

1099 Information Sessions

December 8, 2025 – 1pm-2pm

February 10, 2026 – 11am-12pm



Presenters

Gwen Earp, Business Systems Manager

Crystal Cole, Business Systems Analyst

Jennifer Pacheco, Audit, Risk & Compliance Services Director

Kathleen Tolbert, Tax and Cost Allocation Specialist Lead



Agenda

- Welcome
- NCFS 1099 Security Roles
- What's New
- NCFS 1099 Maintenance Report Information
- 1099 Coding on Invoices in NCFS
- NCFS QRG Training Links
- 1099 Deadlines and Dates
- Agency questions



NCFS 1099 Security Roles

Gwen Earp



NC AP Tax Reports JR

Security role to view and print the 1099 reports under the Tax reports folder in NCFS (including access to tax ID numbers):

- RPTAP017-1099 MISC report (1099 MISC forms)
- RPTAP018-1099 G report (1099 G forms)
- RPTAP019-1099 NEC report (1099 NEC forms)
- RPTAP022-1099 Maintenance Report

Report Path: Shared Folders>Custom>FBR Custom>Report>Accounts Payable>Tax Report



Other 1099 Security Roles

NC AP Invoice Management: Security role to enter and maintain invoices with the appropriate 1099 codes.

NC AP Agency Payment Management: Security role to make any payments, including the 1099 invoices.



What's New for 2025

Gwen Earp





What's New – IRS Form Changes

- The box for Excess Golden Parachute payments moved from the 1099 MISC form to the 1099 NEC form in 2025. This change will not affect state agencies. This category is not used by state government.
- Examples of how the MISC and NEC forms 2025 will look when printed.

<input type="checkbox"/> CORRECTED (if checked)			
PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		1 Rents	OMB No. 1545-0115
		\$	Form 1099-MISC (Rev. April 2025) For calendar year
		2 Royalties	
		\$	
PAYER'S TIN		3 Other income	4 Federal income tax withheld
		\$	\$
RECIPIENT'S name		5 Fishing boat proceeds	6 Medical and health care payments
Street address (including apt. no.)		\$	\$
City or town, state or province, country, and ZIP or foreign postal code		7 Payer made direct sales totaling \$5,000 or more of consumer products to recipient for resale <input type="checkbox"/>	8 Substitute payments in lieu of dividends or interest <input type="checkbox"/>
		9 Crop insurance proceeds	10 Gross proceeds paid to an attorney
		\$	\$
		11 Fish purchased for resale	12 Section 409A deferrals
		\$	\$
		13 FATCA filing requirement <input type="checkbox"/>	14
			15 Nonqualified deferred compensation <input type="checkbox"/>
		\$	\$
Account number (see instructions)		16 State tax withheld	17 State/Payer's state no.
		\$	\$
		\$	\$
Miscellaneous Information			
Copy B For Recipient			
<p>This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.</p>			

<input type="checkbox"/> CORRECTED (if checked)		PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		OMB No. 1545-0116 Form 1099-NEC (Rev. April 2025) For calendar year _____	Nonemployee Compensation
PAYER'S TIN		RECIPIENT'S TIN		1 Nonemployee compensation \$ _____	
RECIPIENT'S name Street address (including apt. no.) City or town, state or province, country, and ZIP or foreign postal code		2 Payer made direct sales totaling \$5,000 or more of consumer products to recipient for resale \$ _____		<input type="checkbox"/>	Copy B For Recipient This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
Account number (see instructions)		3 Excess golden parachute payments \$ _____		4 Federal income tax withheld \$ _____	
5 State tax withheld		6 State/Payer's state no.		7 State income \$ _____	\$ _____
\$ _____		\$ _____		\$ _____	\$ _____

What's New - Reporting

- RPTAP022 – 1099 Maintenance Report

Invoice group was added to assist the agencies in reviewing invoices for 1099 coding.

- Reporting Thresholds

There are no changes to reporting thresholds for 2025.

