

SFMS Annual 1099 Training



Karlene Hancock – Presenter

Agenda

TY2025 Announced Changes

1099 Eligibility Criteria

1099 Form Box Review

DAFR7940 & DAFRNE40

SFMS & Agency Responsibilities

Changes to Reportable & Reported Info

Undeliverable & Copy Requests

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Volunteer Payments

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E099 Report

1099 Processing Timelines

Supplemental Information

Wrap Up & Final Questions

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1099 Announced Changes



**Tax Year 2025 – Reported in
Calendar Year 2026:**

Last year that the FIRE.SYS will be
available for 1099 reporting to the IRS.



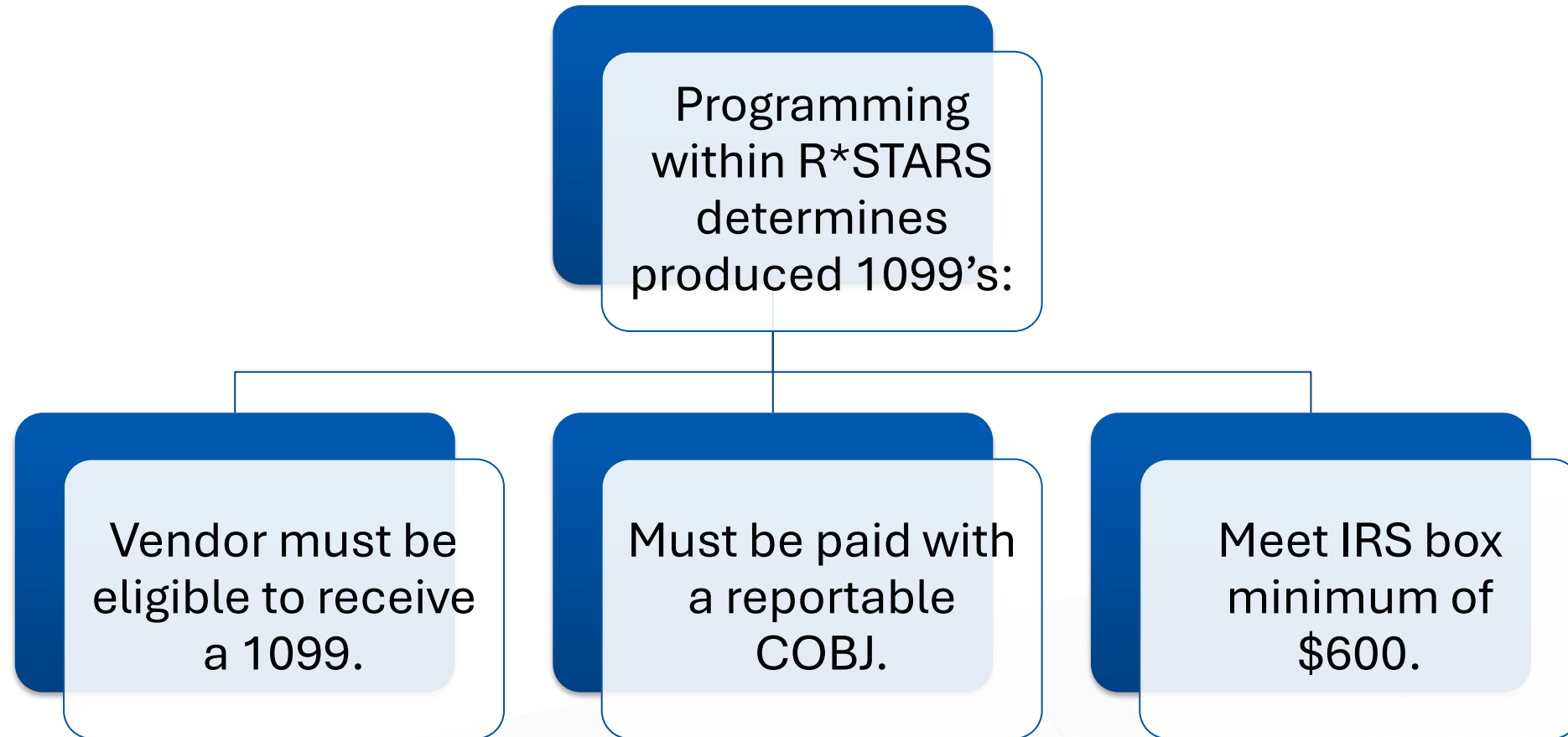
**IRIS will become the only reporting source starting TY 2026 –
Reported in Calendar Year 2027**



**Reported changes by DOR/IWire
system (email 10/15/25):**

IRS Pub 1220 – 41 OR Combined Federal & State Filing
Program, this is an error. Oregon is not a participant.
Starting 2026 Tax Year, DOR will require submission of
1099 Forms through a Revenue Online Account.

Programming Determines 1099 Eligibility



Eligible Vendor Types

Individuals/Sole
Proprietors

Partnerships (LLC, LLP,
LP)

Lawyers (Attorney at
Law or PC) –
Corporations are not
excluded.

Medical Service
Providers (MD, PhD,
RN, PT, etc.) –
Corporations are not
excluded.

Trusts

Eligible Vendor – R*STARS Screen 52

Vendor eligibility to receive a 1099 is established on the 52 Screen:

```
S052   UC: 02                               STATE OF OREGON                11/18/25 12:09 PM
LINK TO: _____ SYSTEMWIDE VENDOR PROFILE                PROD
      VENDOR NO: 1230891050   NAME CONTROL: MORG
      VENDOR NAME: MORGAN LEWIS & BOCKIUS LLP
      SEARCH NAMES: MORGAN LEWIS & BOCKIUS LL   MORGA 06103
      ALT VENDOR/FID: _____ 1099 IND: Y FEI/SSN IND: E REASON CODE: ADD
      VENDOR TYPE: 5 OWNRSHP CD: I   TIN MATCH: 7           TIN: 230891050
```

