



Split 1099 Income Between 2 Companies

Property Management Solutions for Over 30 Years

Overview

If a company changes their name and tax ID in the middle of the year, they may have to report rent for the owners on two separate 1099s. You must adjust each ledger (owner or property) so the taxable income reported by Old Company is reflected as Taxable Income when you run their 1099s. Then adjust so only taxable income reported by New Company is reflected as Taxable Income when you run their 1099s. This procedure will show how to do that.

To report rent income for January for Old Realty Company and rent income for Feb-Dec for New Realty Company.

- A. [Gather Information](#)
- B. [Print 1099s for Old Realty Company](#)
- C. [Print 1099s for New Realty Company](#)

A. Gather Information and Setup Codes

1. Run the Ledger report Income Summary for January. Those will be the amounts of rent for the January reporting for *Old Realty Company*. Run for Feb-Dec. Those will be the amounts for *New Realty Company*.
2. Under Setup, Account Codes create an Account code for Rent-Jan. Make the Account Type Taxable Income.

The screenshot shows the 'Account Code' setup form. At the top, there are fields for ID (RENT-JAN), Description (Rent for January), Ledger Code (9999), and a checked 'Active' box. Below this is the 'Account Type' section, which includes a dropdown menu currently set to 'Taxable Income'. To the right of this dropdown are four checkboxes: 'Bank Account', 'Checking Account', 'Escrow Deposit Analysis', and 'Impound Account', all of which are currently unchecked. Below the 'Account Type' section is the 'Account Sections' section, which contains two rows: 'Balance Sheet' with the value 'CURRENT YR: Current Year Earnings' and 'Other Financial Statements' with the value 'INCOME TX: Taxable Income'. Each row has a small icon to its right.

- Under Setup, Account Codes edit the Account code for Rent. Change the Account Type to Income.

The screenshot shows the 'Account Code' setup window for 'Rent'. The ID is 'RENT', the name is 'Rent', and the Ledger Code is '4110'. The 'Account Type' is set to 'Income'. There are checkboxes for 'Bank Account', 'Checking Account', 'Escrow Deposit Analysis', and 'Impound Account', all of which are currently unchecked. Under 'Account Sections', the 'Balance Sheet' is set to 'CURRENT YR: Current Year Earnings' and 'Other Financial Statements' is set to 'INCOME: Income'. A red arrow points to the 'Account Type' dropdown menu.

- Go to File, Database Utilities and Rebuild Entire Database.

The screenshot shows the 'Database Utilities' window. On the left is a navigation menu with options like 'Profile Search', 'Dashboard', 'Publishing', 'Profiles', 'AP', 'AR', 'GL', 'Maintenance', 'Reports', and 'Mailings'. The main area contains several utility options: 'Rebuild Indices', 'Rebuild Reference Files', 'Rebuild General Ledger', 'Rebuild Indexes and Reference Files', 'Rebuild Profile Indexes', 'Rebuild Maintenance Indexes', 'Update Accounts Receivable', 'Rebuild Entire Database', 'Restructure Accounts Receivable', 'Restructure Accounts Payable', 'Initialize Default Account Sections', 'Verify Database', and 'Unclear Reconciliation By Date'. A 'Run Database Utilities' button is also present. A red arrow points to the 'Rebuild Entire Database' button.

- Go to GL, Journal Voucher. Post a journal voucher for each owner dated 12/31/2021 (last day of prior year). Credit Rent-Jan the amount from the report. Negative Credit Rent.

The screenshot shows the 'Journal Voucher' entry screen. The date is set to 12/31/2021. The reference is 'Journal Voucher'. The ledger is 'CLAYTON: Frederick L. Clayton [Owner]'. The memo and comment fields are empty. On the right, there are checkboxes for 'Cash', 'Accrual', and 'Modified Cash', all of which are checked. The 'Credits' total is \$1,050.00 and the 'Debits' total is \$1,050.00. The 'In Balance' field is empty. Below the totals is a table with columns for 'Account', 'Debit or Credit', and 'Amount'.

