Office of Financial Management

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1099 Reporting

Determine Correct 1099 Reporting Year for Electronic Fund Transfer (EFT)

October 17, 2022

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Overview

The IRS has a concept of constructive receipt for when a taxpayer has payments available as income. For Washington State payments, constructive receipt changes depending on payment method.

- For Warrants, the receipt date is the warrant date.
- **For Electronic Fund Transfers (EFT) the receipt date is the deposit date, which is two business days from the day the batch was released in AFRS.**

To avoid potential issues, do not make 1099 reportable payments on the last two business days of the year.

To ensure agencies report all EFT payments in the proper reporting year, agencies will need to run Enterprise Reports. Each agency can choose to run either an Enterprise Reporting - Standard Report or an Enterprise Reporting - Web Intelligence Report to extract the data. It is <u>highly</u> recommended that agencies use the Web Intelligence report.

EFT Constructive Receipt Dates Summary:

Action for Calendar Reporting Year 2022	EFT Release Date (Day 1)	EFT Payment Process Date (Day 2)	Deposit Date (Day 3)
Add to	Wednesday 12/29/2021	Thursday 12/30/2021	Monday 1/3/2022
Remove from	Thursday 12/29/2022	Friday 12/30/2022	Tuesday 1/3/2023

Questions?

OFM Help Desk at 360.407.9100
HereToHelp@OFM.WA.GOV

EFT process/payment date of the last business day of 2021

What Happened?	**EFT Payment** Process Date 12/30/**2021**	Deposit Date 1/3/**2022**
What needs to happen?	These EFT payments were excluded from **2021** reporting year. These EFT payments need to be included in **2022's** 1099 reporting year.	
Question to ask?	Did the agency process EFT payments on 12/30/**2021**?	
What to do to find out?	Run an Enterprise Report– to identify if there were any EFT payments for this date. If yes: 1. **Add** the EFT **2021** records that has deposit date of **2022** in the current year Excel Spreadsheet, if the transaction is 1099 reportable. 2. Import these EFT records in the current year's 1099 Form	

# EFT process/payment date of the last business day of 2022

What Happened?	**EFT Payment** Process Date 12/30/**2022**	Deposit Date 1/3/**2023**
What needs to happen?	These EFT payments should be included in the **2023** reporting year. These EFT payments need to be excluded from the **2022's** 1099 reporting year.	
Question to ask?	Do the agency process EFT payments on 12/30/**2022?**	
What to do to find out?	Run an Enterprise Report to identify if there are any EFT payments for this date If yes: 1. **Remove** any EFT **2022** records that has deposit date of **2023** from the current year's Excel Spreadsheet	

# Enterprise Reporting (ER) Standard Report

How to run the Agency Payment Register Report for EFT payments to add back to current year and remove from current year.

EFT payment date of 12/30/2021 – Add to current year

1. Log into Enterprise Reporting Portal https://rp.ofm.wa.gov/
2. Open the "**Daily Reports**" Folder
3. Right click on the "**Agency Payment Register**" Report
4. Select "**Schedule**"
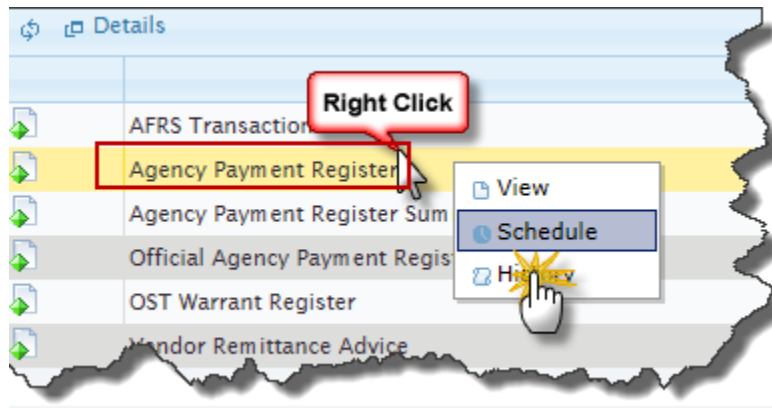
5. Agency: Make sure the [Agency] parameter has the correct **3-digit agency code**.
6. Payment Date: Select "**Calendar**"
7. Start Date: Select 12/30/**2021**
8. End Date: Select 12/30/**2021**
9. Pay Process Type: Select "**E**" for EFT Payment
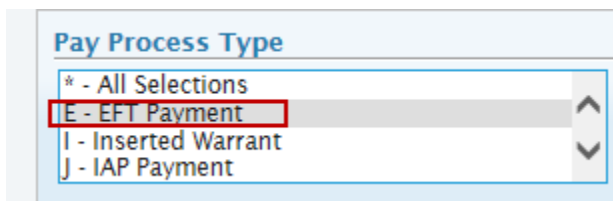
10. Click **Schedule**