1099 Eligible COBJ - NEC

COBJ (D10 Screen: 1099 Ind = other than “N” & Form = “N”)

```
COMPTROLLER OBJECT: 4040
                        TITLE: APPROPRIATION BOND COSTS
                        OBJECT: 4000 (MUST BE IN D01 OBJ PROFILE)
COMPTROLLER SOURCE/GROUP: 9999 (MUST BE IN D09 COMPT SOURCE GROUP PROFILE)
PROP GAAP SOURCE/OBJECT: 4050 (MUST BE IN D08 GAAP SOURCE/OBJ PROFILE)
GOVT GAAP SOURCE/OBJECT: 6500 (MUST BE IN D08 GAAP SOURCE/OBJ PROFILE)
NACUBO SOURCE/OBJECT: 99 (MUST BE IN D34 NACUBO SOURCE/OBJ PROFILE)
CONVERTED OBJECT: _____ (MUST BE IN D80 OTHER SYS COMPT OBJ PROFILE)
OBJECT TYPE: E (E=EXP, R=REV, S=STAT, T=TRANS, O=OTHER)
TRANSFER TYPE: N
1099 IND: 1 FORM: N
PROG CATEGORY: 99 CMIA TYPE: 9
C/I IND: _ (C=CAP, I=INV, M=MAINT, BLANK=N/A)
```

1099 Eligible COBJ - MISC

COBJ (D10 Screen: 1099 Ind = other than “N” & Form = “M”)

```
COMPTROLLER OBJECT: 4002
                     TITLE: DEATH BENEFITS
                     OBJECT: 4000 (MUST BE IN D01 OBJ PROFILE)
COMPTROLLER SOURCE/GROUP: 6035 (MUST BE IN D09 COMPT SOURCE GROUP PROFILE)
PROP GAAP SOURCE/OBJECT: 4025 (MUST BE IN D08 GAAP SOURCE/OBJ PROFILE)
GOVT GAAP SOURCE/OBJECT: 4000 (MUST BE IN D08 GAAP SOURCE/OBJ PROFILE)
NACUBO SOURCE/OBJECT: 99 (MUST BE IN D34 NACUBO SOURCE/OBJ PROFILE)
CONVERTED OBJECT:        (MUST BE IN D80 OTHER SYS COMPT OBJ PROFILE)
OBJECT TYPE: E (E=EXP, R=REV, S=STAT, T=TRANS, O=OTHER)
TRANSFER TYPE: N
1099 IND: 3 FORM: M
PROG CATEGORY: 99 CMIA TYPE: 9
C/I IND:    (C=CAP, I=INV, M=MAINT, BLANK=N/A)
```


1099 Non-Eligible COBJ

COBJ (D10 Screen: 1099 Ind = "N" & Form = Blank)

```
COMPTROLLER OBJECT: 6800
                        TITLE: DISTRIBUTION TO INDIVIDUALS
                        OBJECT: 6000 (MUST BE IN D01 OBJ PROFILE)
COMPTROLLER SOURCE/GROUP: 6035 (MUST BE IN D09 COMPT SOURCE GROUP PROFILE)
PROP GAAP SOURCE/OBJECT: 6350 (MUST BE IN D08 GAAP SOURCE/OBJ PROFILE)
GOVT GAAP SOURCE/OBJECT: 6100 (MUST BE IN D08 GAAP SOURCE/OBJ PROFILE)
NACUBO SOURCE/OBJECT: 99 (MUST BE IN D34 NACUBO SOURCE/OBJ PROFILE)
CONVERTED OBJECT: _____ (MUST BE IN D80 OTHER SYS COMPT OBJ PROFILE)
OBJECT TYPE: E (E=EXP, R=REV, S=STAT, T=TRANS, O=OTHER)
TRANSFER TYPE: N
1099 IND: N FORM: _
PROG CATEGORY: 99 CMIA TYPE: 9
C/I IND: _ (C=CAP, I=INV, M=MAINT, BLANK=N/A)
```

1099 Eligibility - Report

Meets IRS Box Minimum of \$600.

| | | | | | | | | |
|-----|------------|----|-----------|--------|----------|-----|----------|-----|
| 107 | 1201929100 | 01 | 4975 5817 | 104.70 | ZE50116A | 001 | VP457588 | 030 |
| 107 | 1201929100 | 01 | 4975 5817 | 104.70 | ZE50611B | 001 | VP459349 | 021 |
| 107 | 1201929100 | 01 | 4975 5817 | 104.70 | ZE50611B | 001 | VP459349 | 022 |
| 107 | 1201929100 | 01 | 4975 5817 | 62.29 | ZE50627A | 001 | VP459513 | 015 |
| 107 | 1201929100 | 01 | 4975 5817 | 200.59 | ZE50818A | 001 | VP460193 | 035 |
| 107 | 1201929100 | 01 | 4975 5817 | 106.76 | ZE51022A | 001 | VP461000 | 037 |
| 107 | 1201929100 | 01 | 4975 5817 | 483.06 | ZE51022A | 001 | VP461003 | 014 |

* TOTAL PAYMENTS FOR SUBOBJECT 4975 1,166.80

** TOTAL PAYMENTS FOR IRS BOX NO 01 1,166.80

*** TOTAL PAYMENTS FOR VENDOR 1201929100 S-R REPAIR LLC 1,166.80

Non-Eligible Vendor



Corporations & S Corp – Exceptions Law Firms & Medical Corporations.



Non-Profit Organizations – SFMS requires proof of this status.



Government Entities – Cities, Counties, State, & Federal Agencies.



Employee Reimbursements – If determined to be reportable should be reported on W2.

Non-Eligible Vendor – 52 Screen

Vendor not eligible to receive a 1099 (52 Screen: 1099 Ind = “N”)

```
S052    UC: 02                STATE OF OREGON                11/18/25 01:45 PM
LINK TO: _____ SYSTEMWIDE VENDOR PROFILE                PROD
      VENDOR NO: 1231365971   NAME CONTROL: TEMP
      VENDOR NAME: TEMPLE UNIVERSITY
      SEARCH NAMES: TEMPLE UNIVERSITY      TEMPL 19122
      ALT VENDOR/FID: _____ 1099 IND: N FEI/SSN IND: F REASON CODE: ADD
      VENDOR TYPE: 5  OWNRSHP CD: 0  TIN MATCH: 1      TIN: 231365971
```

Recap of Conditions to Receive a 1099

All tests must be **met** for a vendor to **receive** a **1099 (MISC or NEC)**:

1. Vendor **must be** a **reportable entity** and **coded appropriately** on the **52 Profile**.
2. Must be **paid** using a **1099 eligible COBJ (D10)**.
3. **Payments** made must **meet** box **minimum of \$600**.

If **any** one **condition** above is **not met**, **vendor will not receive a 1099 form** and **income will not be reported** to the IRS.