Account	Debit or Credit	Amount
RENT-JAN: Rent January	Credit	\$1,050.00
RENT: Rent	Credit	(\$1,050.00)

B. Print 1099s for Old Company

1. Go to Setup, Company. Put Old Realty Company information in the 1099 Information boxes.

Company Profile

Maple Management

Mailing Address
311 Maple Avenue West
Vienna, VA 22180
22180 ZIP Foreign

Additional Letterhead Information

1099 Information
Taxpayer ID 55-1234567
Taxpayer Name Old Realty Company
Taxpayer Phone Number 703-255-1400

Taxpayer Information Moved to Database Settings

2. Go to Mailings, Tax Reporting. Click Reload Returns, then Start Over.

Preview 1099s

Tax Year 2021 Settings All Returns Reload Returns Order Tax Forms

Reporting Group All Taxpayers

Display Returns All Returns Vendors Only Print None Skip None Print Tax Forms

Limit To No Filter Owners and Tenants Print All Skip All Generate Tax Files

Reload Returns

Reload Amounts Exclude Returns with Override

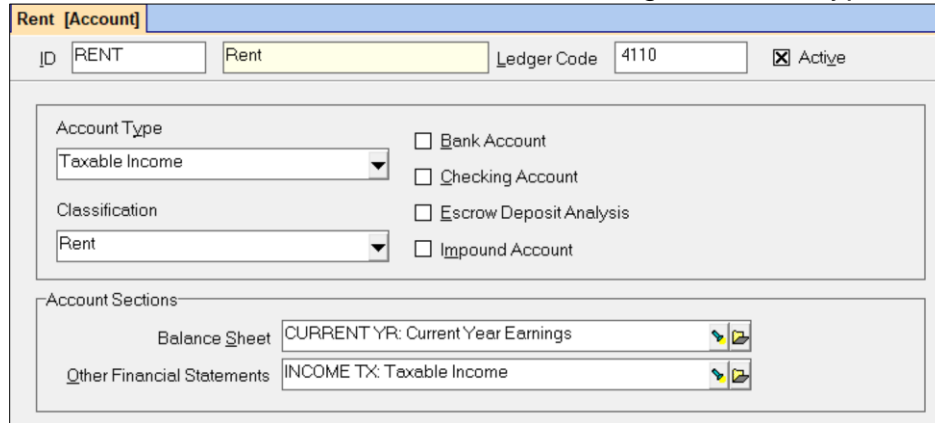
Reload Taxpayer Information Exclude Returns with Skipped

Start Over Update Records Cancel

3. The amounts that display should be the January amounts. Click on one of the owner names. The Filer information should be Old Realty Company.
4. Print the 1099s.

C. Print 1099s for New Company

1. Go to Setup, Account Codes. Edit the Rent code and change Account Type to Taxable Income.



Rent [Account]

ID: RENT Name: Rent Ledger Code: 4110 Active

Account Type: Taxable Income
 Bank Account
 Checking Account

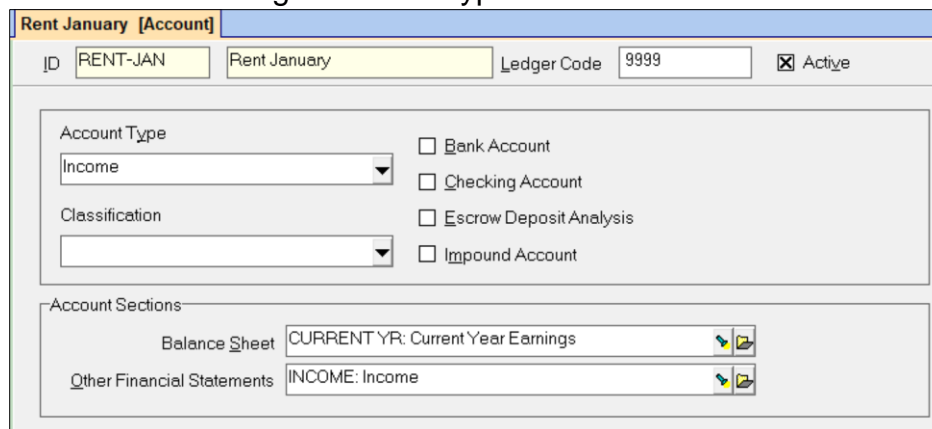
Classification: Rent
 Escrow Deposit Analysis
 Impound Account

Account Sections:

Balance Sheet: CURRENT YR: Current Year Earnings

Other Financial Statements: INCOME TX: Taxable Income

2. Edit the Rent-Jan code and change Account Type to Income.



Rent January [Account]