If there is data returned for this criteria, determine whether these EFT payments are 1099 reportable. If reportable, these EFT needs to be **added** to current calendar reporting year because the EFT deposit date is in the current calendar reporting year.

EFT payment date of 12/30/2022 – Remove from current year

11. In the "**History**" section of the "**Agency Payment Register**" report, right click on the historical instance and select "**Reschedule**".

12. Start Date: Select 12/**30**/**2022**

13. End Date: Select 12/**30**/**2022**

14. Click **Schedule**

If there is data returned for this criteria, determine whether these EFT payments are 1099 reportable. If reportable, these EFT needs to be **removed** from the current calendar reporting year because the EFT deposit date is in the new calendar reporting year.

BI Launchpad Web Intelligence Report (WebI)

How to run BI Launchpad (WebI) Query to pull EFT Payment with process date of last business day of the Calendar Year to either add to current year or remove from current year.

*Note: If there is not already a copy of the **AFRS 1099 Data Extract - 2023** under the "**Personal Folder**" within Webi, do the following:
- Click on the 'Folders' module, located in the upper left corner.
- Click on the arrow next to the 'Public Folders' to expand the list of folders available in the WebI Public Folders.
- Navigate to the '**AFRS 1099 Report Template**' folder and click on the folder's title to open the folder to access the 1099 Data Extract templates.
- Right-click on the **"AFRS 1099 Data Extract – 2023"**
- Hover over **"Organize"** then select **"Copy"**.
- Navigate back to "**Personal Folders**" and *click* on the expand node to expand "**Personal Folders**".
- Click on the **ellipsis** in the upper-right corner
- Hover over "**Organize**" and right click on **"Paste"**

