

Last Update/Time – The date and time the policy was last updated.

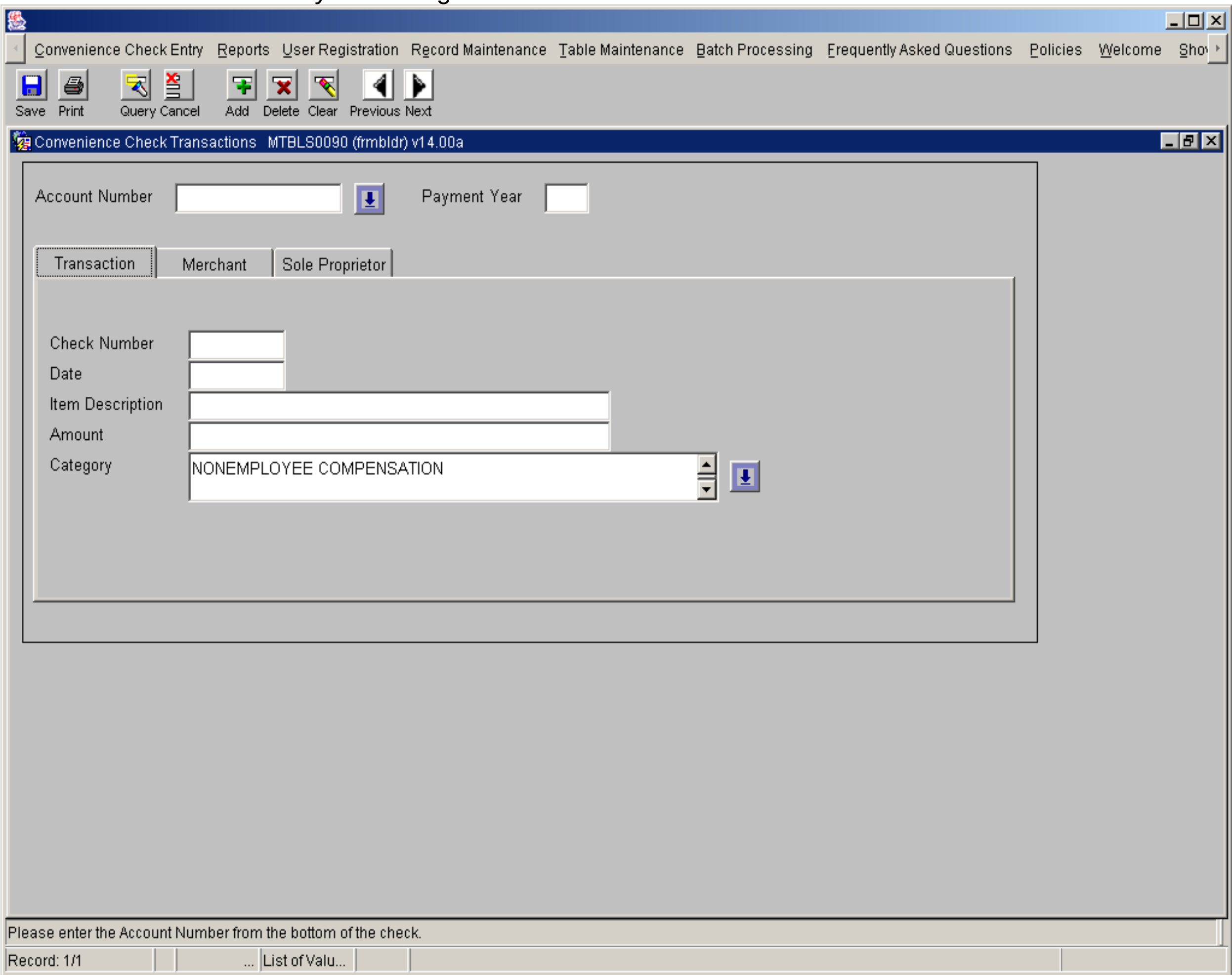
Name – The subject of the Policy.

Description – The description of the Policy.

IV. SYSTEM INSTRUCTIONS

A. Agency Program Coordinators (APCs) and Approving Officials (AO)

AOs have read-only access to review Convenience Check transactions. APCs may also enter Convenience Checks if they are acting as an Account Holder. See B. Account Holders for instructions.



CONVENIENCE CHECK TRANSACTIONS SCREEN

Steps to Review Convenience Check Transactions:

a) **Access the Convenience Check Transactions screen**:
Click the Convenience Check Entry Menu.

b) **Retrieve Transactions:**
1) Click the Query Button.
2) Click the List of Values (LOV) Button to the right of the Account Number field. A list of values box will appear. **(NOTE: If you have only one Account Number, the Account Number field will already be populated for you.)**

3) Select your Account Number and click the "ok" button. **(NOTE: This step N/A if you have only one Account Number.)**

4) Enter the Payment Year. **(NOTE: You must enter a Payment Year for all queries.)**
5) Click the Query Button again.

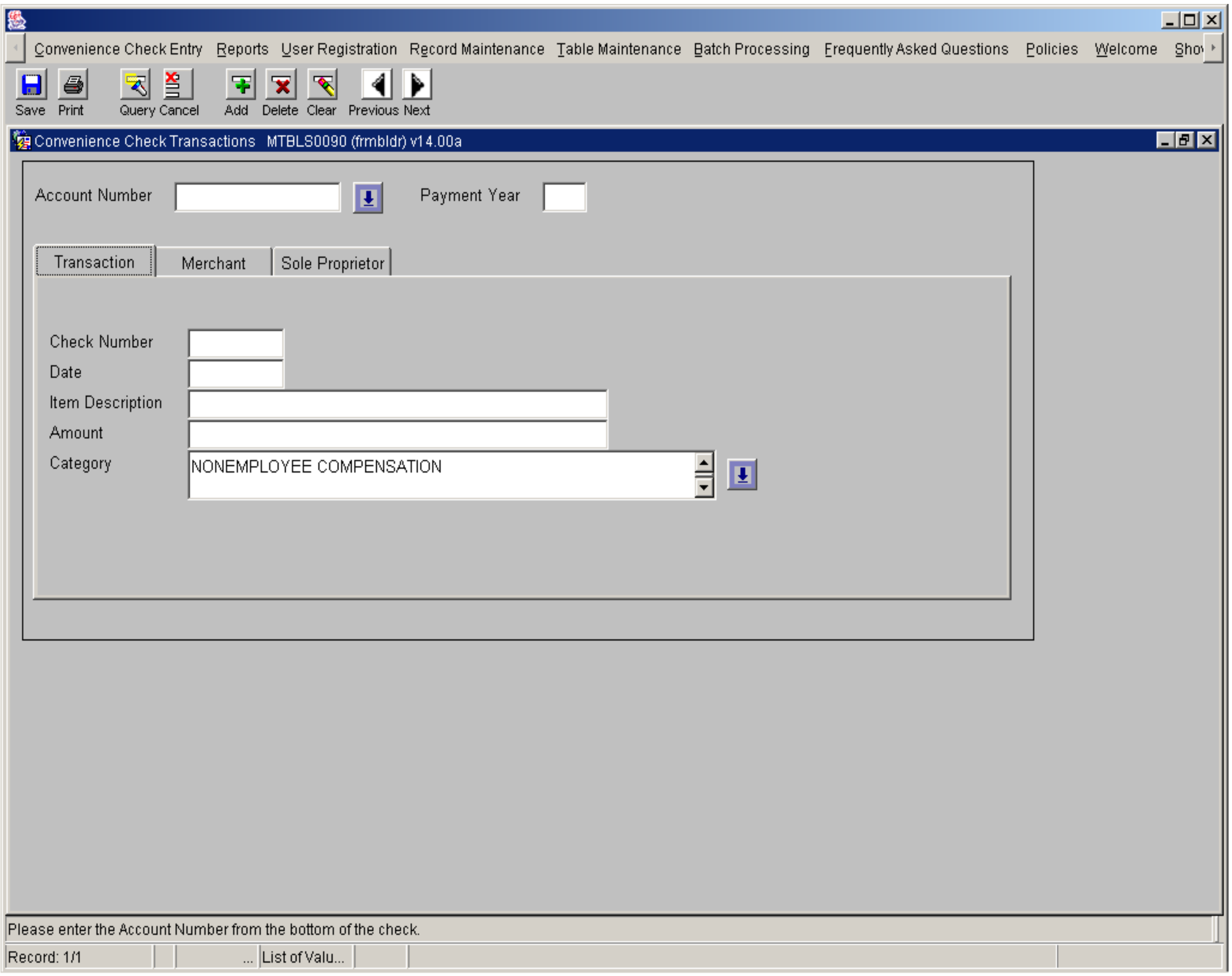
c) Use the Previous and Next Buttons to advance to the next and previous records.

