



## Email Substitute 1099 to Owners and Vendors

Property Management Solutions for Over 30 Years

### Overview

This assumes your email parameters are already set up in Internet Publishing. If not, please see [How to Document #720](#).

Providing a substitute 1099 in lieu of a preprinted 1099 form is permissible only if you have received consent from the recipient (owner or vendor). See specifics on the last page. Providing a substitute 1099 prior to printing and mailing the paper 1099 is a convenient method to obtain feedback as to whether the amount is correct, especially for vendors whose returns must be filed with the IRS by January 31. We suggest that you provide a substitute 1099 early in January so that corrections can be done prior to filing.

The substitute 1099, when printed, will have instructions from the wording on the back of the pre-printed 1099 – see sample on last page. It will include state tax information if that is entered into the record in the Tax Reporting module.

### Create the Substitute 1099

1. Go to Mailings, Tax Reporting
2. Click the All Returns button

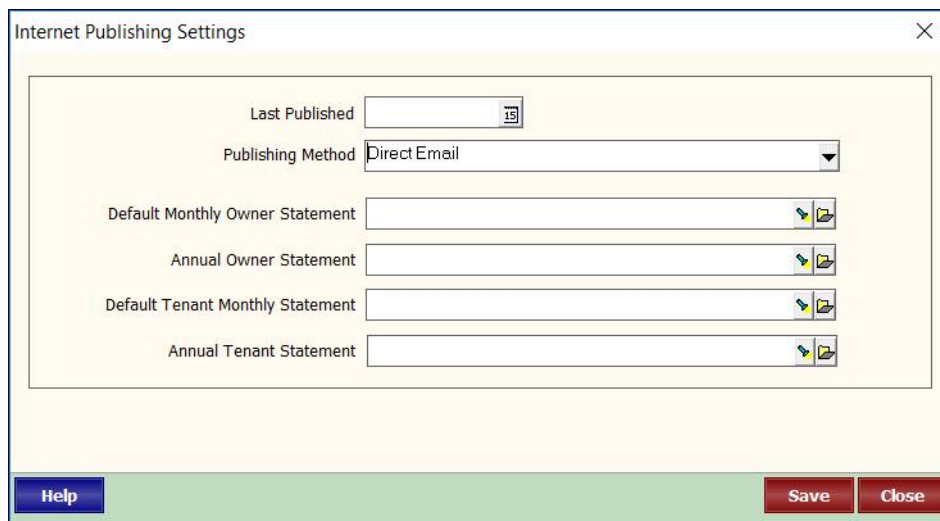
The screenshot shows the 'Preview 1099s' interface. It includes a 'Tax Year' dropdown set to 2017, a 'Reporting Group' dropdown set to 'January Deadline - Vendors', a 'Display Returns' dropdown set to 'All Returns', and a 'Limit To' dropdown set to 'No Filter'. Action buttons include 'All Returns', 'Reload Returns', 'Order Tax Forms', 'Due in January', 'Print None', 'Skip None', 'Print Tax Forms', 'Due In March', 'Print All', 'Skip All', and 'Generate Tax Files'.

3. Click the Reload Returns button
4. Select Reporting Errors in Limit to field
5. Fix any errors that show up
6. Click the All Returns button
7. Click the Print Tax Forms button
8. Click the Print Substitute 1099 forms button
9. Click OK , then click Publish

The Substitute 1099s will be placed in the Upload folder.