EFT payment with process date of 12/30/2021 – Add to current year

1. Log into BI Launchpad (WebI): https://reporting.ofm.wa.gov/

2. Locate the "**AFRS 1099 Data Extract - 2023**" that is under "**Personal Folder**", right click on the title of the query, and select "**Modify**".
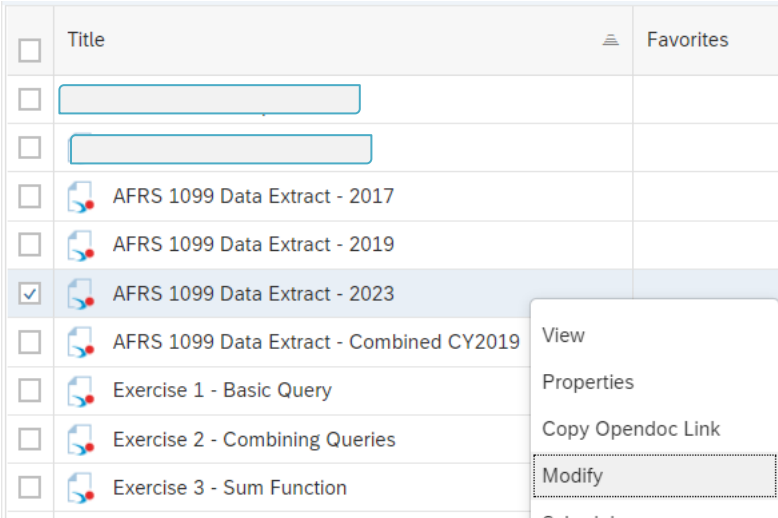
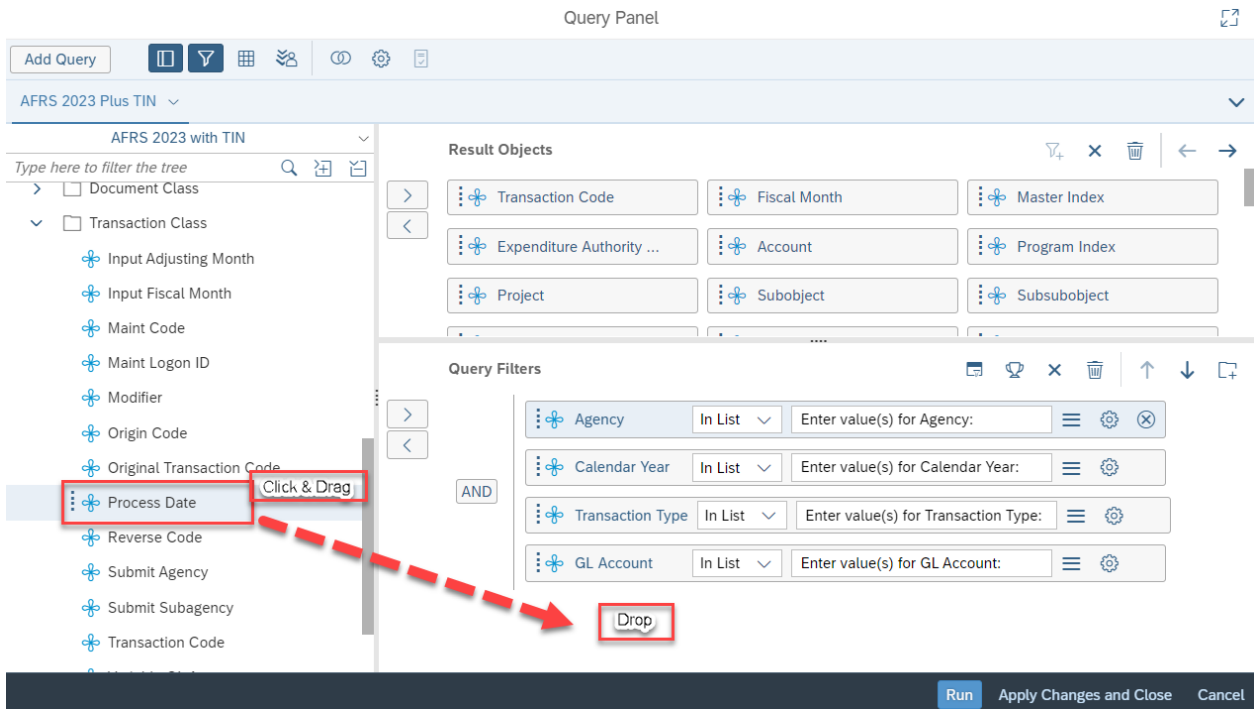3. Click **"Cancel"** on the prompts request.
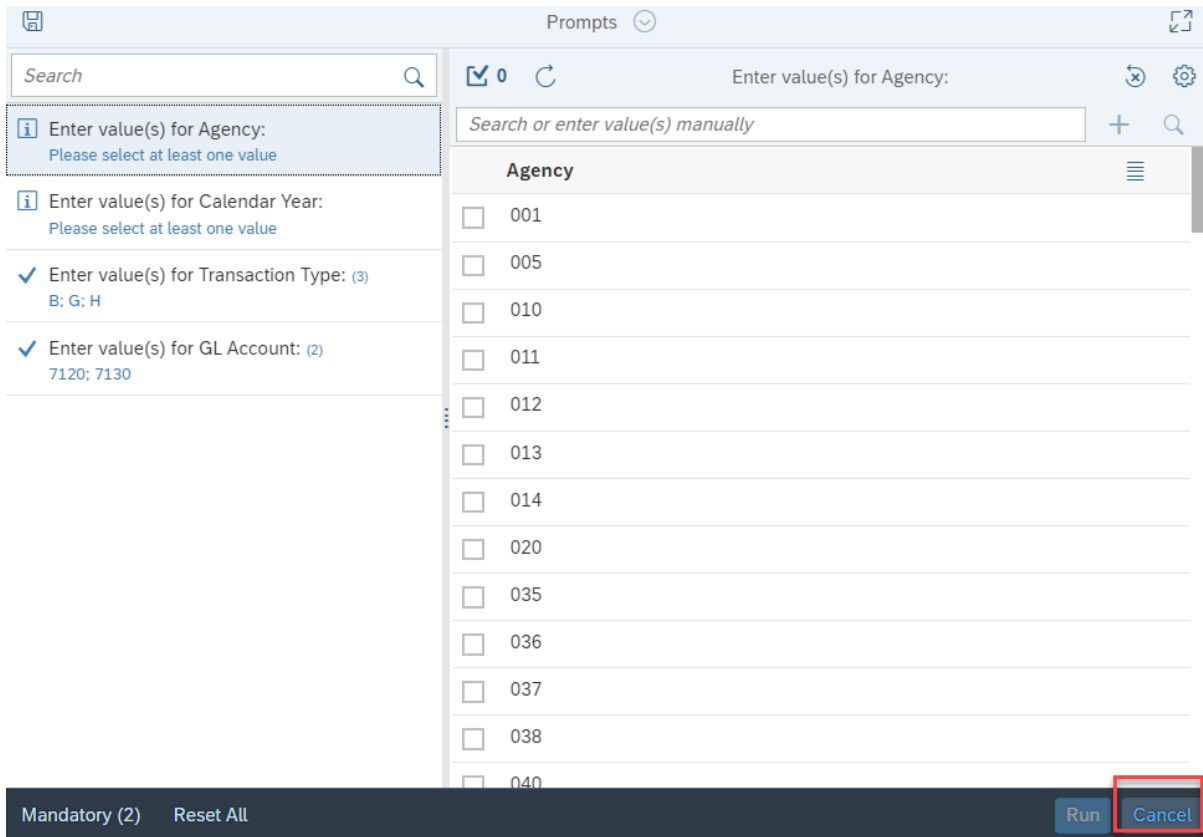
4. While in "**Design**" mode
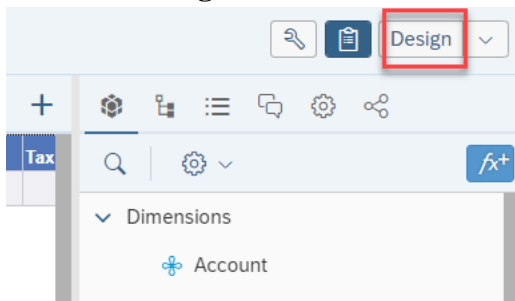
5. Under **"Query"** click **"Edit"** to access the query design