NOTE: If you click the Query Button and change your mind, you must click the Cancel Query Button to exit "query mode" before moving on to another action. Make sure to check the Hint Text in the lower left-hand corner of the screen for messages.

B. Account Holders

Each Account Holder is responsible for entering his or her Convenience Checks.

1. Steps to Add/Insert Convenience Check Transactions:



CONVENIENCE CHECK TRANSACTIONS SCREEN – TAB 1

a) **Access the Convenience Check Transactions screen**:
Click the Convenience Check Entry Menu.

b) **Select the Account Number:**

1) Click the List of Values (LOV) Button to the right of the Account Number field. A list of values box will appear. **(NOTE: If you have only one Account Number, the Account Number field will already be populated for you.)**

2) Select your Account Number and click the "ok" button. **(NOTE: This step N/A if you have only one Account Number.)**

******Inactive Account Numbers** - If your Account Number(s) have been marked as "Inactive" by the Tax Office, you will not see that Account Number listed. Contact the Tax Office if you have questions. **See Section VI. User Assistance.**

c) **Enter the Payment Year:**
Tab to the Payment Year and enter the four-digit year the check was written as shown on the face of the check and in the date box. **Do not** enter the fiscal year, the accounting year or the year the funds were obligated for the payment. 1099 reporting is separate and distinct from the reporting of funds for accounting purposes.

d) **Enter the Transaction information:**

1) Enter the Check Number that appears on the check in the upper right-hand corner.

a) Each Check Number can be entered **once per Account Number**, i.e., you can only enter Check Number 1000 once for Account Number 471612345.
b) A Check Number of **all zeros is not permitted**, i.e., Check Number 0000, 000 etc will be rejected.
c) No alphabetic characters are permitted.
d) A Check Number **must** be entered.

2) Enter the date in the format MM/DD/YYYY that the transaction occurred. You must enter the slashes.

NOTE: This date is the actual date of the check. It is not the date the check was given to the Merchant, the fiscal year when the check was written **or** the date that the check was cashed by the Merchant.

3) Enter the description of the service, such as: SPEAKER FEE, BOOTH RENTAL, MAINTENANCE COST, etc. Please be consistent in your descriptions.

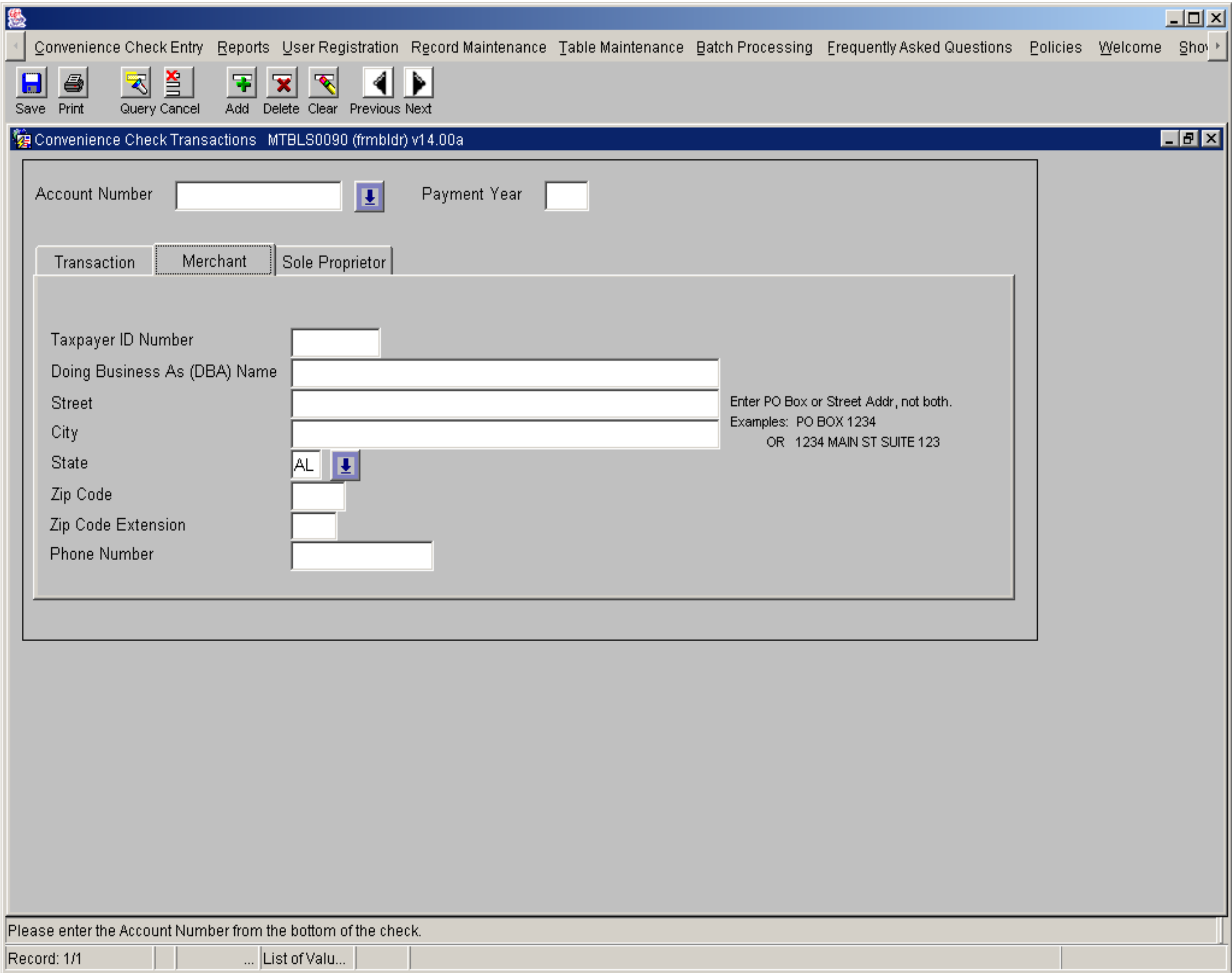
4) Enter the Amount of the check. If the amount is dollars and cents, enter the decimal point. If the amount is whole dollars, the decimal point will insert automatically when you tab out of the field.

5) If the service falls under "Non-employee Compensation," leave the Category field as is. If the service falls under another category, select the appropriate category from the List of Values by clicking the drop-down arrow to the right of the field. For further information about the Category, see Section 4. "**Determining the Transaction Category.**"

NOTE 1: Most payments for "services" fall under "Non-employee Compensation."

NOTE 2: The following categories have been removed from the drop-down list. If you have questions about this, please contact the Tax Office, see VI. User Assistance.

CROP INSURANCE PROCEEDS
FISH BOAT PROCEEDS
OTHER INCOME
STATE TAX WITHHELD



<u>CONVENIENCE CHECK TRANSACTIONS SCREEN – TAB 2</u>

e) **<u>Enter the Merchant information:</u>**

1) Click the Merchant tab.

2) Enter the unique Taxpayer ID Number (TIN) assigned to the Merchant by the IRS. Accuracy of the TIN is **<u>essential</u>** and must correspond to the name entered in the Merchant Name field. The TIN (also known as the Federal Tax ID Number) may be a Social Security Number (SSN) (XXX-XX-XXXX) or Employer Identification Number (EIN) (XX-XXXXXXX). If the number is in another format, then the number is most likely the Merchant's State Tax ID Number. Verify the TIN with the Merchant prior to entering the data.

<u>NOTE:</u> Do not enter the dashes when entering the EIN or SSN.

3) *<u>If the Merchant already exists in the system</u>*:

<u>a</u> When the user enters the TIN and tabs, a box will pop up with a list of Doing Business As Names and addresses for the TIN entered.