1099-MISC Form

☐ 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 | Miscellaneous Information 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. | |
| | | \$ | | | | |
| | | 2 Royalties | | | | |
| \$ | | 3 Other income | | 4 Federal income tax withheld | | |
| \$ | | \$ | | 6 Medical and health care payments | | |
| PAYER'S TIN | | RECIPIENT'S TIN | | \$ | | |
| RECIPIENT'S name | | 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 | | |
| Street address (including apt. no.) | | 9 Crop insurance proceeds | | 10 Gross proceeds paid to an attorney | | |
| City or town, state or province, country, and ZIP or foreign postal code | | \$ | | \$ | | |
| 13 FATCA filing requirement <input type="checkbox"/> | | 11 Fish purchased for resale | | 12 Section 409A deferrals | | |
| Account number (see instructions) | | \$ | | \$ | | |
| | | 14 | | 15 Nonqualified deferred compensation | | |
| | | \$ | | \$ | | |
| | | 16 State tax withheld | | 17 State/Payer's state no. | | |
| | | \$ | | \$ | | |
| | | | | 18 State income | | |
| | | | | \$ | | |

Form **1099-MISC** (Rev. 4-2025) (keep for your records) www.irs.gov/Form1099MISC Department of the Treasury - Internal Revenue Service

1099-MISC – Box 1 Rent

Real Estate Rental: unless paid to a real estate agent.

Machinery & Equipment Rental:

If machine rental is part of a contract, includes both the use of the machine and the operator. The rental should be ***pro-rated between*** rent of the machine, ***box 1 of 1099-MISC Form*** and the operator's services ***box 1 of 1099-NEC Form***. *Same box different form!*

Pasture Rental

Operating Leases

Coin Operated Amusements

Rental Assistance: payments made directly to the owners of the housing projects.

1099-MISC – Box 3 Other Income

Prizes and Awards: Only when no service was performed to receive the prize or award.

Deceased Employee Wages

Punitive Damages

Claimant Settlement Payments:

Report the gross amount of the payment.

Vendor must work with their attorney for the attorney fees related to their claim settlement.

Payments to Dependent Care Providers: If providing services for a relative only.

1099-MISC – Box 3 Lodging

Payments made **to lodging facilities** are **reportable to the business** regardless of the person who benefits from the lodging.

If **lodging** is paid **for an outside vendor**, the **payment** is **reportable** on form **1099-NEC Box 1**. This should be **considered** part of **the compensation for services performed**.

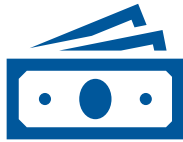
If **reimbursing a state employee**, the **payment is not reportable to the employee** on a **1099-MISC**. It **may be determined** that this **payment** needs to be **included on a W2**.

1099-MISC – Box 6 Medical & Health Care Payments

NO CORPORATE EXEMPTION for this box.

- ✓ Physician or other supplier or provider of medical health care services.
- ✓ Physical therapists, massage therapists, psychotherapists, mental health counselors, acupuncturists, employee assistance providers, executive physicals, etc.
- ✓ Pre-employment physicals, drug screening, or expert medical testimony.
- ✓ Counseling, mental health drug & alcohol treatment, diagnostic or therapeutic services.
- ✓ Health care services that include charges for injections, drugs, dentures, and similar items. In these cases, the entire payment is subject to information reporting.
- ✓ Payments made by medical & health care insurers under health, accident, and sickness insurance programs.

1099-MISC – Box 6 Exceptions



Tax-Exempt
Hospitals (non-
profit)



Extended care
facilities



Facilities owned
and operated by a
governmental entity



Payments for
prescription drugs
without services
included

1099-MISC – Box 10 Gross Proceeds Paid to an Attorney



NO CORPORATE EXEMPTION for this box.

Attorney performed services for someone other than the State of Oregon.

Payments to an attorney AND claimant name, can be a named client trust fund.

Payments may need to be reported twice for 1099-MISC filing.

- Attorney in box 10
- Claimant in box 3

1099-NEC Form

☐ 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 | | Nonemployee Compensation |
| | | | | Form 1099-NEC | | |
| | | (Rev. April 2025) | | | | |
| | | For calendar year <input type="text"/> | | | | |
| PAYER'S TIN | RECIPIENT'S TIN | 1 Nonemployee compensation | | 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. | | |
| | | \$ <input type="text"/> | | | | |
| RECIPIENT'S name | | 2 Payer made direct sales totaling \$5,000 or more of consumer products to recipient for resale <input type="checkbox"/> | | | | |
| Street address (including apt. no.) | | 3 Excess golden parachute payments | | | | |
| City or town, state or province, country, and ZIP or foreign postal code | | \$ <input type="text"/> | | | | |
| Account number (see instructions) | | 4 Federal income tax withheld | | | | |
| | | \$ <input type="text"/> | | | | |
| | | 5 State tax withheld | 6 State/Payer's state no. | 7 State income | | |
| | | \$ <input type="text"/> | <input type="text"/> | \$ <input type="text"/> | | |
| | | \$ <input type="text"/> | <input type="text"/> | \$ <input type="text"/> | | |

Form **1099-NEC** (Rev. 4-2025)

(keep for your records)

www.irs.gov/Form1099NEC

Department of the Treasury - Internal Revenue Service

Non – Employee Compensation

- ✓ Payment to someone who ***is not an employee*** of the State of Oregon.
- ✓ Payment for ***services*** in the course of ***normal trade or business***.
- ✓ Payment to an ***individual, partnership, estate***, or in some cases a ***corporation***.
- ✓ Payments of ***at least \$600*** during the course of a ***calendar year***.

1099-NEC - Box 1

Payments for **services (non-medical)**.

Include parts/material used to provide the service.

Professional service fees (including attorney fees where state or state agency is the client).

Independent contractor or volunteer payments.

- Amounts paid to volunteers in excess of 14 cents per mile are subject to reporting.
- Payments made to vendors or volunteers for meals are 1099-NEC reportable unless it is necessary for the payee to be away from home overnight.

Payments to **care providers (non-medical)** who care for persons other than relatives.

1099-NEC - Box 1 & Fixed Assets

1099-NEC Reportable Fixed Asset Charges

Occasionally charges can be both 1099-NEC reportable and capitalized as a fixed asset.