NCFS 1099 Maintenance Report

Crystal Cole



RPTAP022 - Key Columns

Key fields

- Supplier name/number
- Invoice Line Income Tax type
- Invoice Distribution Tax type
- Filter suggestions
 - Service accounts
 - Suppliers without Inc
 - Source for interfaced invoices
 - Invoice Group



RPTAP022 – Summary tab

- 1099 Original Payment (calendar year) From and To date parameters for the 1099 original invoices.
- 1099 Correction Payment From and To date parameters will remain blank to return only 1099 original 1099 invoices.

North Carolina Financial Office of State Controller NC Invoice Maintenance Report 12/02/2024 03:46:56 PM *Please note that this report contains sensitive.											
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	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 1	1111111111	MISC3		\$ 36.00	\$ 0.00	\$ 36.00		
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 2	2222222222	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		DAU/AR		\$ 5,000.00	\$ 0.00	\$ 5,000.00		
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 4		DAU/AR		\$ 160.00	\$ 0.00	\$ 160.00		
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 5		GOV 6		\$ 14,126.00	\$ 0.00	\$ 14,126.00		
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 6		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		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		DAU/AR		\$ 520.00	\$ 0.00	\$ 520.00		
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 9		MISC3		\$ 11.00	\$ 0.00	\$ 11.00		
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 10		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		DAU/AR		\$ 534.50	\$ 0.00	\$ 534.50		
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Supplier 12		DAU/AR		\$ 165.00	\$ 0.00	\$ 165.00		

RPTAP022 - Details tab left side

Key Column Notes:

Business Unit Tax ID: Agency/Legal

Entity Tax ID as Reporter.

Supplier name/number: You can narrow down to specific accounts or suppliers, if needed.

Supplier Number: Supplier TIN

A	B	C	D	E	F	G	
		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 information (TINs/PII)					
	Parameters						
	Legal Entity	NC OFFICE OF THE STATE CONTROLLER					
	Business Unit	1400 OFFICE OF THE STATE CONTROLLER					
	1099 Original Payment From Date	01/01/2024					
	1099 Original Payment To Date	12/31/2024					
	Natural Account Range	All	Can narrow down to specific accounts if needed.				
	Supplier Number	All	Can narrow down to specific suppliers if needed.				
	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	Supplier Site
	NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Test Supplier 1		123456789	R.14PT.ZZ
	NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	987654321	1099 Test Supplier 2		123456789	R.14PT.ZZ
			Agency/Legal Entity Tax ID as Reporter		Supplier TIN		

Please note that this report contains sensitive information (TINs/PII).



RPTAP022 – Details tab right side

Invoice Line Amount	Invoice Line Income Tax Type	Invoice Accounted Flag	Invoice Correction Flag	Distribution Line Number	Distribution Amount	Distribution Income Tax Type	Distribution Natural Account	Natural Account Description	Withheld Amount	Supplier Income Tax Reporting Site Address	Federal Withholding Amount	Federal Withholding Code	Payment
\$ 12,253.00	GOV 6	Y	N	1	\$ 12,253.00	GOV 6	55900000	OTHER EXPENSES	\$ 0.00	560 ODOMS CHAPEL RD, BAKERSVILLE, NC 28705	\$ 0.00		08/16
\$ 11,608.00	GOV 6	Y	N	1	\$ 11,608.00	GOV 6	55900000	OTHER EXPENSES	\$ 0.00	560 ODOMS CHAPEL RD, BAKERSVILLE, NC 28705	\$ 0.00		08/23
This is the 1099 code at the line level. 1099 code				This will be the amount included on the 1099 for the code		1099 code must exists in this column to	Use to account to help determine if the invoice		Will populate if invoice had State or Federal		Will populate if invoice had Federal withholding	Will populate Federal withholding code if applicable	

Key Column Notes:

Invoice Line Income Tax Type: Displays code for every line when the invoice was keyed in.

Distribution Amount: This will be the amount included on the 1099 for the code.

Distribution Income Tax Type: Can use this for 1099 code on invoice line after it's validated and paid.

Distribution Natural Account: Use to help filter for service accounts.

Withheld Amount: Will populate if invoice has State or Federal withholding.

Federal Withholding Amount: Will populate if invoice had Federal withholding.

Federal Withholding Code: Will populate Federal withholding code, if applicable.