<u>b</u> Select the appropriate Merchant by double-clicking with the mouse or selecting the Doing Business As Name and clicking the "ok" button.

c The Merchant information on the screen will be populated.
d If a Sole Proprietor Name exists for the Merchant selected, the Sole Proprietor information on the Sole Proprietor tab will also be populated.

****NOTE: If the Merchant retrieved is not the correct Merchant, click in the TIN field and press "Ctrl+L" (the "Ctrl" button and "L" key on the keyboard) to pull the pop-up box again.**

4) ***If the Merchant is New***:

a Enter the official Doing Business As (DBA) Name to whom the check was issued. The Doing Business As (DBA) Name must correspond to the TIN entered above. **Do not enter any special characters or punctuation marks. No Titles (DR, MR, MRS etc.) or Suffixes (JR, SR etc.) are permitted.**

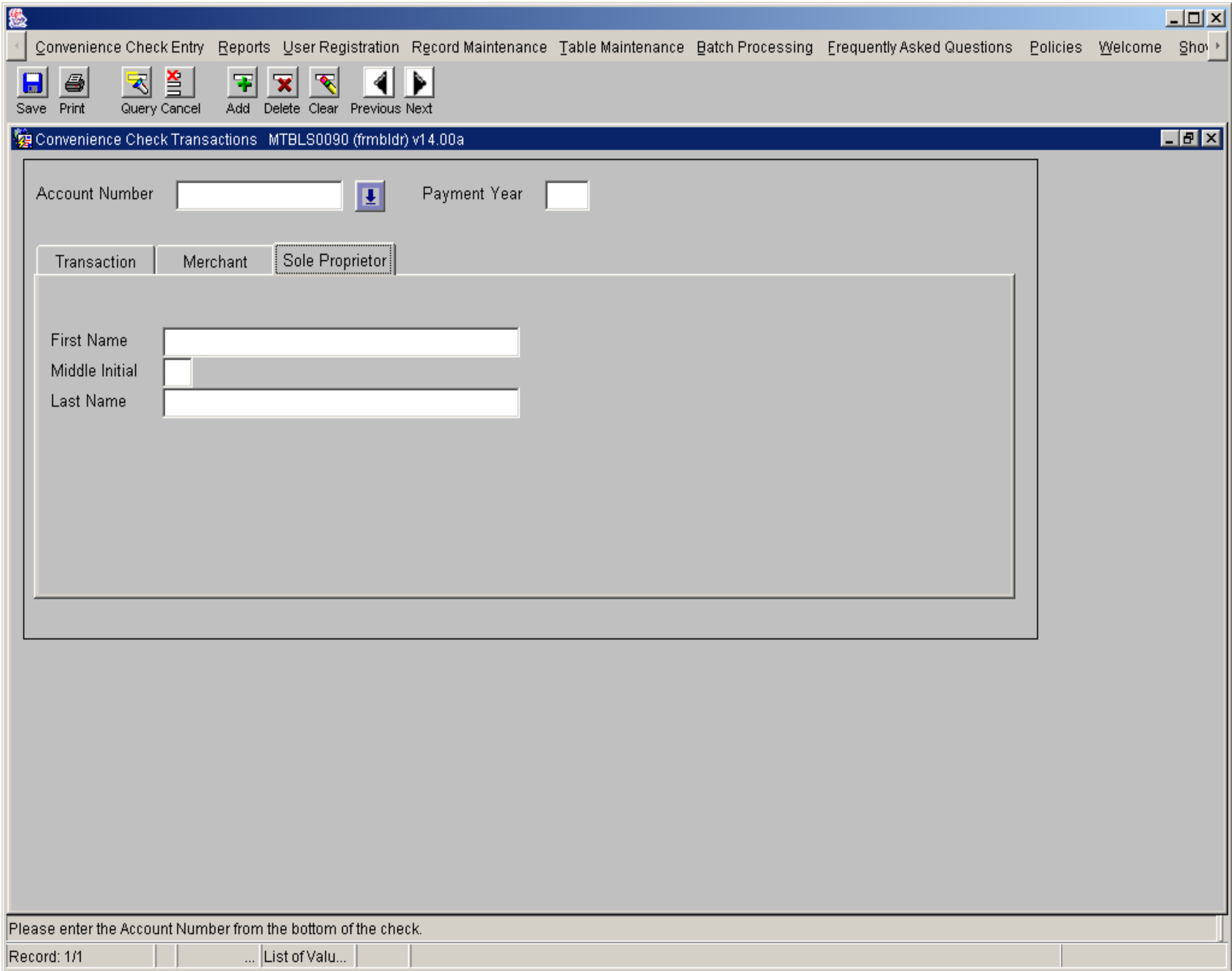
b Enter the complete Street address. You may also enter a P.O. Box Number. **Enter one or the other, not both. You can only enter 40 characters. Abbreviate as necessary. Do not enter any special characters or punctuation marks.**

c Enter the Merchant's city name. **Do not enter any special characters or punctuation marks.**

d Enter the two-digit state abbreviation or click the drop-down arrow Button next to the field and select the appropriate state abbreviation from the list.

e Enter the five-digit Zip Code and four-digit Zip Code Extension, if known, for the Merchant.

f Enter the ten-digit Merchant Phone Number including area code. Do not enter any parentheses or dashes, they will be auto-filled after tabbing to the next field.



<u>CONVENIENCE CHECK TRANSACTIONS SCREEN – TAB 3</u>

<u>g</u> Click the Sole Proprietor tab.

<u>h</u> If the Merchant is a Sole Proprietor, enter his/her "Legal" first and last name; the Middle Initial is optional. **Do not enter any special characters or punctuation marks. No Titles (DR, MR, MRS etc.) or Suffixes (JR, SR etc.) are permitted.**

<u>NOTE:</u> If the Merchant is a Sole Proprietor, you **<u>must</u>** also enter the Doing Business As (DBA) Name on the Merchant Name tab.

5) **<u>Save the Record</u>**
When finished, click the Save button on the Toolbar.

<u>NOTE: The record will remain on the screen. To add the next record, click the Add Button (green plus sign) on the Toolbar. This will clear the screen to add the next record. If you do not click the Insert Button and you type over the data on the screen, you will be changing the record you just entered instead of inserting a new record.</u>

2. Steps to Change an Existing Convenience Check Transaction:

a) **Access the Convenience Check Transactions screen**:
Click the Convenience Check Entry Menu.

b) **Retrieve the Transaction:**

1) Click the Query Button.

2) Click the drop-down box to the right of the Account Number field. **(NOTE: If you have only one Account Number, the Account Number field will already be populated for you.)**

3) Select the Account Number and click the "ok" Button. **(NOTE: This step N/A if you have only one Account Number.)**

4) Enter the Payment Year. **(NOTE: You must enter a Payment Year for all queries.)**

5) Click the Query Button again. The first transaction for the account number will be shown.

6) If the first transaction is not the transaction you want to change, click the Next or Previous Buttons on the Toolbar until you reach the transaction you want to change.

NOTE: you may have to click the Merchant or Sole Proprietor tabs as you page through to verify the record.

c) **Change the Transaction:**
Make the change on the appropriate tab. Click the Merchant or Sole Proprietor tab to access the field to change.

d) **Save the Changed Transaction:**
Click the Save Button to save the change.

3. Steps to Query Available Convenience Check Transactions:

a) **<u>Access the Convenience Check Transactions screen</u>**:
Click the Convenience Check Entry Menu.

b) Click the Query Button.
c) Click the drop-down box to the right of the Account Number field. **(NOTE: If you have only one Account Number, the Account Number field will already be populated for you.)**

d) Select the Account Number and click the "ok" Button. **(NOTE: This step N/A if you have only one Account Number.)**

e) Enter the Payment Year. **(NOTE: You must enter a Payment Year for all queries.)**

f) Click the Query Button again. The first transaction for the account number will be shown.

g If the first transaction is not the transaction you want to change, click the Next or Previous Buttons on the Toolbar until you reach the transaction you want to query. You may have to click the Merchant or Sole Proprietor tabs as you page through.

<u>NOTE</u>: If you click the Query Button and change your mind, you must click the Cancel Query Button to exit "query mode" before moving on to another action. Make sure to check the Hint Text in the lower left-hand corner of the screen for messages.

