CAPS+ 1099 User Guide

Setting up CAPS+ for 1099s

CAPS+ was designed to allow you to meet your 1099 tax obligations when used with IRS eFile.

Before getting started, to properly file your 1099s you will need a Transmitter Control Code (TTC) provided by the IRS. You can apply for a Transmitter Control Code directly from the IRS.gov website through their Filing Information Returns Electronically (FIRE) system.

Important Note – Applications for Transmitter Control Codes can take anywhere from a few weeks to a few months for the IRS to process. It's HIGHLY RECOMMENDED to apply for a TCC well in advance of tax season.

Once you have your Transmitter Control Code, you can enter that into CAPS+ by going into Administration, then Settings, and then Company Setup.

Getting Started:

CAPS+ 1099 reporting is the culmination of all the transactions that have a 1099 code selected throughout the calendar year so that they are ready to report to the IRS at year's end.
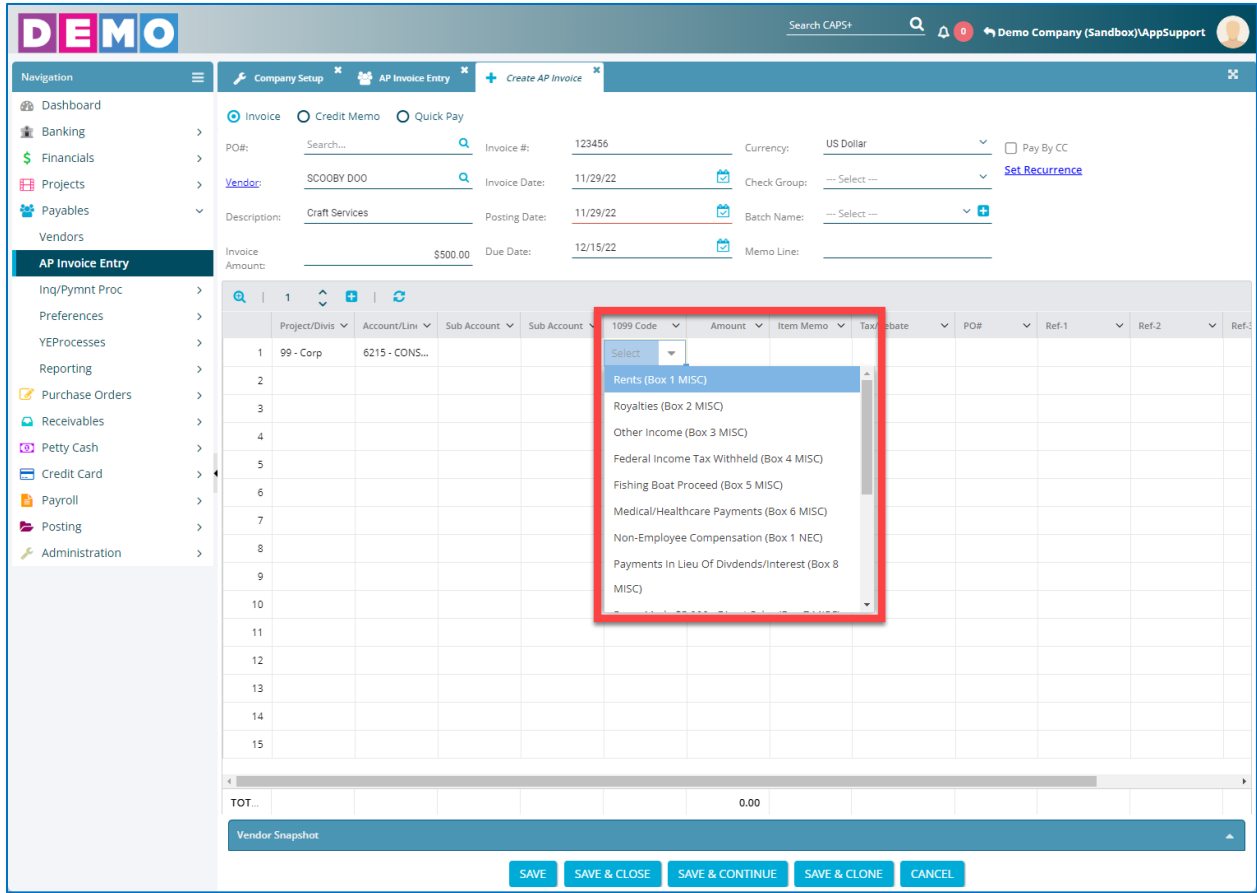
While the IRS requires this information submitted in January of the following calendar year, it's always good to review 1099s starting in December to make sure all vendors have been tagged with the correct 1099 Code for every qualifying transaction.