6. From the Available **"Query Panel"**, under **"Transaction Class"** click and hold on "**Process Date"**, drag and drop into the "**Query Filters"**

7. Filter the "**Process Date"** by changing the filter from "In List" to "Between" and choose the last business day of calendar year 2021.
For example, if the "Process Date" of 12/30/2021 is needed, select the calendar between "12/30/2021 12:00:00AM" and "1/3/2022 12:00:00AM" as follow:
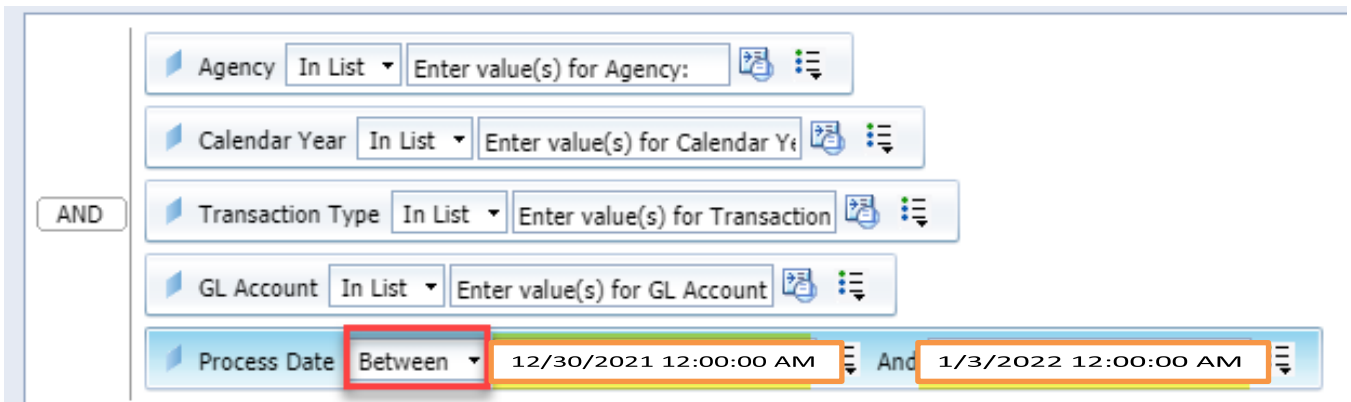
By grabbing a date between 12/30/2021 at midnight through 1/3/2022 at midnight, the query will pull all EFT data processed and posted on 12/30/2021.

