



RUN 1099 REPORT AND UPDATE 1099 CODE ON AN INVOICE AFTER PAYMENT

AP

QUICK REFERENCE GUIDE AP-38

Purpose

The purpose of this Quick Reference Guide (QRG) is to provide an overview and steps on how to Run the 1099 Invoice Maintenance Report and Update 1099 codes after the invoice has been paid in the North Carolina Financial System (NCFS).

Introduction and Overview

To be able to run the 1099 report, the user needs to get access to the new **NC AP Tax Reports** role. Please work with your agency's Security Administrator to secure this role for agency staff who will be running the custom 1099 Maintenance Report and the Printing the 1099 forms. There is no course requirement for this role currently.

Report Overview

The NCFS 1099 Maintenance Report can be found in this location -> **Shared Folders > Custom > FBR Custom > Report > Accounts Payable > Tax Reports**

This report contains Tax ID information for suppliers, keep this report secure.

Validate NCFS 1099 invoice lines that are marked at the invoice distribution level (Column R on the report).

Parameters to run the report:

- Select agency Legal Entity
- Select agency Business Unit
- 1099 Original Payment From Date = 1/1/20XX
- 1099 Original Payment To Date = 12/31/20XX
- Natural Account - Optional
- Supplier Number – Optional
- 1099 Corrections Payment From Date
- 1099 Corrections Payment To Date

Report will create a Detail and Summary Tab:

- Use the summary tab to see the Subtotal by Supplier TIN and Tax Code Type.
- Use the detail tab for invoice line distribution tax code validation.

[See sample report for additional information.](#)

- **Summary Tab sample – Original Invoices Only**
 - Original Payment Date Parameters – Dates for the Original Invoices
 - 1099 Original Payment From Date – 1/1/20XX
 - 1099 Original Payment To Date – 12/31/20XX
 - Correction Payment Date Parameters – Leave these parameters blank to display only 1099 original invoices



North Carolina Financial System
Office of State Controller
NC Invoice Maintenance Report
(RPT-AP-022)
 12/02/2024 03:46:56 PM

**Please note that this report contains sensitive

Legal Entity	NC OFFICE OF THE STATE CONTROLLER
Business Unit	All
1099 Original Payment From Date	01/01/2024 1099 calendar year payment from date
1099 Original Payment To Date	12/31/2024 1099 calendar year payment to date
Natural Account Range	All
Supplier Number	All
1099 Corrections Payment From Date	Leave blank to return only original 1099 invoices
1099 Corrections Payment To Date	Leave blank to return only original 1099 invoices

Legal Entity	Business Unit	Business Unit Tax ID	Supplier Name	Supplier Number	Supplier Tax ID	Income Tax Type	1099 Original Invoices Amount	1099 Corrections Invoices Amount	Total Amount
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 1	203975	111111111	MISC3	\$ 36.00	\$ 0.00	\$ 36.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 2	203510	222222222	DAU/AR	\$ 3,000.00	\$ 0.00	\$ 3,000.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 3	148104	333333333	DAU/AR	\$ 3,000.00	\$ 0.00	\$ 3,000.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 4	122802	444444444	DAU/AR	\$ 160.00	\$ 0.00	\$ 160.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 5	211617	555555555	GOV 6	\$ 141,126.00	\$ 0.00	\$ 141,126.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 6	145150	666666666	GOV 6	\$ 27,216.00	\$ 0.00	\$ 27,216.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 7	146692	777777777	GOV 6	\$ 1,312.00	\$ 0.00	\$ 1,312.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 8	144953	888888888	DAU/AR	\$ 520.00	\$ 0.00	\$ 520.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 9	150484	999999999	MISC3	\$ 11.00	\$ 0.00	\$ 11.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 10	119278	1000001000	DAU/AR	\$ 2,964.52	\$ 0.00	\$ 2,964.52
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 11	172393	1005111154	DAU/AR	\$ 534.50	\$ 0.00	\$ 534.50
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 12	148753	2244344454	DAU/AR	\$ 163.00	\$ 0.00	\$ 163.00