## Verifying your entries with CAPS+ 1099 Reports:

All 1099 reports are located within the Payables section of CAPS+ in the YEProcesses drop-down.
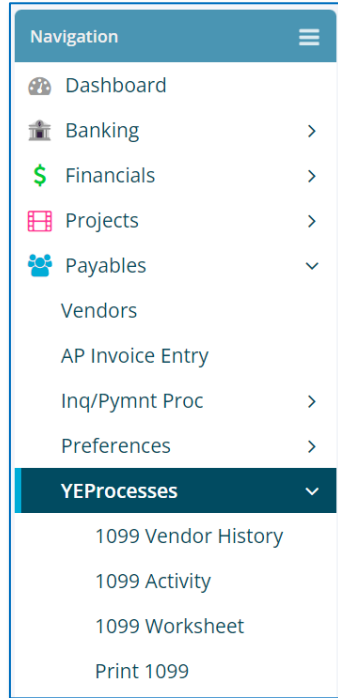

1099 Vendor History:

The 1099 Vendor History module generates a report for all paid transactions within a selected period. You can filter down by 1099 amounts only, individual vendor and choose a summary or detailed report.
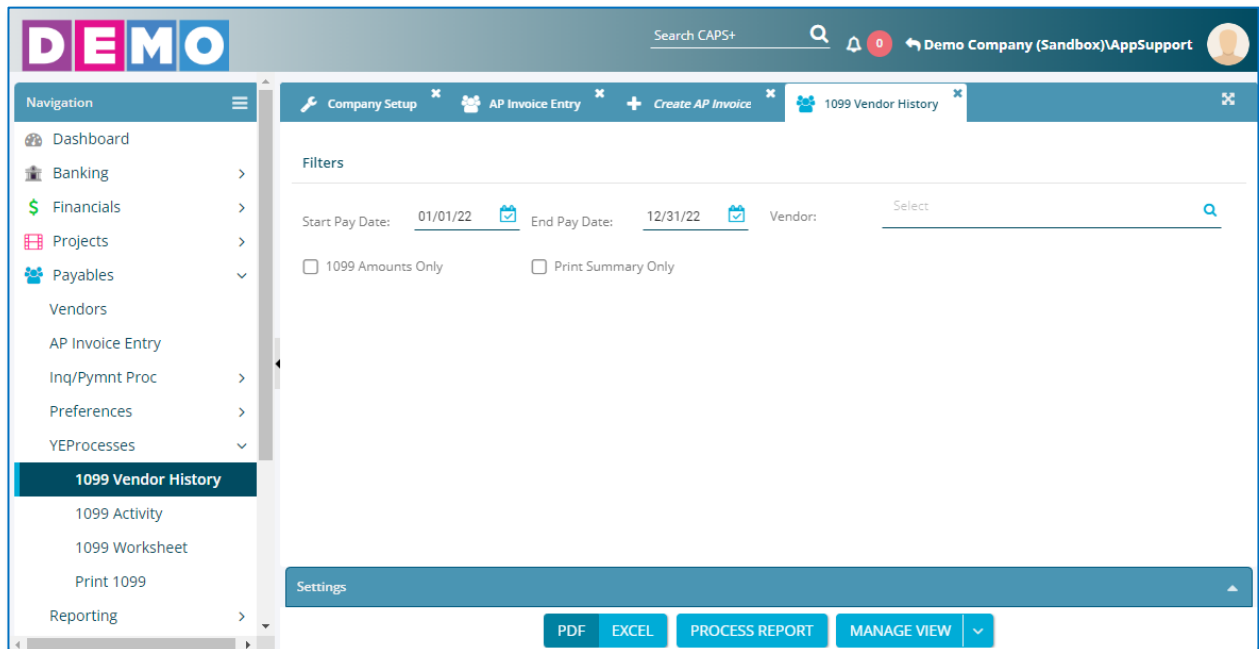
1099 Activity:

The 1099 Activity module offers you a grid view of paid transactions within a specific Tax Year period (selected in the upper right corner).

You can search, filter and drill down into individual transactions. You can also assign or correct 1099 coding here in the 1099 Code column.
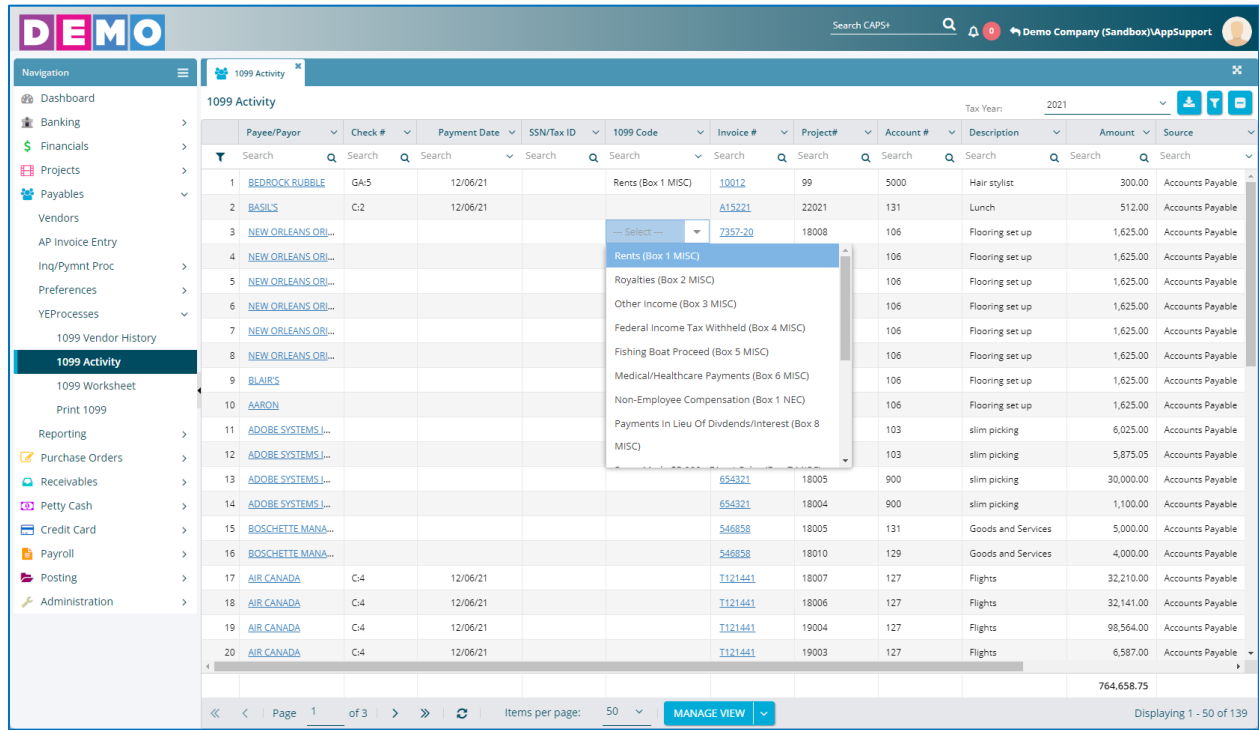
You will also want to double check that vendors in the 1099 Activity module have the correct Social Security Number or Tax ID. IRS uploads are commonly rejected when missing vendor tax information.
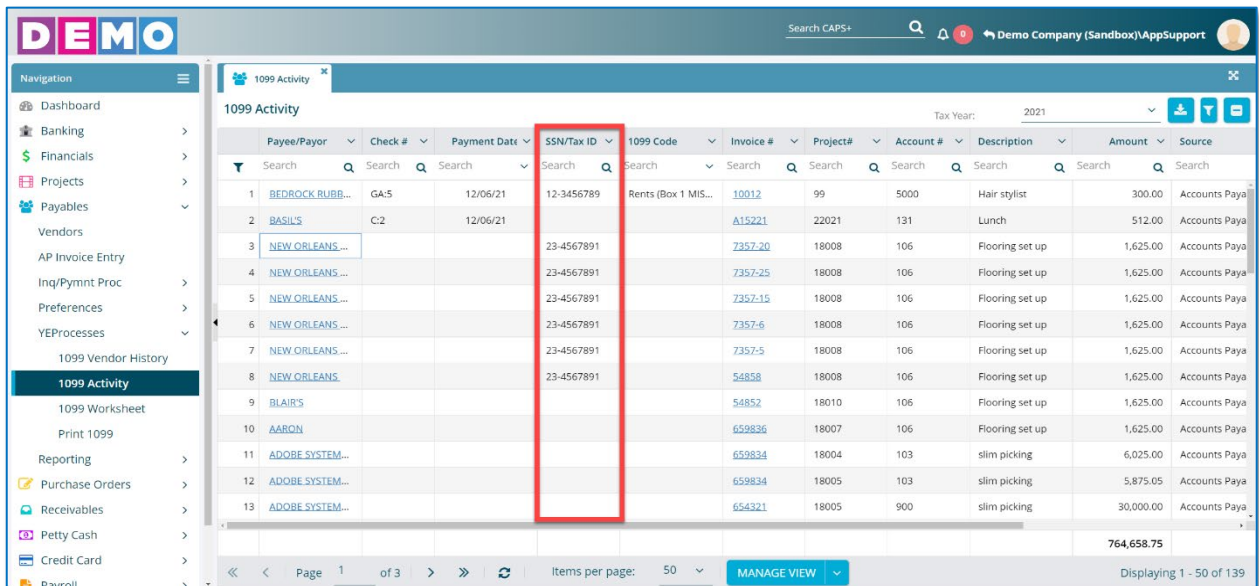
Reporting your data to the IRS with CAPS+ 1099 Reports