ID: RENT-JAN Name: Rent January Ledger Code: 9999 Active

Account Type: Income
 Bank Account
 Checking Account

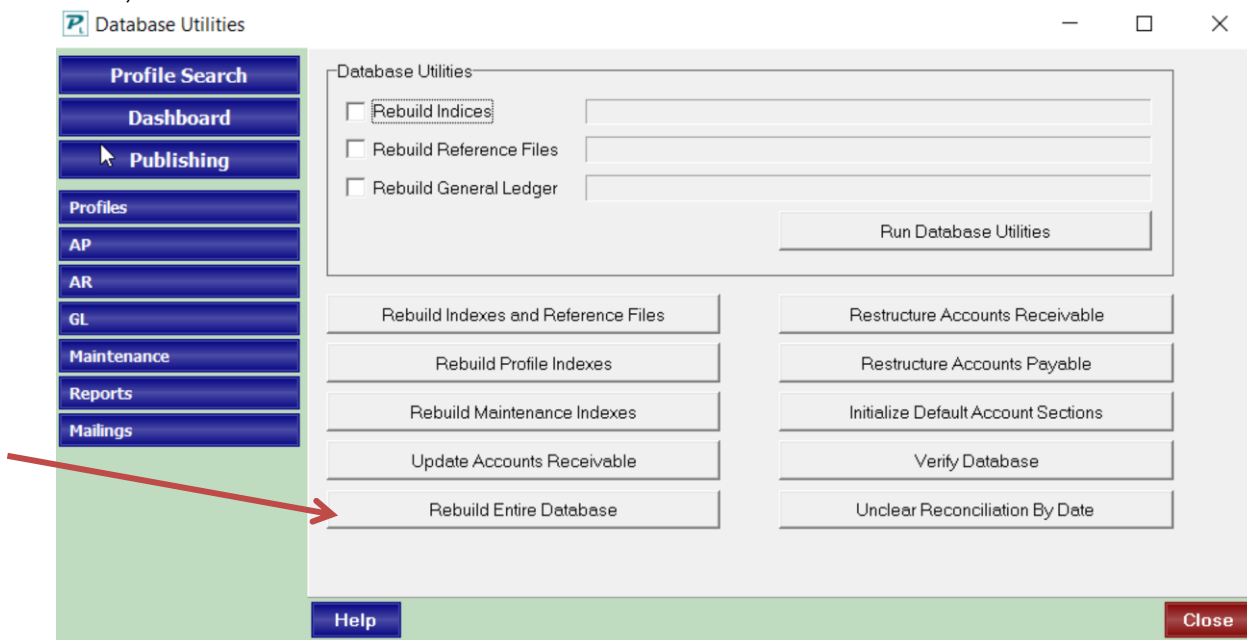
Classification:
 Escrow Deposit Analysis
 Impound Account

Account Sections:

Balance Sheet: CURRENT YR: Current Year Earnings

Other Financial Statements: INCOME: Income

3. Go to File, Database Utilities and Rebuild Entire Database.



Database Utilities

Profile Search
Dashboard
Publishing
Profiles
AP
AR
GL
Maintenance
Reports
Mailings

Database Utilities

Rebuild Indices
 Rebuild Reference Files
 Rebuild General Ledger

Run Database Utilities

Rebuild Indexes and Reference Files
Rebuild Profile Indexes
Rebuild Maintenance Indexes
Update Accounts Receivable
Rebuild Entire Database

Restructure Accounts Receivable
Restructure Accounts Payable
Initialize Default Account Sections
Verify Database
Unclear Reconciliation By Date

Help Close

4. Go to Setup, Company. Put New Rental Company information in the 1099 Information boxes.

The screenshot shows the 'Company Profile' window for 'Maple Management'. The 'Mailing Address' section contains '311 Maple Avenue West', 'Vienna, VA 22180', and '22180' with a 'ZIP' label and a 'Foreign' checkbox. The '1099 Information' section has 'Taxpayer ID' (55-7654321), 'Taxpayer Name' (New Realty Company), and 'Taxpayer Phone Number' (703-255-1400). A button at the bottom reads 'Taxpayer Information Moved to Database Settings'. Red arrows point to the 'Taxpayer ID' and 'Taxpayer Name' fields.

5. Go to Mailings, Tax Reporting. . Click Reload Returns, then Start Over.

The screenshot shows the 'Preview 1099s' window. The 'Tax Year' is set to 2021. The 'Reporting Group' is 'All Taxpayers', 'Display Returns' is 'All Returns', and 'Limit To' is 'No Filter'. Buttons include 'All Returns', 'Reload Returns', 'Order Tax Forms', 'Vendors Only', 'Print None', 'Skip None', 'Print Tax Forms', 'Owners and Tenants', 'Print All', 'Skip All', and 'Generate Tax Files'. A red arrow points to the 'Reload Returns' button.

The screenshot shows the 'Reload Returns' dialog box. It contains four checkboxes: 'Reload Amounts', 'Reload Taxpayer Information', 'Exclude Returns with Override', and 'Exclude Returns with Skipped'. The 'Start Over' button is highlighted with a red arrow.

6. The amounts that display should be the Feb-Dec amounts. Click on one of the owner names. The Filer information should be New Rental Company.

7. Print 1099s.