



Monterey County Office of Education

Leadership, Support, and Service to Prepare All Students for Success

Dr. Nancy Kotowski
County Superintendent of Schools

**Auditing and Accounting Services
Finance and Business Services**

Bulletin No. 12-018

TO: Chief Business Officials, Business Managers, and Accounts Payable Departments
FROM: Ashraf Demian, Director of Auditing and Accounting AD
DATE: December 14, 2011
SUBJECT: Procedures and Timelines for Processing 1099-MISC for Calendar Year 2011

The Monterey County Office of Education (MCOE) would like to remind school districts of the procedures and timelines for processing the Form 1099-MISC.

Districts need to obtain the "Total Payments Report" from FMS for the period beginning January 1, 2011 and ending December 31, 2011. Districts should use the "Total Payments Report" to identify the vendors that should receive a 1099-MISC Form.

Only (1) 1099-MISC Form will be issued for a vendor. However, if a vendor has multiple vendor tax identification numbers (TIN) and the payment is \$600 or more for each vendor's TIN, each vendor TIN will be issued a separate 1099-MISC Form. If you would like to issue one 1099-MISC Form to a vendor that has multiple numbers, call Sharon Valenzuela at (831) 755-0306 for assistance. Districts should start flagging the vendors that will receive the 1099-MISC Forms (Refer to the Accounts Payable Manual to flag vendors that are subject to 1099).

1099-MISC due dates are as follows:

Dates and Time	Procedures
Tuesday, January 3, 2012 5:00 PM	Deadline to flag vendors that are subject to 1099 through the vendor maintenance screen. This process would automatically include the vendors that are subject to 1099 when MCOE Technology Services Department loads the 1099 database.
Wednesday, January 4, 2012 5:00 PM	MCOE Technology Services Department loads 1099 information (database) on vendors that are flagged to receive 1099-MISC Form
Thursday, January 5, 2012 8:00 AM	1099 Update Screen will be available to users. 1099 Update Screen allows users to make corrections, change dollar amounts or 1099 type, add or delete vendors, combine payments made to a vendor with more than one vendor number, etc.

Dates and Time	Procedures
Thursday, January 19, 2012 5:00 PM	Send 1099 final prelist to Sharon Valenzuela or fax at (831) 751-3247.
Wednesday, January 25, 2012 3:00 PM	MCOE prints 1099-MISC Forms
Monday, January 30, 2012 12:00 PM	1099-MISC forms ready for pick-up
Postmarked by Tuesday, January 31, 2012	Districts must mail the 1099-MISC Forms as mandated by IRS Regulations

Tips:

- ❖ If you would like to generate the “Total Payments Report” during December 2011, click on “Current Calendar Year”; however, if you would like to generate the “Total Payments Report” during January 2012, click on “Prior Calendar Year.”
- ❖ Print a 1099 prelist to verify its accuracy. Specifically, ensure that the vendor’s name, address, and tax identification number are reported correctly. Also, ensure that the dollar amounts are reported in the correct 1099 type as follows:
 - Box (1): Rents
 - Box (2): Royalties
 - Box (3): Other Income
 - Box (4): Federal Income Tax Withheld
 - Box (6): Medical and Health Care Payments
 - Box (7): Nonemployee Compensation
 - Box (14): Gross Proceeds Paid to an Attorney
 - Box (16): State Income Tax Withheld
 - Box (17)-(18): State Information
- ❖ If you would like to obtain more information regarding Form 1099-MISC, you can visit the IRS website at the following link.
<http://www.irs.gov/instructions/i1099msc/ar02.html#d0e1224>

If you have any questions or need any assistance, please do not hesitate to contact Sharon Valenzuela at (831)755-0306. Thank you for your cooperation in adhering with the above timelines.