1099 Worksheet:

- The 1099 Worksheet module is your beginning step to finalizing your 1099 reporting. The Worksheet gives you the most options for adjusting your 1099 transactions.

*Important Note – the data on this grid is what prints on the 1099-MISC / 1099-NEC - Copy B, Copy C and eFiles.*

- When you click Generate 1099 Worksheet, the grid loads with data from the system for both the 1099-MISC and 1099-NEC. The 1099 Worksheet can be sorted by 1099 Code to view only 1099-MISC or 1099-NEC vendors. If you make any changes on a vendor page or an individual paid transaction you will need to regenerate the Worksheet. It also functions independently from the system. This allows you to make quick and simple changes that do not carry over into the original CAPS+ transactions.

Important Note – changes made directly to the Worksheet are NOT retained if you click Generate 1099 Worksheet again.

Editing the 1099 Worksheet Grid:

- You can add and delete entries at this level from the 1099 processing while your AP history remains intact.
- You can change the 1099 type and Edit vendor Name and Tax ID.
- If you have multiple vendor entries going to the same Tax ID number, you can consolidate the entries into one by choosing one as "Preferred."
- You can correct and change amounts.
- You can sort from a variety of columns.
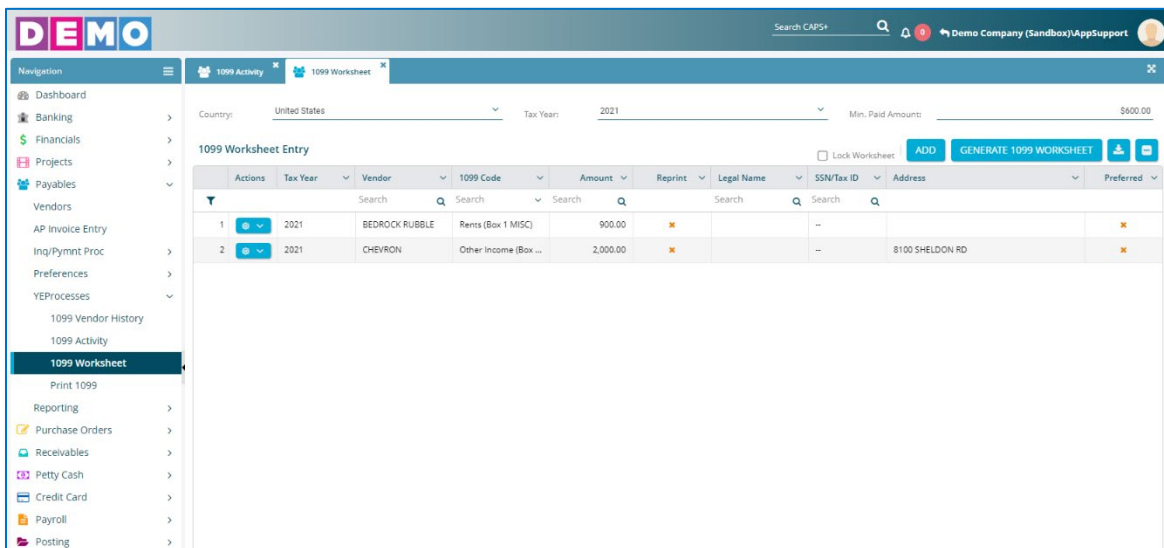
Printing 1099s:

Once you are done adjusting in the 1099 Worksheet, you can generate the official reports by selecting Tax Year, 1099 Type and report type at the bottom. The new 1099-NEC needs to be eFiled separately.

In this module you can print Copy B to mail to the vendors, Copy C to keep for your company records, and to generate the E-File which will be uploaded to the IRS FIRE site for digital filing.

Important Note – CAPS+ is built entirely for eFile and does not generate Copy A, which would be submitted to the IRS instead of the eFile.
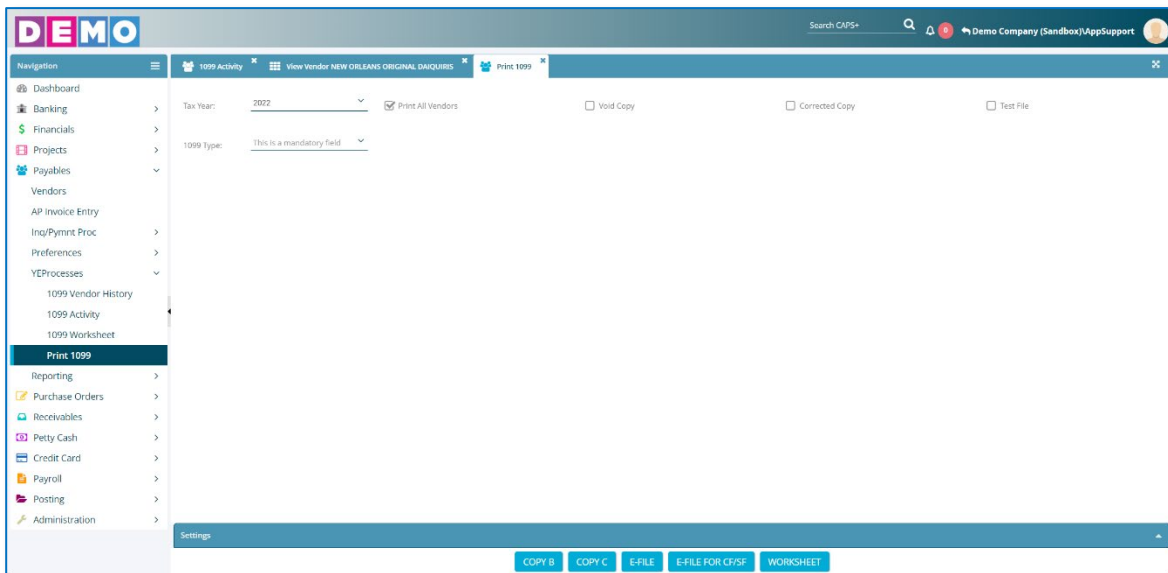
Printing a Test File:

As part of preparing to submit files to the IRS, some companies like to submit a Test File to the IRS FIRE site to verify everything is working correctly ahead of the file deadlines. CAPS+ allows you to generate a Test File from the Print 1099 module by selecting the checkbox and hitting the E-FILE button. This file can safely be uploaded to the IRS for testing purposes during IRS FIRE testing availability. Check the IRS.gov website for the specific testing timeframes.
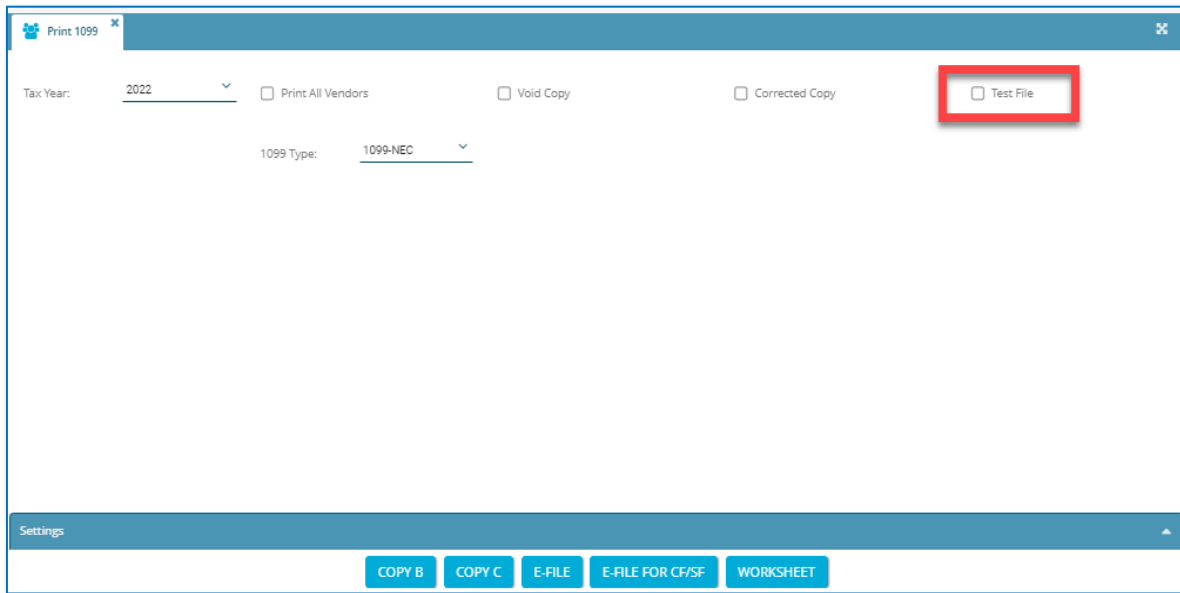
Reprinting 1099s:

Occasionally, you might need to reprint 1099s when the vendor reports they never received the 1099 (copy B) or your company needs an additional copy for its records (copy C).