- Costs to prepare a site to receive a new piece of equipment.
- Costs to repair a capital asset if that repair will materially add to the value, life, or functionality of the asset.

1099-NEC – Fixed Asset Reporting

Costs may be charged to a capital outlay account and capitalized.

If costs are charged to service and supplies accounts and then capitalized. ***Use COBJ that is 1099 reportable (5105 – 5905).***

Allows the costs to be captured for 1099-NEC reporting and capitalization.

The accounts payable personnel responsible for 1099-NEC reporting should collaborate with the fixed asset accountant to verify that all reportable sums are captured for reporting.

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```
*****AGCY NUMBER      150
REPORT      AGCY PAGE      7
            ****RUN PAGE  39,067
```

| | | | | |
|-----|---------------------------|------------|--------------------------------------|------------|
| *** | TOTAL PAYMENTS FOR VENDOR | 1371802584 | NTT DATA STATE HEALTH CONSULTING LLC | 320,650.00 |
|-----|---------------------------|------------|--------------------------------------|------------|

Vendors Present on DAFR7940 & DAFRNE40

Only 1099 eligible Vendors will appear on the DAFR7940 or DAFRNE40 Reports.

This includes:

- *All D10 reportable activity.*
- *All D10 non-reportable activity.*

****Vendors previously identified non-reportable 1099 are not included on either report.**

Activity That Populates DAFR7940 & DAFRNE40

Transactions on the Cumulative Payment Table for 1099 reporting:

- Warrant Payments (+)
- Warrant Cancellations (-)
- Warrant Stop Payments (-)
- Direct Deposits (12/27/24 – 12/28/25) (+)
- Transfers with Vendor Numbers Included (BT's) (+/-)
- If Backup Withholding (Box 4) is present: System will generate if appropriate (+)

***(+) & (-) notes if the activity will increase or decrease 1099 amounts reported.*

Information Included on DAFR7940 & DAFRNE40

| VENDOR NUMBER | IRS BOX | COBJ | AOBJ |
|------------------------------|---------|------|------|
| 1371802584 | N | 4365 | 4365 |
| 1371802584 | N | 4365 | 4365 |
| 1371802584 | N | 4365 | 4365 |
| DTAL PAYMENTS FOR SUBOBJECT | | 4365 | |
| DTAL PAYMENTS FOR IRS BOX NO | | N | |
| 1371802584 | 01 | 4500 | 4505 |
| 1371802584 | 01 | 4500 | 4505 |
| 1371802584 | 01 | 4500 | 4505 |
| 1371802584 | 01 | 4500 | 4505 |
| 1371802584 | 01 | 4500 | 4505 |
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| 1371802584 | 01 | 4500 | 4505 |
| 1371802584 | 01 | 4500 | 4505 |
| 1371802584 | 01 | 4500 | 4505 |
| 1371802584 | 01 | 4500 | 4505 |

Vendor Number

IRS Box

- 01, 03, 04, 06, 10 (reportable 1099-MISC DAFR7940)
- 01, 04 (reportable 1099-NEC DAFRNE40)
- 'N' (not reportable)
 - All payments to the vendor will be listed but only those payments that are identified with other than 'N' will be eligible to be reported to the IRS.

COBJ (D10 Profile)

AOBJ (D11 Profile)

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Transaction Amount

- “ZE” documents (liquidation)
 - ZE document number contains the payment date.
 - Example: ZE50423R
 - This document number is 2025/04/23 regular cycle.
- “BT” document

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Information Included on DAFR7940 & DAFRNE40

| | | | |
|----------------------------------|--|------|-----------|
| * TOTAL PAYMENTS FOR SUBOBJECT | | 4365 | 16,000.00 |
| ** TOTAL PAYMENTS FOR IRS BOX NO | | N | 16,000.00 |

| | | | | | | | | |
|-----|------------|----|-----------|------------|----------|-----|----------|-----|
| 150 | 1371802584 | 01 | 4500 4505 | 16,000.00 | ZE50220R | 001 | VP212634 | 001 |
| 150 | 1371802584 | 01 | 4500 4505 | 16,000.00 | ZE50220R | 001 | VP212635 | 001 |
| 150 | 1371802584 | 01 | 4500 4505 | 40,000.00 | ZE50311R | 001 | VP212918 | 001 |
| 150 | 1371802584 | 01 | 4500 4505 | 16,000.00 | BT019467 | 027 | VU146376 | 000 |
| 150 | 1371802584 | 01 | 4500 4505 | 16,000.00- | BT019467 | 056 | VU146376 | 000 |
| 150 | 1371802584 | 01 | 4500 4505 | 16,000.00 | ZE50604R | 001 | VU146376 | 001 |
| 150 | 1371802584 | 01 | 4500 4505 | 40,000.00 | BT019467 | 026 | VU146415 | 000 |
| 150 | 1371802584 | 01 | 4500 4505 | 40,000.00- | BT019467 | 055 | VU146415 | 000 |
| 150 | 1371802584 | 01 | 4500 4505 | 40,000.00 | ZE50604R | 001 | VU146415 | 001 |
| 150 | 1371802584 | 01 | 4500 4505 | 16,300.00 | BT019467 | 028 | VU148708 | 000 |
| 150 | 1371802584 | 01 | 4500 4505 | 16,300.00- | BT019467 | 057 | VU148708 | 000 |
| 150 | 1371802584 | 01 | 4500 4505 | 16,300.00 | ZE50616R | 001 | VU148708 | 001 |
| 150 | 1371802584 | 01 | 4500 4505 | 16,000.00 | ZE50717R | 001 | VU154612 | 001 |
| 150 | 1371802584 | 01 | 4500 4505 | 16,000.00 | ZE50724R | 001 | VU155629 | 001 |
| 150 | 1371802584 | 01 | 4500 4505 | 40,000.00 | ZE50826R | 001 | VU162734 | 001 |
| 150 | 1371802584 | 01 | 4500 4505 | 16,000.00 | ZE50908R | 001 | VU165042 | 001 |
| 150 | 1371802584 | 01 | 4500 4505 | 7,350.00 | ZE51017R | 001 | VU175358 | 001 |
| 150 | 1371802584 | 01 | 4500 4505 | 9,000.00 | ZE51024R | 001 | VU177167 | 001 |
| 150 | 1371802584 | 01 | 4500 4505 | 40,000.00 | ZE51113R | 001 | VU181511 | 001 |
| 150 | 1371802584 | 01 | 4500 4505 | 16,000.00 | ZE51113R | 001 | VU181512 | 001 |

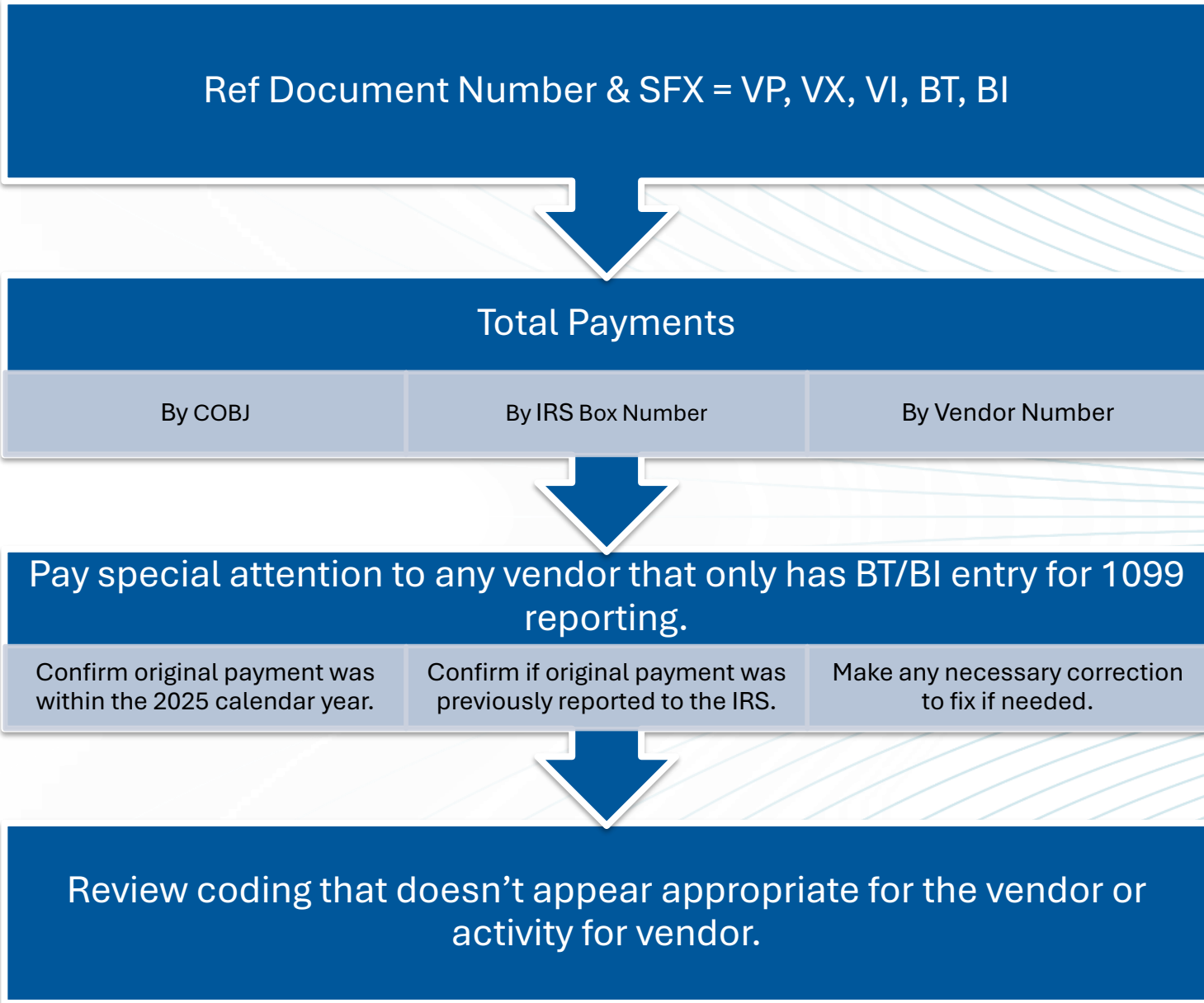
| | | | |