4. Determining the Transaction Category:

a) The Transaction Category correlates to the block on the IRS Form. The following is a list of the possible 1099-Misc block categories for the 1099 Tax Reporting Process:

1099-Misc Block	Block Description	Examples from IRS Publication 1220
1	Rents	Real Estate rentals (office space), Machine rentals, Booth rentals
2	Royalties	A share paid to a writer or composer out of the proceeds resulting from the sale or performance of his or her work. A share in the proceeds paid to an inventor or a proprietor for the right to use his or her invention or services. Payment for using an original invention or services. Report the gross royalties (before reduction for fees, commissions, or expenses) Exceptions: Does not include timber royalties made under a pay-as-cut contract; Does not include oil or gas payments for a working interest; and does not include surface royalties.
6	Medical and health care payments	Payments to physicians or health care providers. **Exclusions**: Tax-exempt hospitals operated by the government
7	Non-employee compensation	Speakers, maintenance costs, etc. Most of the payments will fall under this category. Also, include "payment for parts or materials used to perform the services if supplying the parts or materials was incidental to providing the service." See the Policy Page or FAQs for more details.
14	Gross proceeds paid to an attorney	Gross proceeds paid to an attorney for legal services. Legal services are defined as all services related to, or in support of, the practice of law performed by, or under the supervisor of, an attorney. Attorney is defined as a person engaged in the practice of law, whether as a sole proprietorship, partnership, corporation, or joint venture.

b) If you issued a check that applies to more than one category, choose the category that represents the larger portion of the payment amount. Most payments will fall under Non-employee Compensation, which indicates that the person receiving the check is not an employee of the government.

C. __General System Instructions__:

This section covers basic functions within the 1099 Tax Reporting Process using the Toolbar.

1. How to Save a Record:

Insert, Change or Delete the record and click the "Save" Button on the Toolbar to complete the action. The action is not complete until you click the "Save" Button and see the message "Transaction complete: 1 record applied and saved" in the lower left-hand corner of the screen.

2. How to Print a Record:

a) Click the "Printer" Button on the Toolbar to print the screen contents.
b) Follow the Printer directions to complete the print.

3. How to Query a Record:

a) Click the Query Button.
b) Enter the field contents you are going to query by, i.e., the Account Number. **(NOTE: If you have only one Account Number, the Account Number field will already be populated for you.)**

c) Enter the Payment Year. **(NOTE: You must enter a Payment Year for all queries.)**

d) Click the Query Button again.
e) Then, use the Next and Previous Buttons to view each record.

__NOTE__: If you click the Query Button and change your mind, you must click the Cancel Button to exit "query mode" before moving on to another action. Make sure to check the Hint Text in the lower left-hand corner of the screen for messages.

4. How to Insert/Add a Record

a) Click the Add Button on the Toolbar.
b) Enter the transaction.
c) Click the Save Button.

__NOTE:__ You do not need to use the Insert Button when first accessing a screen. Just enter the transaction and click the Save Button. Use the Insert Button when adding the second, third etc. transaction.

5. How to Change/Edit a Record

__a) Retrieve the Record:__
1) Click the Query Button.
2) Enter the field contents you are going to query by, i.e., the Account Number. **(NOTE: If you have only one Account Number, the Account Number field will already be populated for you.)**

3) Enter the Payment Year. **(NOTE: You must enter a Payment Year for all queries.)**
4) Click the Query Button again.

__b) Find the Record to Change:__
Click the Next and Previous Buttons on the Toolbar until you find the record to change.

c) Change the Record:
1) Tab to the field(s) to change.
2) Make the change.

d) Save the Change:
Click the Save Button on the Toolbar.

6. How to Remove/Delete a Record

a) Retrieve the Record:
1) Click the Query Button.
2) Enter the field contents you are going to query by, i.e., the Account Number. **(NOTE: If you have only one Account Number, the Account Number field will already be populated for you.)**

3) Enter the Payment Year. **(Note: You must enter a Payment Year for all queries.)**
4) Click the Query Button again.

b) Find the Record to Delete:
Click the Next and Previous Buttons on the Toolbar until you find the record to delete.

c) Delete the Record:
1) Click the Delete Button on the Toolbar.
2) Click the Save Button to complete.

7. How to Clear a Record

Click the Clear Record Button on the Toolbar.

NOTE: Clearing a record simply clears the screen of the current record. The record will still remain in the database. If more than one record exists, you will see the next available record.

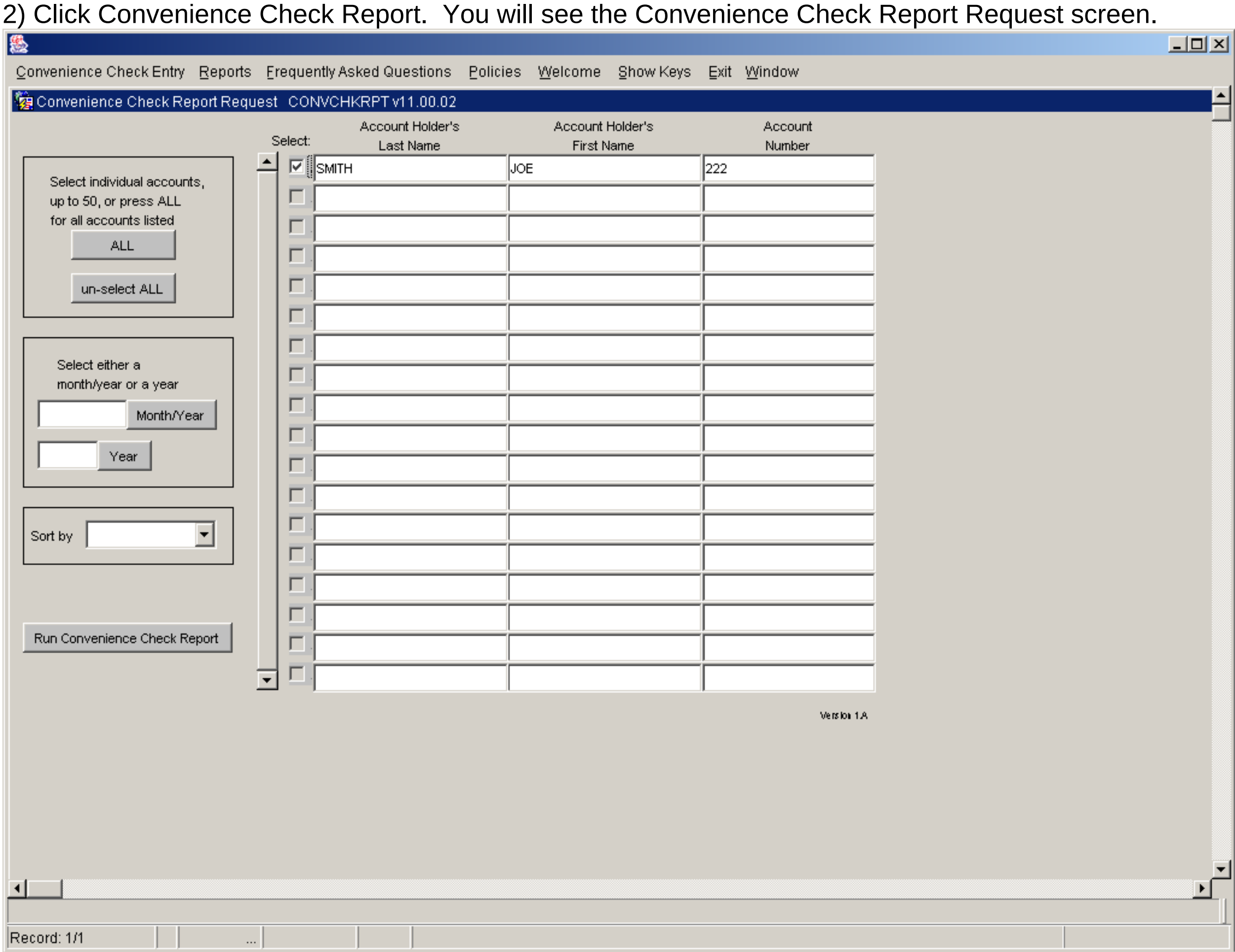
V. REPORTS

A. Convenience Check Report

The Convenience Check Report lists all the checks entered into the 1099-TRP by the Account Holder. Agency Program Coordinators (APC), Approving Officials (AO) and Account Holders (AH) can request the report. Each report will contain only the Convenience Checks that each APC, AO or AH is authorized to see.