To reprint a 1099, you will go to the 1099 Worksheet module. Once you've located the vendor(s), double-click the orange X in the Reprint column. You will then click the box and click the blue Update button.
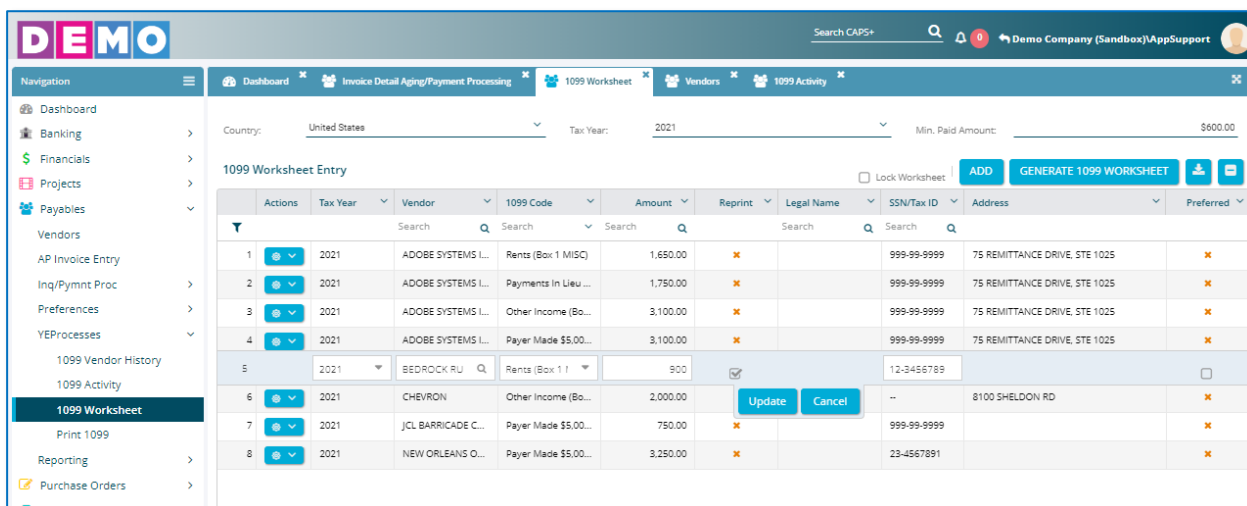
From there, go to the Print 1099 module, deselect the Print All Vendors option, and click the COPY B or COPY C button, depending on if you need the reprint for the vendor or your company, and your 1099 will generate.

Voiding or Correcting 1099s:

There may also be a situation where you need to adjust your 1099 reporting after submitting to the IRS because a vendor was tagged in error (Void) or the wrong amount was applied to the vendor (Corrected).

CAPS+ offers you two options for voiding/correcting 1099s.

1. The first option is to correct the individual vendor-specific invoices and vendor-specific transactions by opening each one and removing the 1099 coding for each entry line. From here, you will go back to 1099 Worksheet and hit GENERATE 1099 WORKSHEET to verify your updates were successful. This option will ensure your transaction data also matches the 1099 data that's being submitted to the IRS.

2. The second option is to make all corrections from within the 1099 Worksheet. Note that corrections made within the 1099 Worksheet will not update any transactions in CAPS+. Changes made to the information in the 1099 Worksheet are made without changing any of the existing transactions and are for IRS reporting purposes only. This option allows you to make mass changes and quickly generate new files. However, when you hit the GENERATE 1099 WORKSHEET button again, all this information will be lost, and the exact transaction data stored within CAPS+ will return.

Once the transactions are updated via option 1 or 2 and the 1099 Worksheet has been generated, under the Print 1099 module, select the Tax Year and check either Void Copy or Corrected Copy. Void Copy is used to remove reported 1099 activity from a vendor. Corrected Copy is used to update vendors and the amounts reported from what was submitted to the IRS previously. Once you've selected the appropriate checkbox, you can generate the new Copy B and Copy C, and then generate a new E-File to upload to the IRS.