|--|--|--------------------------------------|------------|
| * TOTAL PAYMENTS FOR SUBOBJECT | | 4500 | 304,650.00 |
| ** TOTAL PAYMENTS FOR IRS BOX NO | | 01 | 304,650.00 |
| *** TOTAL PAYMENTS FOR VENDOR 1371802584 | | NTT DATA STATE HEALTH CONSULTING LLC | 320,650.00 |

Total Payments for SubObjects

Total Payments for IRS Box

- Displays the box number & amount subject to reporting.
- Displays non-reportable COBJs (“N”)
- Summarizes information by Vendor Number.

Review Information on DAFR7940 & DAFRNE40



Other Review Information to Consider DAFR7940 & DAFRNE40

VENDOR NAME – Appears to be a non-reportable vendor.

Name Includes CORP or INC review Vendor Profile (52) for the following:

1. Vendor has 1099 Ind = Y, is it appropriate?
2. Vendor has not returned a valid Form W-9 are considered reportable entities and will be included on the DAFR7940/DAFRNE40 depending on COBJ used.
 - 52 Vendor Profile screen with Vendor Type '8' or '9.'
 - Vendor profile cannot be updated without a W-9 Form.
3. If Vendor appears to be coded correctly except 1099 Ind = "Y", send a Vendor Change Request form to the SFMS Vendor Desk for processing updated 1099 Ind = "N".

These vendors may be included on the both reports and will receive an appropriate 1099 if all other conditions are met to receive a 1099 (reportable COBJ + \$600 paid).

Agency Responsibilities

Accuracy of all information reported on 1099-MISC and 1099-NEC forms.

- Assured through review of DAFR7940 & DAFRNE40 reports.
- Mindful review of BT transactions.
- Cancel & Stop Payment timing impacts.
- Timely corrections made to any identified error.
- Timely review & resolution if question arises from 1099 receipt.

Reporting to the IRS all reportable vendors and reportable payments issued through an agency sub-systems.

- Determine vendor eligibility to receive information return.
- Determine if the payments are eligible.
- Determine if they meet the minimum amount to be reported.
- Be aware of all reporting requirements and filing requirement needs.

1099's issued other than 1099-MISC and 1099-NEC forms.

- Scholarships/Qualified Tuition Program payments. (1099-Q)
- Grant payments (1099-G)

Agency Responsibility – Vendor Information

Why vendor information or questions are directed to the agencies:

- Agency has a relationship with the vendor.
- Agency maintains all documentation regarding what payments are issued to the vendor.
- Agency has knowledge if the vendor is supplying services, supplies, or reimbursements.
- Agency is responsible for the accuracy of all reported information.

***SFMS will not change a reporting amount without an agency completed 1099 Change Request Form, signed by an agency authorized signer.*

Agency Responsibility – Fees



Penalties if assessed due to statements not being generated and reported to the IRS can be \$250 per statement.



Incorrect reporting - \$30-\$100 per statement.

Provide correct payee statements without reasonable cause.

Reporting in the correct box on the correct form.

Reporting the correct amounts.



Intentional disregard of payee statement requirements - \$530 per statement without maximum.

SFMS Responsibilities

Printing and mailing of original and corrected forms, both 1099-MISC & 1099-NEC to the eligible vendors.

All Federal and State electronic filing of 1099-MISC & 1099-NEC issued out of R*STARS, original and corrections.

Meet all reporting deadlines for the 1099 forms.

January 31, 2026, for reporting 1099-NEC.

March 31, 2026, for reporting 1099-MISC.

1099 contact for all submitted forms for the vendors.

Answer any questions that arise from the vendors.

Alert the agency if further review is being requested by the vendor.

Changes Identified prior to Jan 16, 2026

Reports are provided to the agency to be used in their review of potential 1099 reporting:

- November 14, 2025 – Still available for review.
- December 31, 2025
- January 16, 2026

Incorrect COBJ is identified during review of 7940/NE40 prior to January 16, 2026:

- Changes can be completed by the agency.
- Use T-Code 415/416 to process a transfer to correct COBJ.
- **Include the vendor number** on the reclassified transactions so changes will be reflected on the next 7940/NE40 reports.
- Use effective date 12/31/2025 for corrections.

Changes Identified prior to Jan 16, 2026: Doc Effective Date

ALL T-Code 415/416 transactions with a 2026 effective date will be included on **NEXT** years DAFR7940 and DARNE40 report.

Effective date must be no later than December 31, 2025, to effect TY2025.

DO NOT process a T-Code 415/416 transfer for a 2025 transaction that includes a Vendor # after January 16, 2026. This will affect TY2026 1099 reporting.



Changes Identified after Jan 16, 2026: Manual Change Request

Manual Changes will need to be requested for any change after Jan 16, 2026.

1. Identify what form and box the agency needs to correct or update.
2. Reference DAFR7940 or DAFRNE40 (1/16/26) for beginning amount to update.
3. Complete the correct 1099 Change Request Forms ([MISC](#) or [NEC](#)).
4. The 1099 Manual Change Request form is used for the following:
 - Change reported amounts to the IRS.
 - Add a 1099 information return if not produced through R*STARS programming.
 - Remove reported amount.
