

## SFO 1099 Reporting

1. Obtain an **IRS Form W-9**, Request for Taxpayer Identification Number and Certification, for review for proper completion.

- DBA (Doing Business As) is on the 2nd line and the tax reporting name is on the 1<sup>st</sup> line.
- Check that a tax classification box is selected and if an LLC, the further tax classification is also completed.
- If an individual is the tax reporting name, then a social security number is required. LLC's operating as a disregarded entity, are in fact sole proprietors and a social security number is required, not the tax payer identification.
- MCPS requires the certification signature on the W-9, even though IRS states it is not required.
- Make sure the SSN/TIN and name are legible.
- All 1099 REPORTABLE vendors (individuals, partnerships, trusts and other entities) are to be set-up as DISTRICT-WIDE vendors and the W-9 is to be sent to the Division of Controller by email to [fmsmaintenance@mcpsmd.org](mailto:fmsmaintenance@mcpsmd.org) or by fax to 240-314-2246-.

Form <b>W-9</b> (Rev. August 2013) Department of the Treasury Internal Revenue Service	<b>Request for Taxpayer Identification Number and Certification</b>	Give Form to the requester. Do not send to the IRS.
Name (as shown on your income tax return)		
Business name/disregarded entity name, if different from above		
Check appropriate box for federal tax classification:		
<input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate		
Exemptions (see instructions):		
<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶		
Exempt payee code (if any)		
Exemption from FATCA reporting code (if any)		
<input type="checkbox"/> Other (see instructions) ▶		
Address (number, street, and apt. or suite no.)		Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		
<b>Part I Taxpayer Identification Number (TIN)</b>		
Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> on page 3.		
		Social security number
		Employer identification number
<b>Part II Certification</b>		
Under penalties of perjury, I certify that:		
1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and		
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and		
3. I am a U.S. citizen or other U.S. person (defined below), and		
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.		
<b>Certification instructions.</b> You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.		
<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶

2. **Creating a DISTRICT-WIDE 1099 REPORTABLE Vendor in SFO:**

- Send the W-9 for all 1099 REPORTABLE vendors (non-corporate) to the Division of Controller (DOC) as outlined above for set-up as DISTRICT-WIDE. If a VENDOR CODE is desired, please include this with the request to DOC.
- Upon completion of set-up of a DISTRICT-WIDE vendor, notification will be sent to the requestor by DOC. Please wait to issue the payment until after notification is received.
- A MCPS Form 280-47A is no longer required to be submitted to DOC. SFO eliminates the need for this report. DOC may review all payments directly in SFO.
- Note below the DISTRICT-WIDE and 1099 designation.

NAME	Kirk Simon	SSN		TAX ID	16-6561215
ADDRESS	20424 Aspenwood Ln	DBA		PO ADDRESS	
CITY	Montgomery Village	VENDOR CODE		ADDRESS	
STATE	MD	PHONE		CITY	
ZIP	20886	FAX		STATE	
		EMAIL		ZIP	
STATUS	Active	\$ PAID YTD	\$0.00	\$ 1099 YTD	\$0.00
DISTRICT-WIDE	<input checked="" type="checkbox"/>	\$ PAID PRIOR YEAR	\$0.00	\$ 1099 PRIOR YEAR	
1099	<input checked="" type="checkbox"/>	LAST CHECK		\$ OPEN ENCUM. & PO'S	\$0.00
NO TAX	<input type="checkbox"/>			ACCT NBR / COMMENTS	
				CO VENDOR #	

- Naming Conventions:
  - First Name then Last Name; no commas after Jr., Sr., II, III, Esquire, etc.
  - Business name no commas before Inc., Company, Corporation, LLC, etc.
  - Individual/Sole Proprietor name in the NAME field when operating under a DBA; use the DBA field to enter the business name; again, no commas in the business name
  - Address line no commas before Apt, Suite, PO Box, etc.

### 3. SFO Vendor Search:

- Always search for a vendor set-up as DISTRICT-WIDE before creating a new vendor at the school level. This will guarantee that the vendor is not duplicated as well as correctly set-up when 1099 REPORTABLE.
- Use the wild card percentage sign, '%', to make your search. In the example below, the first name is followed by the %, then the last name with a %. This will capture any vendor with these two names, including the middle initial and any company name containing Andrew Hyman.

\* RED INDICATES SEARCH FIELDS...

**Search - Refresh**

NAME  SSN

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- With the wild card search, you may also search %hym% or the social security number/taxpayer identification number.
- Select the vendor record with a social security/taxpayer identification number. This will be the DISTRICT-WIDE, 1099 REPORTABLE record.

NAME  SSN  TAX ID

ADDRESS  DBA

CITY  STATE  ZIP

VENDOR CODE  PHONE  FAX  EMAIL

STATUS  \$ PAID YTD \$0.00 \$ 1099 YTD \$1099 PRIOR YEAR \$ OPEN ENCUM. & PO'S ACCT NBR / COMMENTS CO VENDOR #

DISTRICT-WIDE  1099  NO TAX  LAST CHECK

**Save New Update Delete Clear**

Name	Address	City	State	School Name	SSN	Tax
Andrew Hyman Maintenance	15810 Barnesville Road	Boys	MD	Clarksburg High School		
Andrew J. Hyman	15810 Barnesville Road	Boys	MD	Dr. Martin Luther King Middle	577-02-2719	
ANDREW HYMAN	15810 BARNESVILLE ROAD	BOYDS	MD	Northwest High School		
Andrew Hyman	15810 Barnesville Roa	Boys	MD	Watkins Mill High School		
Andrew Hyman	15810 Barnesville Road	Boys	MD	Clarksburg High School		

4. **1099 REPORTABLE Payment:**

At the time of payment, if services were provided, enter the amount in the 1099 AMOUNT box.

DATE

VENDOR   FAVORITE VENDOR

ADDRESS  **Full Vendor Setup**

CITY

STATE, ZIP

CHECK NUMBER  *Check to be Printed*

SALES TAX

FOOD TAX

1099 AMOUNT

CASH/CHECKING BALANCE: \$23,687.08

CHECK AMOUNT: \$1,000.00

*Exactly One Thousand Dollars and Zero Cents*

5. **ONE-TIME VENDOR**

- SFO has a feature which allows checks to be issued as a ONE-TIME VENDOR. There is no vendor record created and no audit trail, so this feature is intended only for parent/student refunds or staff reimbursements. **One-time vendors should ONLY be used for parent/student refunds of less than \$50. No other use is permitted.** *(per email of Sue DeGraba)*

## 6. EMPLOYEE PAYMENTS FOR SERVICES

- Remember that any payment to employees for services **(an unusual situation)**, must be submitted to ERSC using an MCPS Form 280-46. The school will be billed by Accounts Receivable and the payment is then made using the IAF. The employee will receive the payment in their paycheck and wages will be included in their W-2. Employees do not receive an IRS 1099 MISC and a W-2 in the same year. If this occurs, it is an automatic IRS audit trigger.