8. Under **"Payment Class"** click and hold "**Pay Process Type**", drag and drop into the "**Query Filters**".

9. Filter the "**Pay Process Type**" equal to "E" for EFT Payment then click **"Run"**
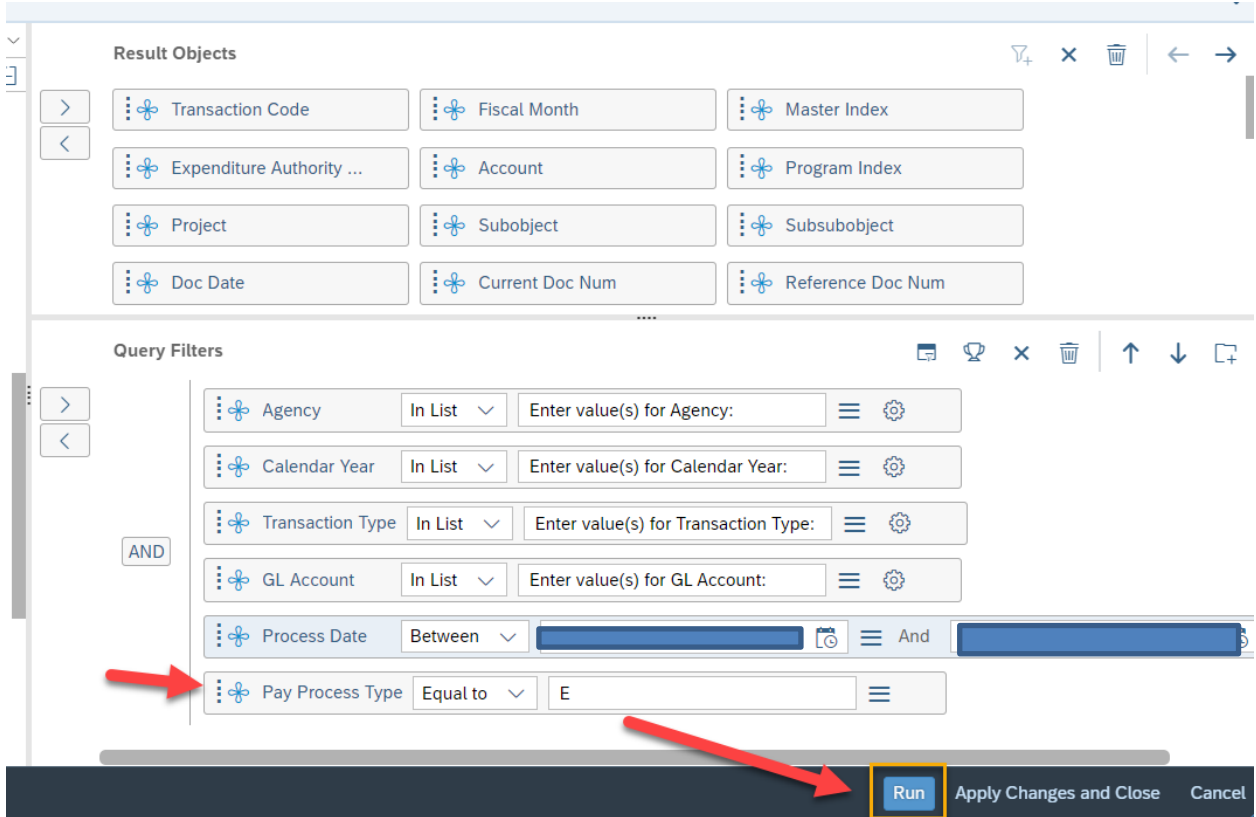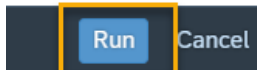