 - Moving payment amounts to a different box.
 - Change in Vendor TIN leading to change in 1099 information reported.

Email: [Karlene Hancock](#)

1099-MISC Change Request Form

[1099-Misc Change Request Form](#)

| 1099-MISC Change Request | | |
|---|--|--|
| To: Karlene Hancock | | |
| Agency Name: _____ | Agency Number: _____ | |
| Requested By: _____ | Date: _____ | |
| Authorized Signature: _____ | | |
| Phone Number: _____ | Email: _____ | |
| Vendor Name: _____ | | |
| Tax Year: <u>20</u> (YYYY) | Vendor Number: _____ | Alt ID: _____ |
| Reason for Change: _____ _____ _____ | | |
| <u>Box Reported In</u> | <u>Change From</u> Current Amount Reported on DAFR7940 | <u>Change To</u> Correct Amount to Report on 1099-MISC |
| 1 – Rents | _____ | _____ |
| 3 – Other Income | _____ | _____ |
| 4 – Backup Withholding | _____ | _____ |
| 6 – Medical/Health Care | _____ | _____ |
| 10 – Gross Proceeds Paid to an Attorney | _____ | _____ |

1099-NEC Change Request Form

| 1099-NEC Change Request | | |
|---|--|---|
| To: Karlene Hancock | | |
| Agency Name: _____ | Agency Number: _____ | |
| Requested By: _____ | Date: _____ | |
| Authorized Signature: _____ | | |
| Phone Number: _____ | Email: _____ | |
| Vendor Name: _____ | | |
| Tax Year: <u>20</u> (YYYY) | Vendor Number: _____ | Alt ID: _____ |
| Reason for Change: _____ _____ _____ | | |
| <u>Box Reported In</u> | <u>Change From</u> Current Amount Reported on DAFRNE40 | <u>Change To</u> Correct Amount to Report on 1099-NEC |
| 1 – Nonemployee Compensation | _____ | _____ |
| 4 – Backup Withholding | _____ | _____ |

[1099-NEC Change Request Form](#)

Changes identified after Jan 16, 2026: vendor should not receive 1099

Vendor Should not be Reported

If a vendor has received a 1099-MISC or 1099-NEC for a payment that is not reportable:

- Submit the appropriate 1099 Change Request Form.
- Change FROM \$\$\$ TO the reduced amount or \$0.00 if appropriate.
- The amount of the change will be determined by the difference between the FROM amount listed and the TO amount **for your agency only**.
- Use the IRS BOX Number Total from DAFR7940 or DAFRNE40 for the “Change From” amount.

Vendor Name: DATA STATE HEALTH CONSULTING LLC

Tax Year: 2025
(YYYY)

Vendor Number: 1371802584

Alt ID: _____

Reason for Change:

Reportable COBJ incorrect, income should not be reported.

| <u>Box Reported In</u> | <u>Change From</u> | <u>Change To</u> |
|------------------------------|--|---|
| | Current Amount Reported on DAFRNE40 | Correct Amount to Report on 1099-NEC |
| 1 – Nonemployee Compensation | <u>304650.00</u> | <u>0.00</u> |

Changes identified after Jan 16, 2026: vendor should receive 1099

Vendor Name: DATA STATE HEALTH CONSULTING LLC
Tax Year: 2025 Vendor Number: 1371802584 Alt ID:
(YYYY)

Reason for Change:

Vendor did not produce a 1099 and should have.

| <u>Box Reported In</u> | <u>Change From</u> Current Amount Reported on DAFRNE40 | <u>Change To</u> Correct Amount to Report on 1099-NEC |
|------------------------------|--|---|
| 1 – Nonemployee Compensation | 0.00 | 304650.00 |

Add reporting for vendor after 1/16/26

If a vendor payment needs to be included for 1099-MISC or 1099-NEC reporting but was not:

1. Verify that the vendor is 1099 Reportable on the 52 profile.
 - *If not, confirm reason for coding with SFMS Vendor Desk.*
 - *If error in coding, please request update to profile. (May need to present updated W9.)*
2. If it is appropriate, submit the relevant change request form.
3. Use the appropriate IRS Reporting Box.
4. Change FROM 0.00 TO \$\$\$ (amount to be reported).

Change identified after Jan 16, 2026: vendor has organization change

If the change is due to a vendor organizational change:

The vendor will be required to submit documentation of their change in reportable to non-reportable status before reporting is removed if not previously provided.

Proof of incorporation or not-for-profit status change.

Proof of Date of Sale of the entity.

Valid W-9 Form.

The date that the change was effective.

- Prior year 1099 will not be adjusted.
- May necessitate two change requests:
 1. Vendor type.
 2. Mid-year change.

Change Identified after Jan 16, 2026: Change in SSN/EIN

Change Vendor number for reporting AFTER 1/16/26:

Process requires two Change Request Forms:

*One 1099 change request form with the **incorrect Vendor number.***

Change FROM \$\$\$ TO 0.00.

*One 1099 change request form with the **correct Vendor Number.***

Change FROM 0.00 TO \$\$\$

or

Change FROM \$\$\$ TO \$\$\$.

These two forms should be sent together.

***If an agency has a large number of changes (10 or more per form type) they may be submitted on a spreadsheet. Please contact me directly for the approved spreadsheet for this many changes.*

Vendor Profile Update/Change

For all vendor profile changes:

All vendor changes and updates to profiles need a completed Vendor Change Request.

Only agency staff that are pre-authorized may request these changes.

If you do not know if you are pre-authorized to request changes:

Email: [SFMS Vendor Desk](#)

If not authorized, the agency will need to ascertain who is.

Make the change request through agency personnel who are authorized.



Common Vendor Issues