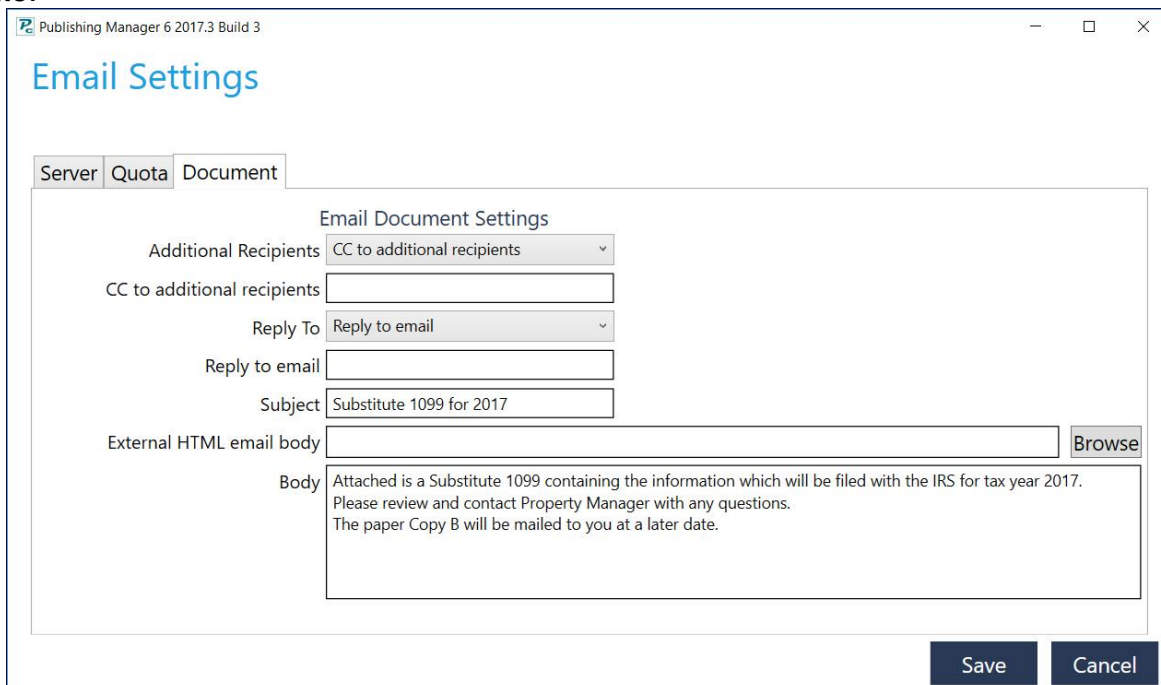
## Emailing the Substitute 1099s

1. Go to Internet Publishing, Advanced tab
2. Click the Publishing Setup button
3. Note the Publishing Method. Change to Direct Email. Save.



The screenshot shows the "Internet Publishing Settings" dialog box. It has a title bar with a close button (X). The main area contains several fields: "Last Published" with a date picker set to 1/19; "Publishing Method" with a dropdown menu set to "Direct Email"; and four rows for "Default Monthly Owner Statement", "Annual Owner Statement", "Default Tenant Monthly Statement", and "Annual Tenant Statement", each with a text input field and a "Browse" button. At the bottom, there are three buttons: "Help" (blue), "Save" (red), and "Close" (red).

4. Click the Email Settings button.
5. Click the Document tab – make a copy of the screen (<Ctrl><F10>).
6. Enter the Subject – for example: “Substitute 1099 for 2017”
7. Enter the Email Body text explaining what is attached. For example: Attached is a Substitute 1099 containing the information which will be filed with the IRS for tax year 2017. Please review and contact \_\_\_ with any questions. The paper Copy B will be mailed to you at a later date.



The screenshot shows the "Email Settings" dialog box in "Publishing Manager 6 2017.3 Build 3". It has a title bar with standard window controls. The "Document" tab is selected. The "Email Document Settings" section includes: "Additional Recipients" (dropdown: "CC to additional recipients"), "CC to additional recipients" (text field), "Reply To" (dropdown: "Reply to email"), "Reply to email" (text field), "Subject" (text field: "Substitute 1099 for 2017"), "External HTML email body" (text field with a "Browse" button), and "Body" (text area containing the example text). At the bottom right, there are "Save" and "Cancel" buttons.

8. Save.
9. Go to the Basic tab and click Email Documents button.



When you are finished restore original subject and body on the Document tab.

### **How to obtain consent from an owner or vendor to send them a substitute 1099 electronically.**

If you want to send substitute 1099s to your owners and or vendors, you must get their permission. The consent must be made electronically in a way that shows that they can access the statement in the electronic format in which it will be furnished.

Send an email that includes the following in the email body. This is required by the IRS.

I [Owner Name] consent to receive the 1099 Misc form electronically in PDF format  
\_\_\_Yes \_\_\_No

Should you mark No a paper 1099 Misc Copy B will be mailed to you.

This consent applies to every tax year that the management agreement is in force.

To obtain a paper copy after giving consent for an electronic delivered please email \_\_\_\_\_.  
To withdraw the consent for an electronic deliver please email \_\_\_\_\_.

A 1099 Misc Copy B will not be furnished when there is no taxable income for the tax year.

Any changes to your address or email should be forwarded to: \_\_\_\_\_.

The Substitute 1099 Misc will be furnished as a PDF document attached to an email. It can be printed or saved.

# Sample Substitute 1099

PROMAS Demonstration Package  
311D Maple Avenue West  
Vienna, VA 22180

This is a good place to put  
Contact Information  
Phone numbers, Email addresses.  
It goes on statements.  
Whatever is here is centered in the statement block

Harrison S. Golden  
11 Walking Lane  
Preston, NH 02190

## 2018 Form 1099 MISC Miscellaneous Income

Substitute Form  
Copy B for Recipient  
OMB No. 1545-0115

Payer's Name and Address	Recipient's Name and Address
Maple Inc. 311 Maple Ave. Vienna, VA 22182	Harrison S. Golden 11 Walking Lane Preston, NH 02190
PAYER'S federal identification number is 13-4281472	RECIPIENT'S identification number is xxx-xx-8836
PAYER'S state identification number is 55-123498	

Box	Amount
1. Rents	\$9,525.00
4. Federal Income Tax Withheld	
16. State Tax Withheld	

Payer Phone	Account Number
703-255-1400	O-3-GOLDEN

### Notice

This is important tax information and is being furnished to the Internal Revenue Service. 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.

### Instructions

Recipient's taxpayer identification number (TIN). For your protection, this form may show only the last four digits of your social security number (SSN), individual taxpayer identification number (ITIN), or adoption taxpayer identification number (ATIN), or employer identification number (EIN). However, the issuer has reported your complete TIN to the IRS.

Account number. May show an account or other unique number the payer assigned to distinguish your account.

Box 1. Report rents from real estate on Schedule E (Form 1040). However, report rents on Schedule C (Form 1040) if you provided significant services to the tenant, sold real estate as a business, or rented personal property as a business. See Pub. 527.

Box 4. Shows backup withholding or withholding on Indian gaming profits. Generally, a payer must backup withhold if you did not furnish your taxpayer identification number. See Form W-9 and Pub. 505 for more information. Report this amount on your income tax return as tax withheld.

Boxes 16-18. Shows state or local income tax withheld from payments.