10. Answer the **"Agency"** prompt

11. Answer the "**Calendar Year"** prompt based on the process date selected
    *For example, if the process date of 12/31/2022 is needed, select Calendar Year **2022***
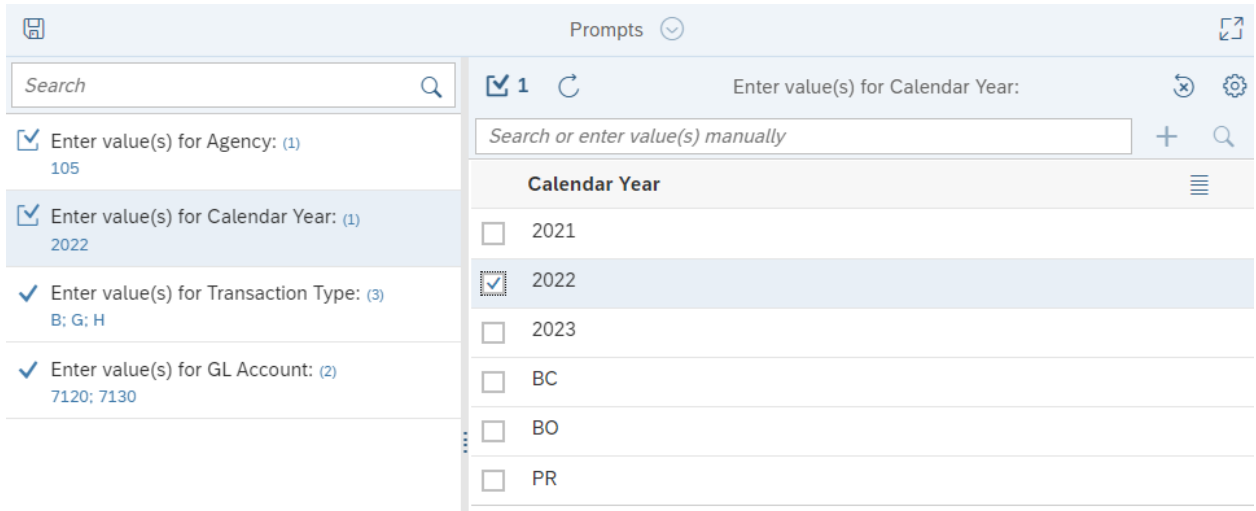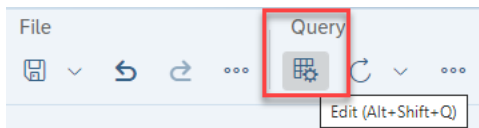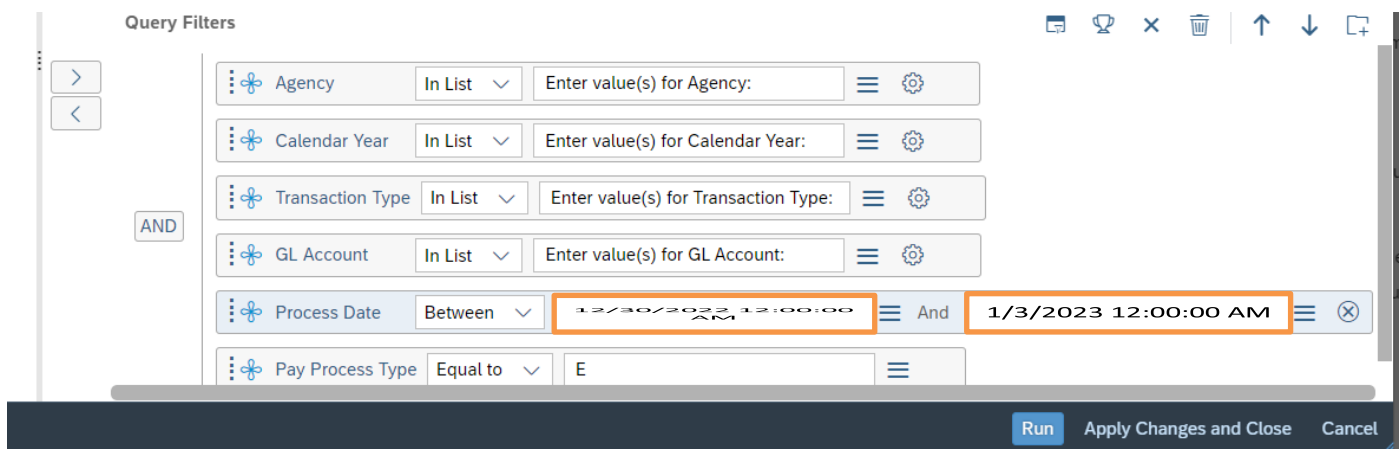
12. Click "**Run**" to run the query