If the agency has received information that the vendor name is incorrect:

- A new W9 must be requested and received and submitted to the [SFMS Vendor Desk](#).
- All TIN numbers will be validated to assure a match with the vendor name on the IRS TIN Match website.

If the vendor TIN Number changed during the year:

- Report on the vendor number that was paid up to the date that the vendor's ID was changed with the IRS if any other day than 1/1/25.
- Any requested update to vendor information (new EIN or Updated W9 may also change the vendor to ineligible to report.
- Cross-referenced vendor numbers will automatically roll payments into the current, valid vendor number.

TIN Number changed in a previous year, but agency did not get notified of the update:

- No updated 1099 for TY2024 will be issued
- Updated vendor information will be for only TY2025 changes.

Common Vendor Issues: Name or TIN Number

Payment was made to the incorrect vendor.

A correction cannot be processed. The payment is reportable to the vendor that received and redeemed the payment.

Payment was made to the right vendor but the wrong vendor number.

- Before January 16, 2026: Process T-Code 415/416 transfer.
- After January 16, 2026: Request a manual [1099-MISC](#) or [1099-NEC](#) correction.

Common Vendor Issues: Vendor Coding

If the vendor appears to have incorrect coding on the 52 profile, verify the following:

- A Corporation or Non-Profit that is coded as 1099 eligible, should be 1099 Ind = N
- If the vendor has not returned a valid Form W-9.
 - Vendor will still be coded as reportable a 1099 should receive a 1099.
 - No Vendor coding change is necessary or will be allowed in this situation.
- W9 has been received per the 52 – Coding indicates 1099 ineligible.
 - Contact SFMS Vendor desk for further information regarding submitted W9 to confirm correct coding on the 52.
 - Follow-up with 1099 Change Request form if needed.

Attorney coded incorrectly as not reportable:

- Send a Vendor Change Request form to request a correction as soon as possible.
- Follow-up with appropriate 1099 Change Request form.
- 1099-MISC Box 10 – If services were provided for representation other than State of Oregon.
- 1099-NEC Box 7 – If services were provided for representation of the State of Oregon.

Common Vendor Issues: Contractors

Contractors travel reimbursements covered by grant or part of signed contract.

- ✓ SFMS takes the position that these types of reimbursements should be reportable to an outside vendor as part of the services that they are providing.
- ✓ Vendor should be reported on a 1099-NEC form as income to the vendor.
- ✓ This includes if the state is paying for or reimbursing the amount for lodging with an overnight stay.



Questions: Common Vendor Issues

Undeliverable 1099's

1099-MISC and 1099-NEC forms will be produced and mailed by DAS Publishing & Distribution (PnD) to the name and address on the vendor 52 profile (51 Screen mail code 000) the week of 1/26/26.

1099 form is returned undeliverable:

1. SFMS will notify the paying agency regarding the returned 1099 and to request that the vendor information be corrected on the 52 as soon as possible.
2. SFMS will deactivate all associated MC's for the vendor until the profile is brought up to date.
3. Agency should provide updated address as soon as possible by supplying Vendor Change Request.
4. SFMS will update parent 52 profile and activate affected MC profiles.
5. SFMS will email a copy of the returned 1099 form to the vendor to expedite receipt.
6. Please **include vendor email address on the Vendor Change Request form in the notes** unless the email address needs to be updated or added to the profile.



1099 Copy Requests

If a vendor requests a copy of Form 1099-MISC or 1099-NEC:

Confirm that the Vendor received a 1099 from the State of Oregon (DAFR7940/DAFRNE40/43M/43N).

Complete and send the [1099 Copy Request Form](#) as a Word Doc:

- Vendor number
- Vendor name
- A different form is required for every tax year requested by the vendor.
- TY2023 & beyond – Email Only
- TY2021 & TY2022 - Verification that the address on the 52 Vendor Profile is correct, these still need to be sent through USPS.

1099 forms are retained for 4 tax years.

1099 Copy Request Form: Agency Info

This is an internal form for the State of Oregon and not to be completed by outside sources.

Complete the top section:

1099 Copy Request

Request Date: Click or tap to enter a date.

Agency #: Click or tap here to enter text.

Requested By: Click or tap here to enter text.

1099 Copy Request Form: Vendor Info

Required Information:

- Vendor #
- Vendor Name
- Tax Year Requested
- Form requested
- Delivery Method
- If mailed:
 - Address on 52
 - Updated Address or Other
- Email address if TY2023 or later

Vendor #: Click or tap here to enter text.
 Vendor Name: Click or tap here to enter text.

Tax Year Requested: Choose an item.

1099 Form: 1099MISC ☐ 1099NEC ☐

Delivery Method: Mail ☐ Email ☐

Mail (Only if TY2022 or earlier):
 Agency confirms address on the 52 Screen is correct: Yes ☐ No ☐
 Address on 52 Screen is not correct update information:
 Address Line 1: Click or tap here to enter text.
 Address Line 2: Click or tap here to enter text.