• **Detail Tab sample – Original Invoices only**

- Original Payment Date Parameters – Dates for the Original Invoices
 - 1099 Original Payment From Date – 1/1/20XX
 - 1099 Original Payment To Date – 12/31/20XX
- Correction Payment Date Parameters – Leave these parameters blank to display only 1099 original invoices

Parameters		Legal Entity		Business Unit		1099 Original Payment From Date	1099 Original Payment To Date	Natural Account Range	Supplier Number	1099 Corrections Payment From Date	1099 Corrections Payment To Date
NC OFFICE OF THE STATE CONTROLLER		NC OFFICE OF THE STATE CONTROLLER		400 OFFICE OF THE STATE CONTROLLER		01/01/2023	12/31/2023	All	All	01/01/2024	03/31/2024

Legal Entity	Business Unit	Business Unit Tax ID	Supplier Name	Supplier Number	Supplier Tax ID	Supplier Tax Reporting Flag	Invoice Number	Invoice Amount	Invoice Date	Invoice Line Number	Invoice Line Amount	Invoice Line Tax Type	Invoice Account Flag	Invoice Correction Flag	Disbursement Line Number	Classification Amount	Classification Invoice Tax Type	Classification Netted Amount	Natural Account Description	Withhold Amount	Supplier Invoice Tax Reporting Site Address	Federal Withholding Amount	Federal Withholding Code	Payment Date	Payment Number
NC OFFICE OF THE STATE CONTROLLER	400 OFFICE OF THE STATE CONTROLLER	0916401	1099 Tax Supplier 1	16401	1244979	11497E2	Y	2024-1099 Invoice 1	10/14/2024	1	\$ 12,267.00	GOV 6	Y	N		\$ 12,267.00	GOV 6	18000000	OTHER EXPENSES	\$ 0.00	840 COONLINE BANKINGVILLE, NC 28155	\$ 0.00		08/16/2024	18291
NC OFFICE OF THE STATE CONTROLLER	400 OFFICE OF THE STATE CONTROLLER	0916401	1099 Tax Supplier 2	16402	1244979	11497E2	Y	2024-1099 Invoice 2	08/21/2024	1	\$ 11,000.00	GOV 6	Y	N		\$ 11,000.00	GOV 6	18000000	OTHER EXPENSES	\$ 0.00	840 COONLINE BANKINGVILLE, NC 28155	\$ 0.00		08/21/2024	18743

• **Summary Tab sample – Original and Correction Invoices**

- Original Payment Date Parameters – Payment dates for the Original Invoices
 - 1099 Original Payment From Date – 1/1/20XX (Example: 1/1/2023)
 - 1099 Original Payment To Date – 12/31/20XX (Example: 12/31/2023)
- Correction Payment Date Parameters – Dates for the paid Correction Invoices
 - 1099 Corrections Payment From Date – 1/1/20XX (Example: 1/1/2024)
 - 1099 Corrections Payment To Date – 3/31/20XX (Example: 3/31/2024)
 - **The correction invoice payments will start being entered and paid in NCFE toward the end of January of the following year. This date will be communicated to the agencies in the OSC Annual 1099 Memo. To ensure that all correction invoices are captured in the report use January 1, 20XX through 3/31/20XX for the correction payment dates.**

Parameters		Legal Entity		Business Unit		Business Unit Tax ID	Supplier Name	Supplier Number	Supplier Tax ID	Income Tax Type	1099 Original Invoices Amount	1099 Corrections Invoices Amount	Total Amount
NC OFFICE OF THE STATE CONTROLLER		NC OFFICE OF THE STATE CONTROLLER		400 OFFICE OF THE STATE CONTROLLER		366000732	1099 Supplier 1	145083	123456789	LIISC 6	\$ 10,276.00	\$ 0.00	\$ 10,276.00
NC OFFICE OF THE STATE CONTROLLER		NC OFFICE OF THE STATE CONTROLLER		400 OFFICE OF THE STATE CONTROLLER		366000732	1099 Supplier 2	145086	245678901	GOV 6	\$ 0.00	\$ 10,276.00	\$ 10,276.00