RPTAP022 - Original & Correction - Summary

- 1099 Original Payment From and To date parameters for the 1099 original invoices
- 1099 Correction Payment From and To date parameters for the 1099 correction invoices to correct the original 1099s. (Corrections Payment dates will be 1/1/20XX-3/31/20XX for the year after the original 1099 invoice payment dates)



North Carolina Financial
Office of State Controller
NC Invoice Maintenance Report
(RPT-AP-022)
12/03/2024 07:30:17 AM

**Please note that this report contains sensitive information.

Parameters	
Legal Entity	NC OFFICE OF THE STATE CONTROLLER
Business Unit	All
1099 Original Payment From Date	1/1/2023
1099 Original Payment To Date	12/31/2023
Natural Account Range	All
Supplier Number	All
1099 Correction Payment From Date	01/01/2024
1099 Correction Payment To Date	03/31/2024

1099 Calendar year payment from date
1099 Calendar year payment to date
1099 Correction invoices payment from date
1099 Correction invoices payment to date

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	Total Amount
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	566000732	1099 Supplier 1			MISC 6	\$ 10,276.00	\$ (10,276.00)	\$ 0.00
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	566000732	1099 Supplier 2			GOV 6	\$ 0.00	\$ 10,276.00	\$ 10,276.00

RPTAP022 - Original & Correction - Details

A	B	K	L	M	N	O	P	Q	R	S	U	V	W	X	Y	Z	AA	
																		
Parameters																		
Legal Entity	NC OFFICE OF THE STATE CONTROLLER																	
Business Unit	All																	
1099 Original Payment From Date	01/01/2023																	
1099 Original Payment To Date	12/31/2023																	
Natural Account Range	All																	
Supplier Number	All																	
1099 Correction Payment From Date	01/01/2024																	
1099 Correction Payment To Date	03/31/2024																	
Legal Entity	Business Unit	Invoice Date	Invoice Line Number	Invoice Line Amount	Invoice Line Income Tax Type	Invoice Accounted Flag	Invoice Correction Flag	Distribution Line Number	Distribution Amount	Distribution Income Tax Type	Distribution Natural Account	Natural Account Description	Withheld Amount	Supplier Income Tax Reporting Site Address	Federal Withholding Amount	Federal Withholding Code	Payment Date	Page No
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	10/09/2023	1	\$ 3,594.00	DAU/AR	Y	N	1	\$ 3,594.00	DAU/AR	559000000	OTHER EXPENSES	\$ 0.00	560 ODOMS CHAPEL RD, BAKERSVILLE, NC, 28705	\$ 0.00		11/15/2023	
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	10/09/2023	2	\$ 3,906.00	DAU/AR	Y	N	1	\$ 3,906.00	DAU/AR	559000000	OTHER EXPENSES	\$ 0.00	560 ODOMS CHAPEL RD, BAKERSVILLE, NC, 28705	\$ 0.00		11/15/2023	
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	03/26/2024	2	\$ (7,500.00)	DAU/AR	Y	Y	1	\$ (7,500.00)	DAU/AR	559000000	OTHER EXPENSES	\$ 0.00	560 ODOMS CHAPEL RD, BAKERSVILLE, NC, 28705	\$ 0.00		03/27/2024	
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	11/08/2023	1	\$ 2,776.00	DAU/AR	Y	N	1	\$ 2,776.00	DAU/AR	559000000	OTHER EXPENSES	\$ 0.00	560 ODOMS CHAPEL RD, BAKERSVILLE, NC, 28705	\$ 0.00		11/15/2023	
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	03/26/2024	2	\$ (2,776.00)	DAU/AR	Y	Y	1	\$ (2,776.00)	DAU/AR	559000000	OTHER EXPENSES	\$ 0.00	560 ODOMS CHAPEL RD, BAKERSVILLE, NC, 28705	\$ 0.00		03/27/2024	
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	03/26/2024	1	\$ 7,500.00	GOV 6	Y	Y	1	\$ 7,500.00	GOV 6	559000000	OTHER EXPENSES	\$ 0.00	560 ODOMS CHAPEL RD, BAKERSVILLE, NC, 28705	\$ 0.00		03/27/2024	
NC OFFICE OF THE STATE CONTROLLER	1400 OFFICE OF THE STATE CONTROLLER	03/26/2024	1	\$ 2,776.00	GOV 6	Y	Y	1	\$ 2,776.00	GOV 6	559000000	OTHER EXPENSES	\$ 0.00	560 ODOMS CHAPEL RD, BAKERSVILLE, NC, 28705	\$ 0.00		03/27/2024	