1. Steps to Request a Convenience Check Report:

a) **Access the Convenience Check Report Request screen**:
1) Click the Reports Menu.
2) Click Convenience Check Report. You will see the Convenience Check Report Request screen.

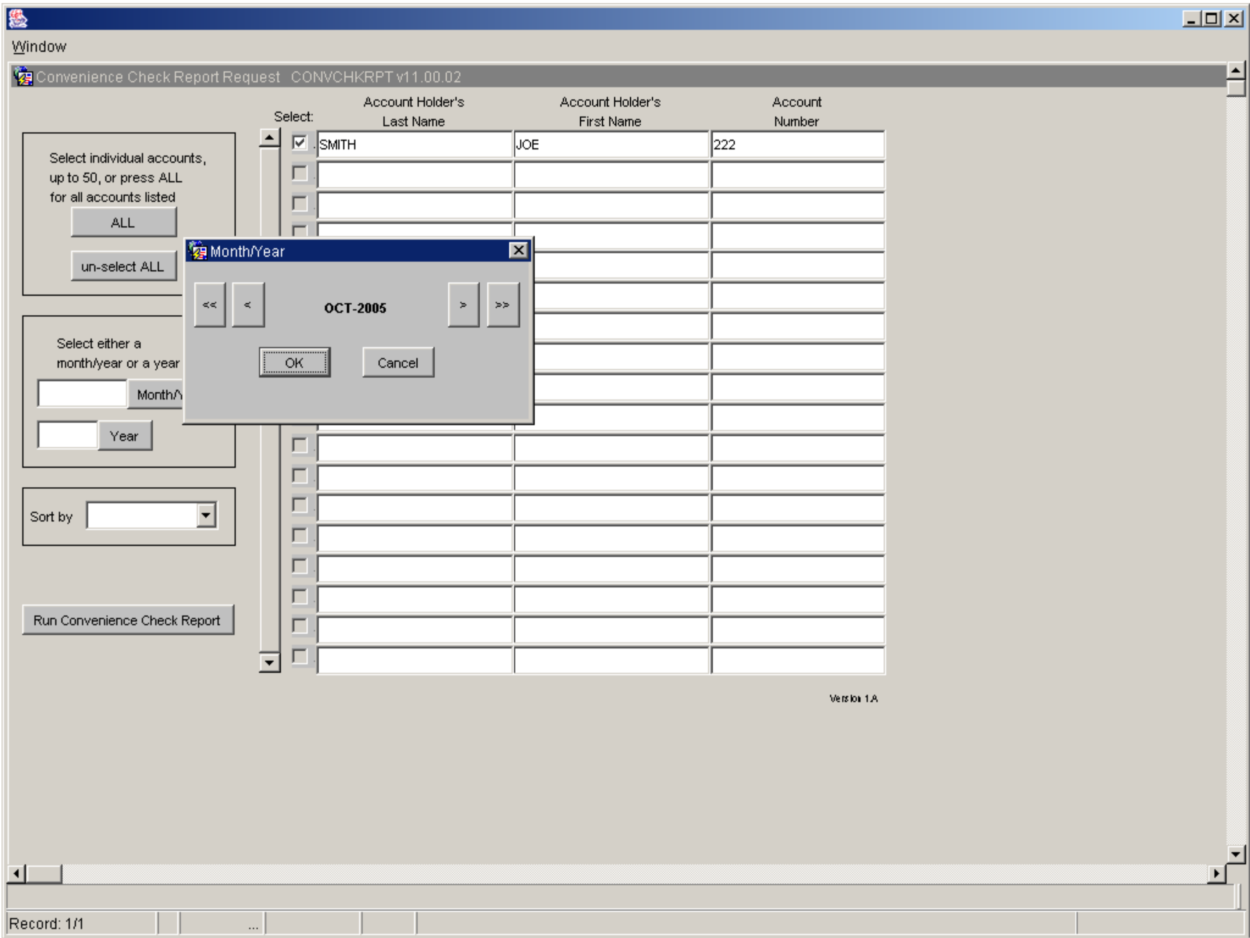


CONVENIENCE CHECK REPORT REQUEST SCREEN

b) **Request the Convenience Check Report**:

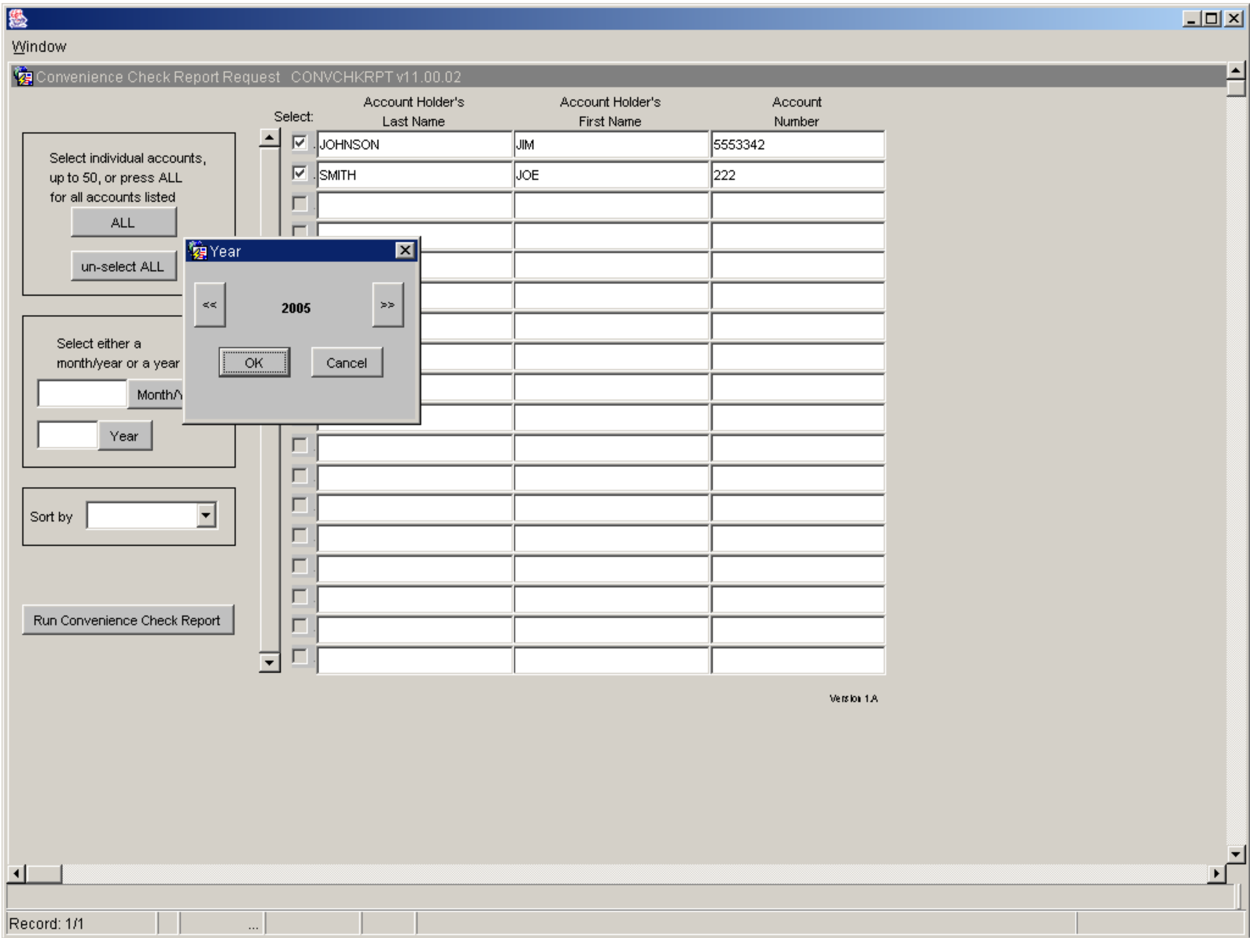
1) Select Account Number(s) from the list by clicking the box to the left of the Account Number(s). You may also select ALL Account Numbers by clicking the ALL box on the left of the screen.