• **Detail Tab sample – Original and Correction Invoices**

- Original Payment Date Parameters – Payment dates for the Original Invoices
 - 1099 Original Payment From Date – 1/1/20XX (Example: 1/1/2023)
 - 1099 Original Payment To Date – 12/31/20XX (Example: 12/31/2023)
- Correction Payment Date Parameters – Dates for the paid Correction Invoices
 - 1099 Corrections Payment From Date – 1/1/20XX (Example: 1/1/2024)
 - 1099 Corrections Payment To Date – 3/31/20XX (Example: 3/31/2024)
 - **The correction invoice payments will start being entered and paid in NCFIS toward the end of January of the following year. This date will be communicated to the agencies in the OSC Annual 1099 Memo. To ensure that all correction invoices are captured in the report use January 1, 20XX through 3/31/20XX for the correction payment dates.**

Legal Entity		Business Unit	Business Unit Tax ID	Supplier Name	Supplier Number	Supplier Tax ID	Supplier Site	Invoice Date	Invoice List Number	Invoice Amount	Invoice Line Item Tax Type	Invoice Correction Flag	Distrib List Number	Distrib Amount	Distrib or Income Tax Type	Natural Account	Description	Withhold Amount
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	366000732	1099 Supplier 1	143083	123456789	R14PTZZ	10/10/2023	1	\$ 3,594.00	DAU/AR	Y	N		\$ 3,594.00	DAU/AR	559000000	OTHER EXPENSES	\$ 0.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	366000732	1099 Supplier 1	143083	123456789	R14PTZZ	10/10/2023	2	\$ 3,906.00	DAU/AR	Y	N		\$ 3,906.00	DAU/AR	559000000	OTHER EXPENSES	\$ 0.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	366000732	1099 Supplier 1	143083	123456789	R14PTZZ	03/26/2024	2	\$ 7,200.00	DAU/AR	Y	Y		\$ 7,200.00	DAU/AR	559000000	OTHER EXPENSES	\$ 0.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	366000732	1099 Supplier 1	143083	123456789	R14PTZZ	11/08/2023	1	\$ 2,776.00	DAU/AR	Y	N		\$ 2,776.00	DAU/AR	559000000	OTHER EXPENSES	\$ 0.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	366000732	1099 Supplier 1	143083	123456789	R14PTZZ	03/26/2024	2	\$ 2,776.00	DAU/AR	Y	Y		\$ 2,776.00	DAU/AR	559000000	OTHER EXPENSES	\$ 0.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	366000732	1099 Supplier 1	143083	123456789	R14PTZZ	03/26/2024	1	\$ 7,200.00	GOV 6	Y	Y		\$ 7,200.00	GOV 6	559000000	OTHER EXPENSES	\$ 0.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	366000732	1099 Supplier 1	143083	123456789	R14PTZZ	03/26/2024	1	\$ 2,776.00	GOV 6	Y	Y		\$ 2,776.00	GOV 6	559000000	OTHER EXPENSES	\$ 0.00

Tips and Tricks:

- Export report to Excel and use details tab for distribution level tax code application.
- Add filter and filter by account to make sure that all 1099able accounts are coded correctly.
 - Filter by column M (Invoice Line Income Tax Type) to compare to column R (Distribution Income Tax Type).
 - Differences indicate that the tax code may not have been updated at the distribution level.
 - 1099 forms will only pull from the code on the distribution level and the tax code must exist in column R or 1099 will not be created.
- Filter with specific suppliers to ensure that 1099 codes are applied to all invoices for that supplier.