1099 Codes on Invoices in NCFS

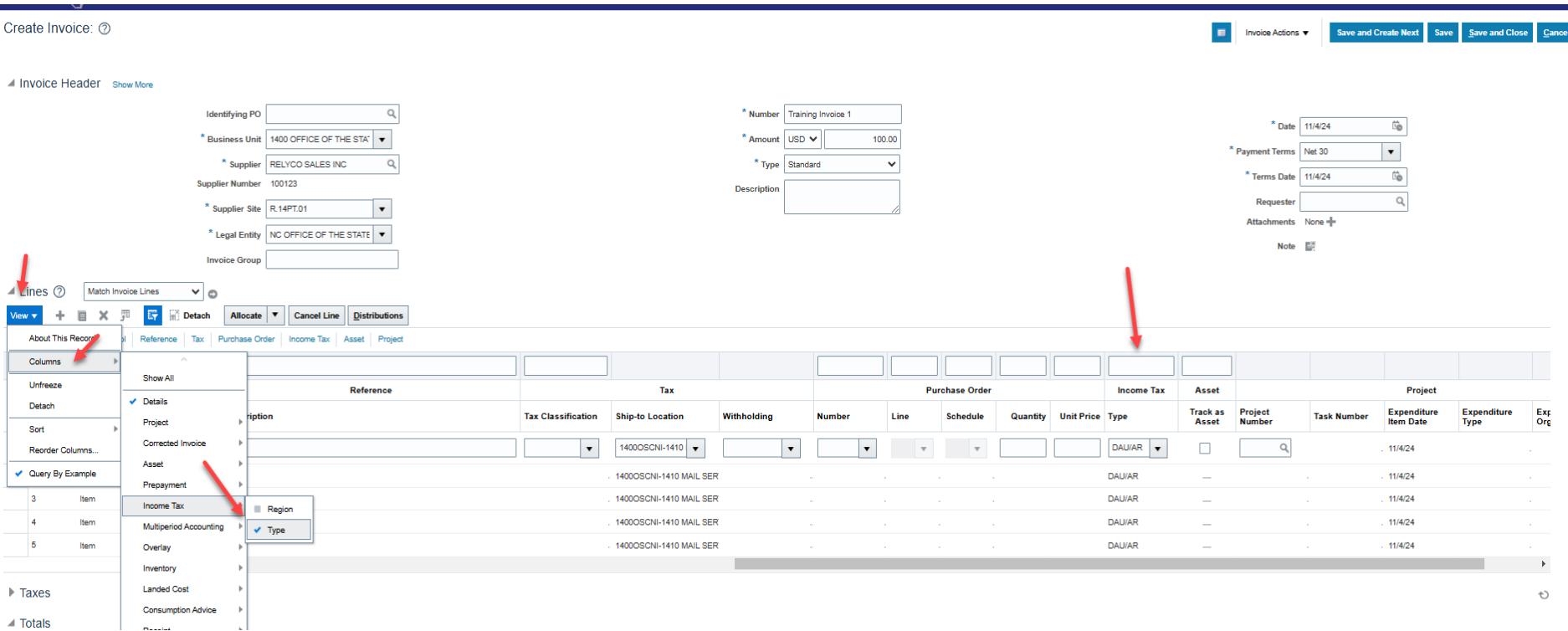
Crystal Cole



1099 Codes Creating Invoices in NCFS

To update 1099 code when entering invoice:

- Under lines section, scroll to Income Tax section and under Type chose the appropriate 1099 code.
- If Income Tax column is not visible, under the Line section click View then Columns and add income tax type column.



The screenshot shows the 'Create Invoice' screen in NCFS. The 'Lines' section is highlighted with a red arrow. A context menu is open over the 'Lines' section, with the 'Columns' option highlighted with a red arrow. The 'Columns' option is part of a group that includes 'About This Record', 'Unfreeze', 'Detach', 'Sort', 'Reorder Columns...', and 'Query By Example'. The 'Income Tax' option is also highlighted with a red arrow. The 'Income Tax' option is part of a group that includes 'Multiperiod Accounting', 'Overlay', 'Inventory', 'Landed Cost', 'Consumption Advice', and 'Printed'. The main table area shows columns for Reference, Tax, Purchase Order, Income Tax, Asset, and Project. The 'Income Tax' column is currently empty. The 'Type' column is also empty. The 'Income Tax' column is highlighted with a red arrow.