2) Select either a Month/Year OR just Year for the report by clicking the appropriate button on the left of the screen. A box will pop-up. Use the arrows to change Years or Months until the Year and/or Month that you want appears in the box. See two examples following. If no Month/Year or Year is selected, then the report will default to the current Year.



<u>CONVENIENCE CHECK REPORT REQUEST SCREEN – SELECTING MONTH/YEAR FOR REPORT</u>

<u>NOTE</u>:
Use the double arrows on the left to change to the previous Year(s).
Use the double arrows on the right to change to the next Year(s).
Use the singe arrow on the left to change to the previous Month(s).
Use the single arrow on the right to change to the next Month(s).



CONVENIENCE CHECK REPORT REQUEST SCREEN – SELECTING YEAR FOR THE REPORT

NOTE:
Use the double arrows on the left to move to the previous Year(s).
Use the double arrows on the right to move to the next Year(s).

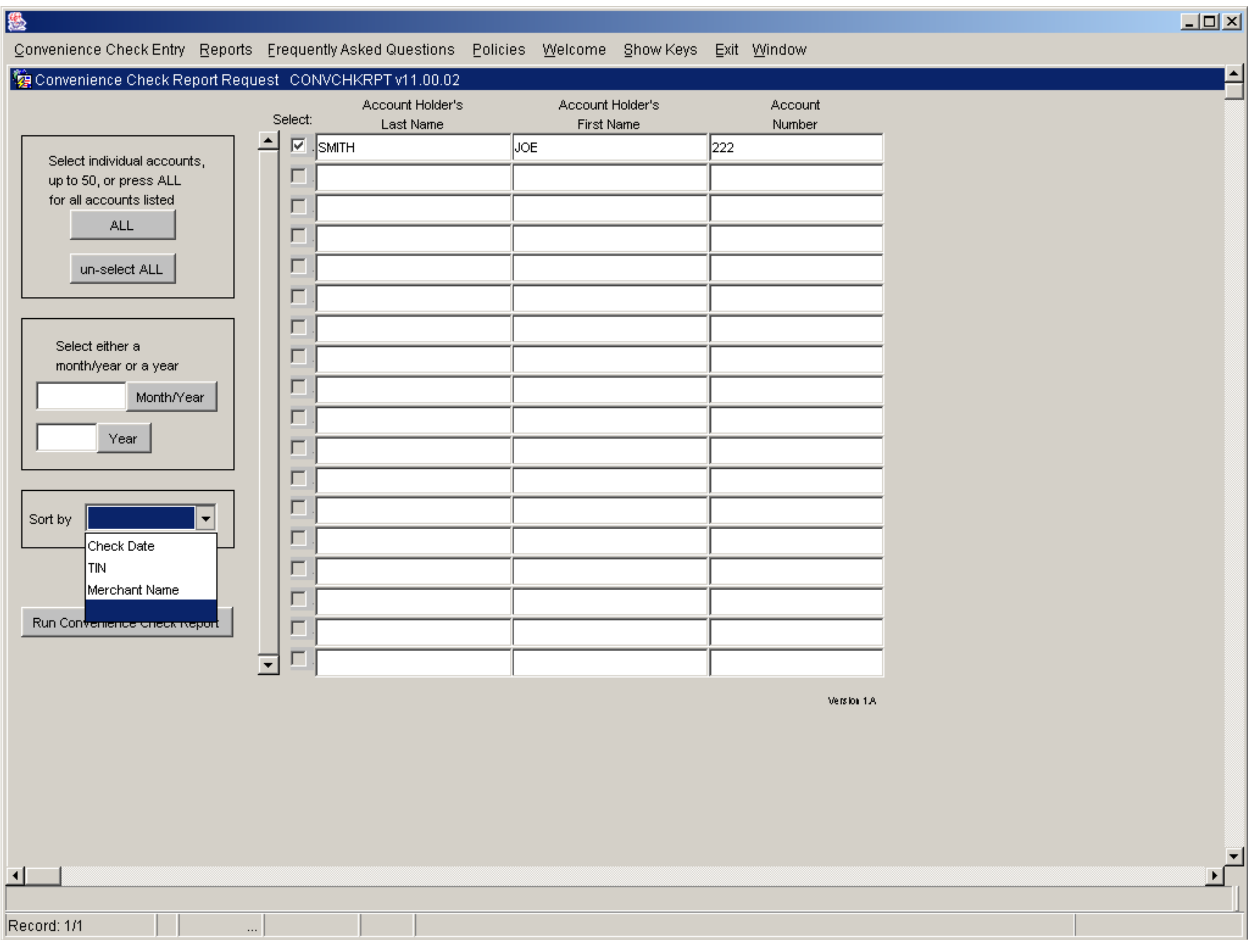
3) If desired, select an additional Sort By field by clicking the drop-down arrow to the right of the field. The additional sort fields are: Check Date, TIN (taxpayer id number) and Merchant name. The user does not have to select a Sort By field.

NOTE:
The report will be automatically sorted by:

Account Holder's Last Name
Account Holder's First Name
Account Number
Check Number.

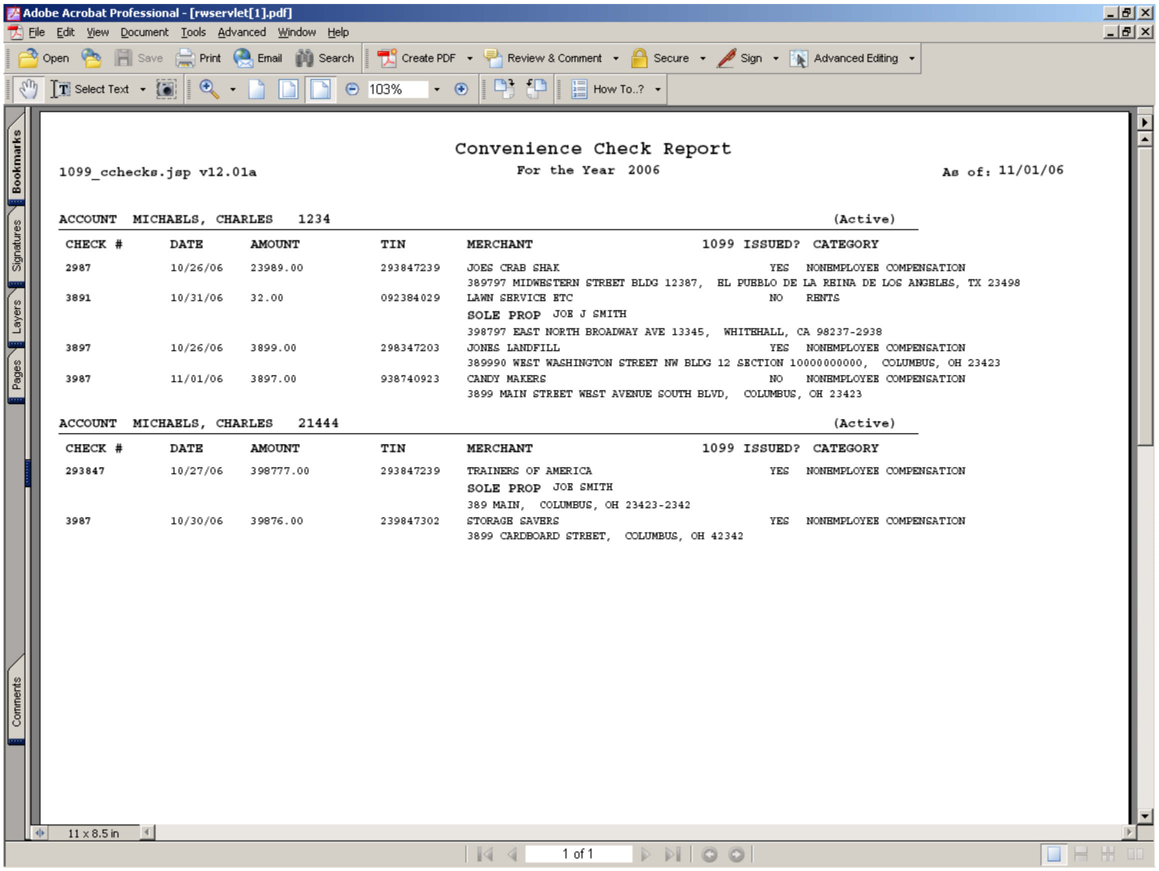
If the user selects an additional Sort By field, the report will be sorted by:

Account Holder's Last Name
Account Holder's First Name
Account Number
additional sort field selected
Check Number.