Updating 1099 Codes in the Invoice

- Changes to 1099 codes on NCFS invoices can be made on the invoice at the distribution level throughout the year to be included in the **OSC Electronic Media submission to the IRS. The cutoff date for each year will be communicated by OSC.**
- 1099 Code QRG <https://www.osc.nc.gov/documents/files/ap-33-1099-codes-and-descriptions/open>

By January 31st of each year

- Agencies to print 1099 Forms.
- Agencies to mail 1099 forms to suppliers – Must be postmarked on or before January 31st of each year.
- OSC will submit the Electronic Media File to the IRS by January 31st of each year.

Steps to Update 1099 Code on Invoices After Payment

1. Navigate to invoice and click Actions > Edit.

Manage Invoices 🔗

Search Results **108480**

Invoice Details

Invoice Date	12/20/23	Invoice Amount	64.50 USD
Invoice Type	Standard	Applied Prepayments	0.00 USD
Supplier or Party	MORTS INC	Unpaid Amount	0.00 USD
Supplier Site	R.14PTA	Hold	0
Address	PPO BOX 27531, RALEIGH, NC-27611		

Notes 📄

Business Unit: 1400 OFFICE OF THE STATE CONTROLLER
Payment Business Unit: 1400 OFFICE OF THE STATE CONTROLLER
Payment Terms: Net 30
Payment Currency: USD
Attachments: 📎

Buttons: **Validate** **Actions** **Save** **Save and Close** **Cancel**

Actions dropdown menu:
Edit
Check Funds
Validate
Request Override
Approval
Cancel Invoice
Post to Ledger
Account in Draft

Links: **Lines** **Hold** **Approvals** **Payments** **Installments** **Distribution Details**

Approval and Notification History

View 📄 🔍 🗑️ **Detach**

Workflow Type	Line	Action	Action Date	Approver	Review Amount	Comments	Hold Reason
Invoice approval	Initiated	12/20/23 9:30 AM	KAREN FAGGART	64.50 US			
Invoice approval	Automatic	12/20/23 9:31 AM	Workflow system	64.50 US			

Hold

View 📄 🔍 🗑️ **Detach** **Release Holds**

Hold				Release						
Name	Reason	Details	Line Held	Hold By	Date	Name	Reason	Released By	Date	Details
No holds.										

2. Click triangle to expand lines section of invoice.

Edit Invoice: 108480 🔗

Validated Invoice Actions **Save** **Save and Close** **Cancel** Last Saved 12/22/23 6:58 AM

Invoice Header Show More

Identifying PO	Number	108480	Date	12/20/23	
Business Unit	1400 OFFICE OF THE STATE CONTROLLER	* Amount	USD - US Dollar	64.50	
Supplier	MORTS INC	Type	Standard	Payment Terms	Net 30
Supplier Number	111133	Description	OSC Fiscal Integrity Award	Terms Date	12/20/23
Supplier Site	R.14PTA	Work Order:	252435	Requester	Morts 12212023.pdf
Legal Entity	NC OFFICE OF THE STATE CONTROLLER			Attachments	Morts 12212023.pdf
Invoice Group				Note	

Lines 🔗 Match Invoice Lines 📄

Taxes 🔍

Totals

Items	64.50	Freight	0.00	Miscellaneous	0.00	Tax	0.00	Included Prepayments	0.00	Total	64.50
		Retainage	0.00	Withholding	0.00	Applied Prepayments	0.00			Due	64.50

3. Click the Distributions button.

edit Invoice: 108480

Validated Invoice Actions Save Save and Close Cancel

Last Saved 12/22/23 6:58 AM

Invoice Header Show More

Identifying PO Number 108480 Date 12/20/23
 Business Unit 1400 OFFICE OF THE STATE CONTROLLER * Amount USD - US Dollar 64.50 Payment Terms Net 30
 Supplier MORTS INC Type Standard Terms Date 12/20/23
 Supplier Number 111133 Description OSC Fiscal Integrity Award Work Order: 252435 Requester
 Supplier Site R.14PTA Attachments Morts 12212023.pdf
 Legal Entity NC OFFICE OF THE STATE CONTROLLER Note
 Invoice Group