1099 Codes Invoice Maintenance in NCFS

To update 1099 code on invoice after entered or paid:

- Under Edit mode of invoice click on Distributions under lines.
- Update the Income Tax type to the appropriate 1099 code.

The screenshot shows the 'Edit Invoice: 02.05-2' screen. On the left, the 'Lines' section is open, showing a table with columns for Number, Type, Amount, Distribution Set, and Distribution Combination. A red arrow points from the 'Lines' section down to the 'Distributions' button in the toolbar. On the right, a 'Manage Distributions' dialog box is open. This dialog has tabs for View, +, Detach, Invoice Line (set to 1), Reverse, Adjust Tax Recovery, Check Funds, and View Results. The 'Purchase Order' tab is selected. The main table in the dialog has columns for Line, Distribution, Type, Amount, Purchase Order, Receipt, Income Tax, and Project Number. A second red arrow points to the 'Income Tax' column header. The table shows one row with Line 1, Distribution 1, Type Item, Amount 200.00, Purchase Order 1, Receipt 1, Income Tax MISC7 Non-em, and Project Number. At the bottom of the dialog are 'Save and Close' and 'Cancel' buttons.

1099 Reminders

Crystal Cole



Reminders

- Verify interfaced invoices are flagged with the appropriate 1099 codes prior to the original file submission date.
- When printing 1099 forms, print one or a few forms to test form within the 1099 envelope. Suggest using "Fit to Paper" scale when printing 1099 form.
- Use the 1099 Maintenance report to estimate the number of forms/envelopes needed for printing.
 - Under Summary tab, remove DAU/AR default 1099 code from column G (Income Tax Type).
 - Filter for the 1099 codes for the separate forms.
 - MISC7-1099 NEC form
 - All other MISC 1099 codes-1099 MISC form
 - GOV codes-1099 G form
 - Filter Income Tax Type Amount column for greater than or equal to \$600 to leave the suppliers that will receive a 1099 form.



QRG Training Links

Crystal Cole



Accounts Payable QRGs

- [AP-33 1099 Codes and Descriptions](#)
- [AP-38 Run 1099 Report & Update 1099 Code on an Invoice After Payment](#)
- [AP-39 Printing 1099 Form](#)
- [AP-41 1099 Zero Dollar Invoices](#)
- [AP-42 Printing 1099 Correction Form](#)



Key Dates for Tax Year 2025

Crystal Cole



1099 Processing Schedule For Calendar Year 2025

Key Dates	Required Processes
Jan 1- December 31, 2025	Review 1099 AP-022 1099 Maintenance Report for 1099 flagging or changes.
October 15, 2025	Link for 1099 Contact Form sent to agency users to provide a main 1099 contact for each agency and the agency's phone number to print on the 1099 forms.
December 31, 2025	2025 calendar year reporting cycle ends.
January 29, 2026	Last day to make changes to 1099 data in NCFS prior to OSC generating the original 1099 electronic IRS file. All changes should be completed by midnight.
January 1-31, 2026	2025 1099 forms are available for printing in NCFS. Forms must be postmarked to suppliers by January 31 st . AP-39 Printing 1099 Form
January 30, 2026	OSC will submit the electronic 1099 file to the IRS.
January 31, 2026	IRS required deadline date for issuing printed 1099 forms to recipients and filing the IRS electronic file.
February 2, 2026	Agencies may record 1099 changes in NCFS for 2025 1099s using zero-dollar invoices. AP-41 Zero Dollar Invoices
March 29, 2026	Last day to enter 1099 corrections with zero-dollar invoices in NCFS. Zero-dollar invoices must be in paid status and accounted by midnight.
March 30, 2026	2025 1099 correction forms are available for printing in NCFS. OSC will submit the electronic 1099 corrections file to the IRS. AP-42 Printing 1099 Correction Form



Questions?