- · If no data is retrieved, there were no EFT payments processed on the last business day of the month.

- · If there are EFT payments with process date of 12/30/2021, the deposit date falls in the following year (2022). If the EFT payments are reportable, **add** them to the current year (2022).

# EFT payment with process date of 12/30/2022 – Remove from current year

13. While still in the "**AFRS 1099 Data Extract - 2023**" report just ran, in "**Design**" mode, under **"Query"** click **"Edit"** to access the query design

14. Change the filter for "**Process Date**" to the last business day of calendar year **2022**. For example, if the "Process Date" of 12/30/2022 is needed, select the calendar between "12/30/2022 12:00:00AM" and "1/3/2023 12:00:00AM" as follows:

15. 'Click "**Run**"
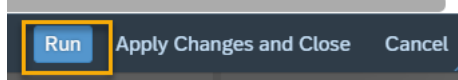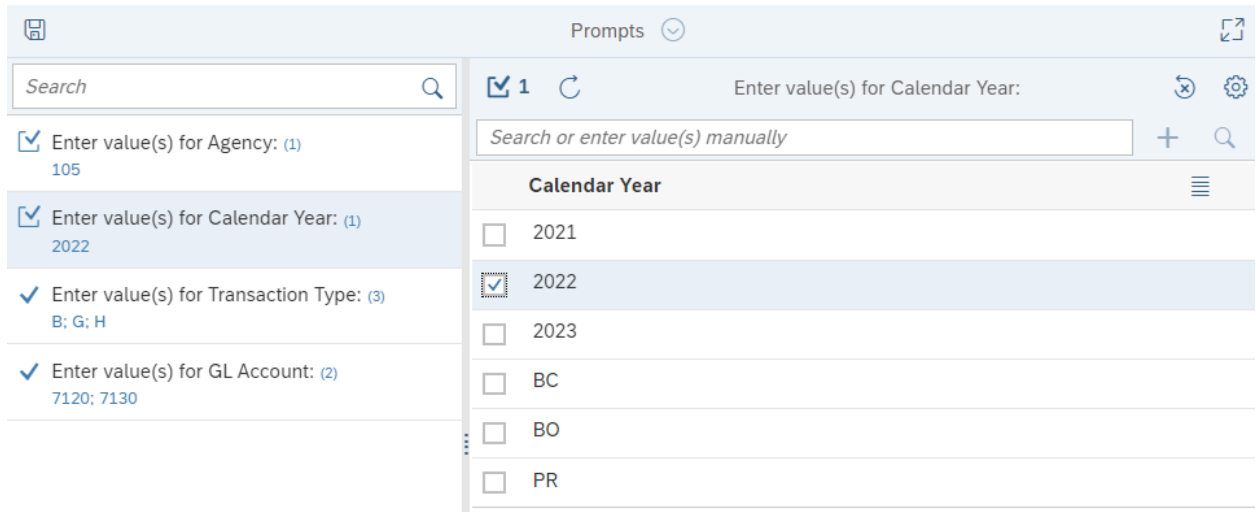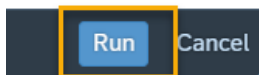

16. Answer the **"Agency"** prompt

17. Answer the "**Calendar Year**" prompt based on the process date selected
    *For example, if process date is of 12/30/2022 is needed, select Calendar Year **2022**.*

18. Click **"Run"** to run the query

- · If no data is retrieved, there were no EFT payments processed on the last business day of the month.

- · If there are EFT payments with process date of 12/30/2022, the deposit date falls in the following year (2023). If the EFT payments are reportable, **remove** them from the current year (2022).