Lines Match Invoice Lines

View + X Detach Allocate Cancel Line **Distributions**

Distribution Budgetary Control Reference Tax Purchase Order Asset Project

* Number	* Type	* Amount	Distribution Set	Distribution Combination	Accounting Date	Prorate Across All Item Lines	* Budget Date	Status	Description	Tax Classification	Ship-to Location	Number
1	Item	64.50		1400-102000-55840000-1401000-000	12/20/23	<input type="checkbox"/>	12/20/23	Reserved	OSC Fiscal Integrity Award/Work Order: 25		1400OSCN-14181	

Taxes

Totals

Items	Freight	Miscellaneous	Tax	Included Prepayments	Total
64.50	0.00	0.00	0.00	0.00	64.50
		Retainage 0.00	Withholding 0.00	Applied Prepayments 0.00	Due 64.50

4. Manage Distribution window will display, select the invoice line that needs to be updated.

Manage Distributions

View + X Detach Invoice Line 1 Reverse Adjust Tax Recovery Check Funds View Results

Budgetary Control Status Purchase Order Receipt Tax All

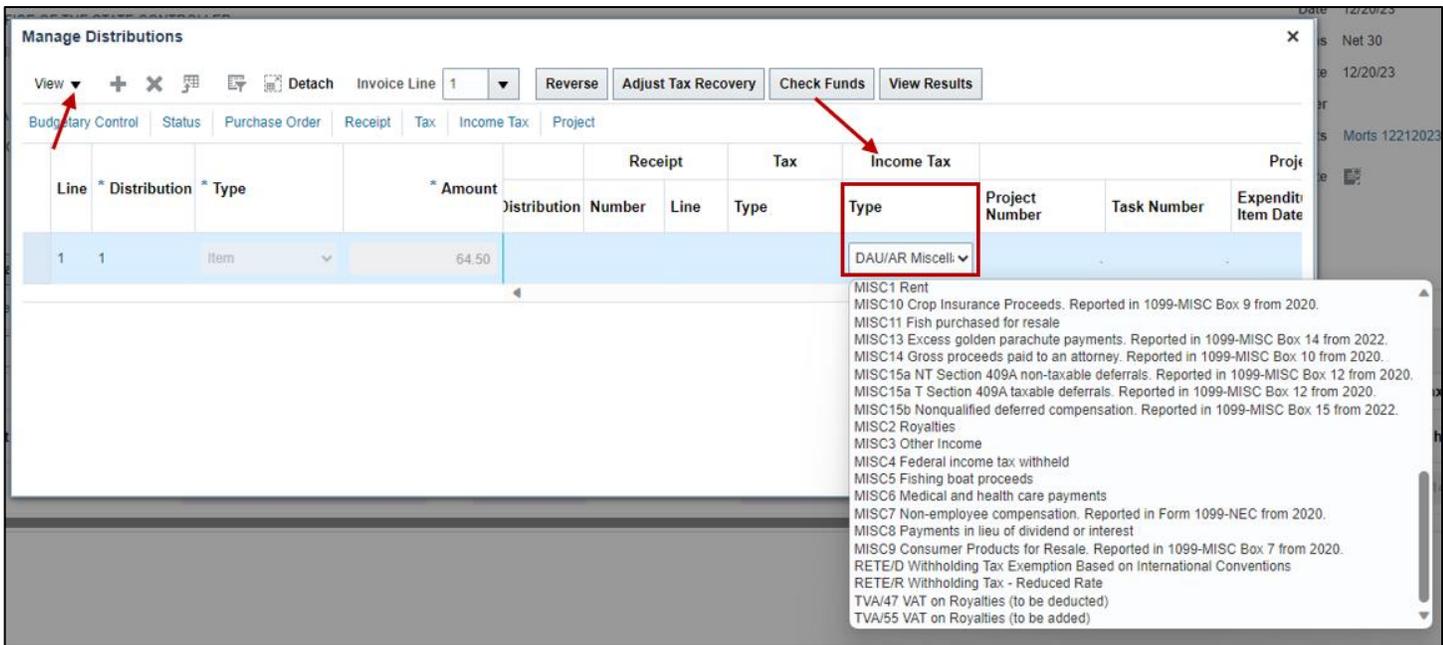
Line	* Distribution	* Type	* Amount	Distribution Combination	* Accounting Date	Description	* Budget Date
1	1	Item	64.50	1400-102000-55840000-1401000-000	12/20/23	OSC Fiscal Integrity A	12/20/23