CONVENIENCE CHECK REPORT REQUEST SCREEN – SELECTING SORT BY FIELD FOR REPORT

4) Click the Run Convenience Check Report button. Wait while the report generates. When the report is done, it will open in Adobe Acrobat.



Convenience Check Report
For the Year 2006

1099_cchecks.jsp v12.01a

As of: 11/01/06

ACCOUNT MICHAELS, CHARLES 1234 (Active)

CHECK #	DATE	AMOUNT	TIN	MERCHANT	1099 ISSUED?	CATEGORY
2987	10/26/06	23989.00	293847239	JOES CRAB SHAK 389797 MIDWESTERN STREET BLDG 12387, EL PUEBLO DE LA REINA DE LOS ANGELES, TX 23498	YES	NONEMPLOYEE COMPENSATION
3891	10/31/06	32.00	092384029	LAWN SERVICE ETC SOLE PROP JOE J SMITH 398797 EAST NORTH BROADWAY AVE 13345, WHITEHALL, CA 98237-2938	NO	RENTS
3897	10/26/06	3899.00	298347203	JONES LANDFILL 389990 WEST WASHINGTON STREET NW BLDG 12 SECTION 10000000000, COLUMBUS, OH 23423	YES	NONEMPLOYEE COMPENSATION
3987	11/01/06	3897.00	938740923	CANDY MAKERS 3899 MAIN STREET WEST AVENUE SOUTH BLVD, COLUMBUS, OH 23423	NO	NONEMPLOYEE COMPENSATION

ACCOUNT MICHAELS, CHARLES 21444 (Active)

CHECK #	DATE	AMOUNT	TIN	MERCHANT	1099 ISSUED?	CATEGORY
293847	10/27/06	398777.00	293847239	TRAINERS OF AMERICA SOLE PROP JOE SMITH 389 MAIN, COLUMBUS, OH 23423-2342	YES	NONEMPLOYEE COMPENSATION
3987	10/30/06	39876.00	239847302	STORAGE SAVERS 3899 CARDBOARD STREET, COLUMBUS, OH 42342	YES	NONEMPLOYEE COMPENSATION

CONVENIENCE CHECK REPORT

5) Print the report by clicking the Print icon on the Toolbar or selecting File, Print.
6) Save the report by clicking the Save a Copy icon or selecting File, Save.

2. Report Layout:

Header:

<u>(Title:</u>) Convenience Check Report
For the Month (MON YYYY) or (YYYY) – The three-letter Month abbreviation and Year or just Year (YYYY) that the user selected on the Convenience Check Report Request screen. If the user does not select a Month/Year or Year, then the current Year (YYYY).

1099_cchecks.jsp v.(release#): - The program name and version#.

As of: (MM/DD/YY) – The month, day and year that the report was created.

Main Report:

[Check Writer's (Account Holder) Last Name] – The last name of the check writer.
[Check Writer's (Account Holder) First Name] – The first name of the check writer.
(Account Number) – The check writer's account number.

Check# - The check number.
Date – The date that the check was written.
Amount – The amount for which the check was written.
TIN – The taxpayer id number for the Merchant.
Merchant name and address – The Merchant's name and address.
Sole Prop – If the Merchant is a Sole Proprietor, then the Sole Proprietor name will be listed under the Merchant's Name.

1099 issued? – If the transaction (convenience check) was included on a 1099-Misc, then YES will appear. If the transaction was not included on a 1099-Misc, then NO will appear. Remember that to be reported on a 1099-Misc, the Merchant must have received $600 or more Total in a calendar year.

Category – The category that the convenience check falls under. The category determines which block on the 1099-Misc the amount is reported, i.e., Non-employee Compensation is Block 7.

Create ID – The userid of the person who entered the convenience check transaction in the 1099-TRP.

Footer:

Page Number – The page number of the report.

Sort Order:

Account Holder's Last Name
Account Holder's First Name
Account Number
If selected, the additional Sort field selected by the user on the Convenience Check Report Request screen
Check Number

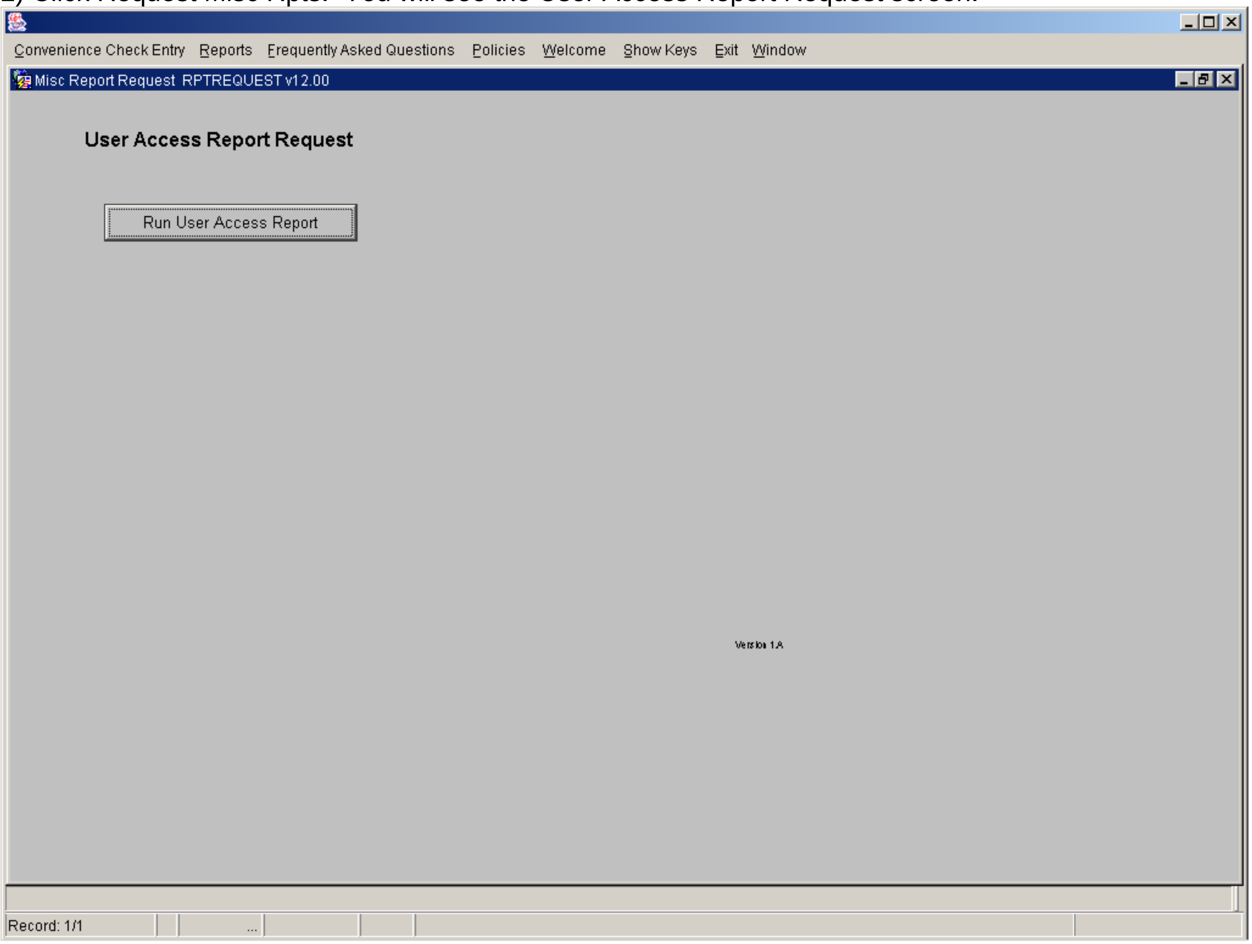
B. *User Access Report*

The User Access Report shows a list of the Account Holders (AH), Agency Program Coordinators (APC), Alternate APCs, Approving Officials (AO), Alternate AOs and Account Numbers for each user. All users can request the report. Each report will contain only the accounts that each APC, AO or AH is authorized to see.