Distributions Total Amount 64.50
 Remaining Amount 0.00
 Line Amount 64.50

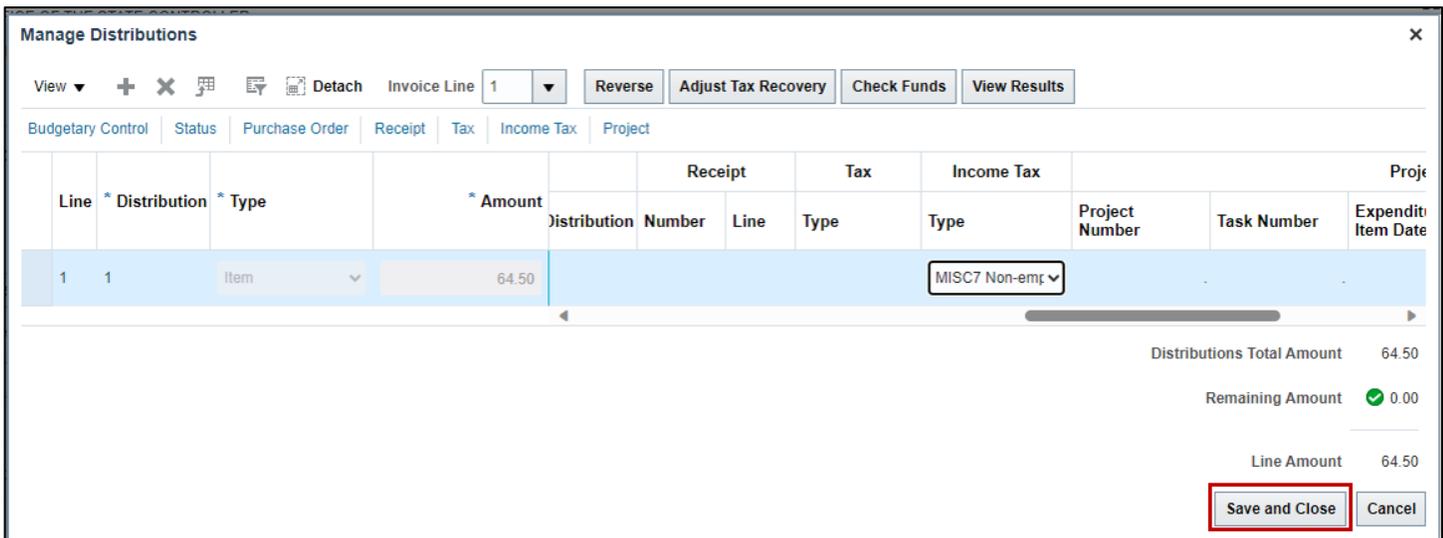
Save and Close Cancel

5. Scroll to the Income Tax Type Field and select the correct 1099 code. To unflag a line for 1099 reporting select “DAU/AR Miscellaneous – Other”.

Note : If you do not see Income Tax menu, click on the View dropdown list, and include Income Tax menu to the distribution view.



6. Click Save and Close.



7. Click Save and Close on the Invoice header.



Wrap-Up

This QRG gives you an overview and steps to update 1099 code on an invoice after payment.

Additional Resources

Virtual Instructor-Led Training (vILT)

- AP101: Invoice Management