1. Steps to Request a User Access Report:

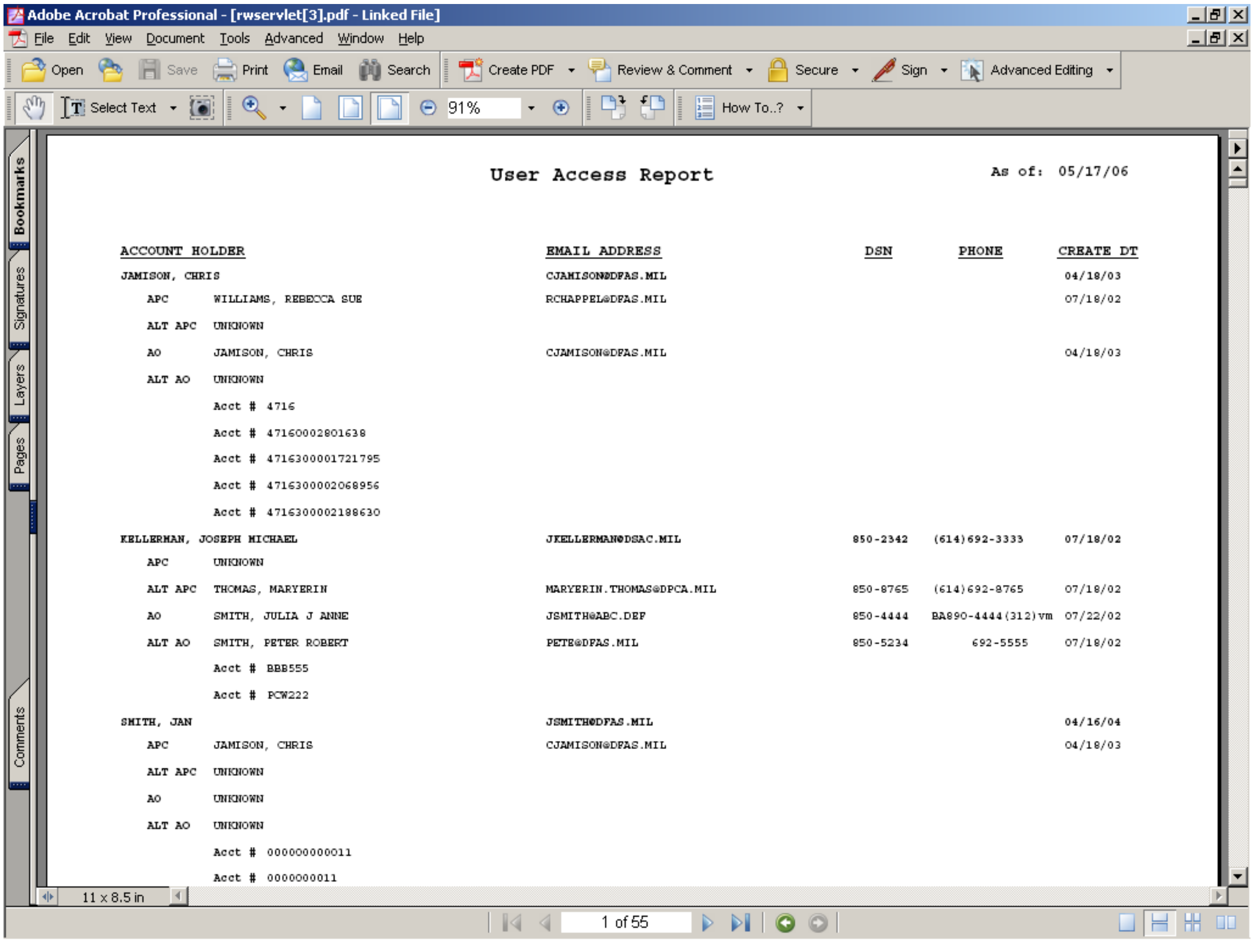
a) Access the Misc Report Request screen

1) Click the Reports Menu.
2) Click Request Misc Rpts. You will see the User Access Report Request screen.



b) **Request the User Access Report**:

1) Click the Run User Access Report button. Wait while the report generates. When the report is done, it will open in Adobe Acrobat.



User Access Report

As of: 05/17/06

ACCOUNT HOLDER		EMAIL ADDRESS	DSN	PHONE	CREATE DT
JAMISON, CHRIS		CJAMISON@DFAS.MIL			04/18/03
APC	WILLIAMS, REBECCA SUE	RCHAPPEL@DFAS.MIL			07/18/02
ALT APC	UNKNOWN				
AO	JAMISON, CHRIS	CJAMISON@DFAS.MIL			04/18/03
ALT AO	UNKNOWN				
	Acct # 4716				
	Acct # 47160002801638				
	Acct # 4716300001721795				
	Acct # 4716300002068956				
	Acct # 4716300002188630				
KELLERMAN, JOSEPH MICHAEL		JKELLERMAN@DSAC.MIL	850-2342	(614)692-3333	07/18/02
APC	UNKNOWN				
ALT APC	THOMAS, MARYERIN	MARYERIN.THOMAS@DPCA.MIL	850-8765	(614)692-8765	07/18/02
AO	SMITH, JULIA J ANNE	JSMITH@ABC.DEF	850-4444	BA890-4444(312)vm	07/22/02
ALT AO	SMITH, PETER ROBERT	PETE@DFAS.MIL	850-5234	692-5555	07/18/02
	Acct # BBB555				
	Acct # PCW222				
SMITH, JAN		JSMITH@DFAS.MIL			04/16/04
APC	JAMISON, CHRIS	CJAMISON@DFAS.MIL			04/18/03
ALT APC	UNKNOWN				
AO	UNKNOWN				
ALT AO	UNKNOWN				
	Acct # 000000000011				
	Acct # 0000000011				

<u>USER ACCESS REPORT</u>

2) Print the report by clicking the Print icon on the Toolbar or selecting File, Print.
3) Save the report by clicking the Save a Copy icon or selecting File, Save.

2. Report Layout:

Header:

<u>(Title:</u>) User Access Report

As of: (MM/DD/YY) – The month, day and year that the report was created.

Main Report:

Account Holder [Last Name] – The last name of the check writer.
Account Holder [First Name] – The first name of the check writer.
Account Holder [Middle Name] – The middle name of the check writer.

Email Address - The email address.
DSN – The DSN Phone Number.

Phone – The Commercial or Foreign Phone Number. If there's a Commercial Phone Number, it will display. If there isn't a Commercial Phone Number, then the Foreign Phone Number will display.

Create Dt – The date that the user was registered in the system.

APC – The Agency Program Coordinator's Last Name, First Name Middle Name.
ALT APC – The Alternate Agency Program Coordinator's Last Name, First Name Middle Name.

AO – The Approving Official's Last Name, First Name Middle Name.
ALT AO – The Alternate Approving Official's Last Name, First Name Middle Name.

Acct # - The Account Number.

Footer:

Page Number – The page number of the report.

Sort Order:

Account Holder's Last Name
Account Holder's First Name
Account Holder's Middle Name
Account Number

VI. USER ASSISTANCE

If you need assistance, contact the Tax Compliance Office at (614) 693-6143 or DSN 869-6143. You may also send email to cco.checks@dfas.mil or FAX to (614) 693-5452.

VII. Glossary

Approving Official: Abbreviated as AO. May also be known as the Billing Official.

Employer Identification Number: Abbreviated as EIN. The Taxpayer Identification Number (TIN) assigned to a business for tax reporting purposes.

List of Values: Abbreviated as LOV. In the application, indicated by a downward pointing arrow to the right of the field. When clicked, a small window appears with possible values for the field.

Merchant: Also known as a Vendor. A business that provides products and services to the Federal Government.

Taxpayer Identification Number: Abbreviated as TIN. A number assigned to an individual or corporation for tax reporting purposes. Two types of TINs are Social Security Number (SSN) and Employer Identification Number (EIN). May also be known as the Federal Tax ID Number.