 Address Line 3: Click or tap here to enter text.
 City: Click or tap here to enter text.
 State: Click or tap here to enter text.
 Zip: Click or tap here to enter text.

Email:
 Email address request to send: Click or tap here to enter text.

Email Request form to Karlene.hancock@das.oregon.gov

1099 Copy Request Form: SFMS to Complete

Bottom of the form is to be completed by SFMS only.

If the form is sent as a PDF doc – it will be rejected.

SFMS:

- Logs in the form.
- Fulfills the request for copy.
- Communicates with agency when request has been sent.
- Save request and form as a packet for backup purposes.
- These will be retained on the same schedule as the 1099's. (4 years per IRS)

*****SFMS Processing*****

Request Received: Click or tap to enter a date.
Request Processed: Click or tap to enter a date.
Email Agency: Click or tap to enter a date.
Packet Complete & Filed: Click or tap to enter a date.

Volunteer Payments

Meals are ***reportable income*** to volunteers, but ***not if*** there is an ***overnight stay***.

Volunteer drivers are ***NOT medical transport; travel is paid*** at a **reduced rate** per IRS is ***\$0.14 per mile***. If ***higher rate*** of mileage is ***paid***, the ***difference*** between the volunteer rate and mileage rate paid is ***potentially reportable***. Must meet minimum report amount for ***1099-NEC Box 1***.

Volunteers do not provide medical services and should ***not be reported 1099-MISC, Box 6***.

Must ***meet minimum*** report amount for 1099-NEC Box 1 ***to be reported to the IRS***.

Volunteer Payments – COBJ's

Non-Reportable Travel COBJ's for Volunteers and Board Members when agencies do not want to split out meals and lodging on a reimbursement basis:

- 4104** –Instate Travel Miscellaneous Expense
- 4111** –Instate Mileage Reimbursement-Volunteers
- 4112** –Instate Mileage Reimbursement-Nonemployee
- 4154** –Out-Of-State Travel Misc Expense
- 4164** –Out-of-state Mileage Reimb-Volunteers
- 4165** –Out-of-state Mileage Reimb-Nonemployee
- 4446** –Employee Recruit Travel Reimb

You are encouraged to re-class payments to volunteers or Board Members to these non-reportable COBJ's before December month-end close and 1099's are produced.

Prior Year Corrections

If it is determined by the agency that a corrected Form 1099-MISC or 1099-NEC is needed for a prior year:

- ✓ *Send the appropriate 1099-MISC or 1099-NEC change request form.*
- ✓ *Specify and highlight the tax year that is being corrected.*
- ✓ *Prior year corrections will not be processed until the current year 1099 scheduled processing is complete in April.*

E099 Report

State employees that received payments using reportable comptroller objects (D10-COBJ).

No 1099 will be *issued* to an **OR#**.

No SSN or algorithm number payments should be listed on the **DAFRE099 Report**.

If there are **reportable payments** made to **employees** that did **not pertain to their job**, these **payments** should be **reported** on form **1099-NEC**.

- An employee provides services through their established business not paid using SSN.
- Add employee to 52 using SSN#.
- Complete a 1099-NEC Change Request form to ADD the income to be reported.

DAFRE099 107 CNTL 01

PAGE 1

01/21/25 (19:54) CYCLE 5263 EMPLOYEE VENDORS WITH REPORTABLE COMP OBJECT PAYMENTS

TRANSACTION YEAR 2024

| AGENCY | VENDOR NO | NAME | COMP # | D10 COMP # | TITLE | DOC# | SFX | WW | DATE | AMOUNT |
|--------|------------|------|--------|------------|---------------------|----------|-----|------|------|--------|
| 107 | 10R0000893 | | 4439 | PROF DEV | INSTATE GROUND TRAN | VP454532 | 002 | 2024 | 0529 | 49.58 |
| 107 | 10R0000893 | | | | | | | | | 49.58 |
| 107 | 10R0004774 | | 4439 | PROF DEV | INSTATE GROUND TRAN | VP454228 | 002 | 2024 | 0502 | 67.54 |
| 107 | 10R0004774 | | | | | | | | | 67.54 |
| 107 | 10R0007820 | | 4437 | PROF DEV | DUES/MEMBERSHIP | VP453815 | 001 | 2024 | 0402 | 200.00 |
| 107 | 10R0007820 | | | | | | | | | 200.00 |
| 107 | 10R0013592 | | 4439 | PROF DEV | INSTATE GROUND TRAN | VP453127 | 001 | 2024 | 0206 | 40.00 |
| 107 | 10R0013592 | | | | | | | | | 40.00 |
| 107 | 10R0024674 | | 4441 | PROF DEV | OUT-OF-STATE GROUND | VP456339 | 003 | 2024 | 1009 | 95.00 |
| 107 | 10R0024674 | | | | | | | | | 95.00 |

E099 Report

Reimbursements for employee expenses - travel, fringe benefits, and awards are ***not reportable*** to the employee on a 1099 form.

Use the ***E099 Report*** to review and confirm ***expenses have appropriate backup verification*** tied to the payment.

Payments identified as having the ***potential to be reportable income to the employee*** should be ***sent to the agency payroll team*** as soon as possible.

Please ***work with your in-house payroll team*** to identify any potential ***W-2 inclusions***.

TY2025 1099 Processing Timeline

DAFR7940 & DAFRNE40 reports will be generated last working day of December 12/31/25 and December month-end close in January (1/16/26).

It is important that the report generated on 1/16/26 is saved by the agency, as previously noted in the training, these reports will continue to be used for any research or questions that arise from the vendors and for any changes requested for 1099's.

These reports will be accessible electronically by the agency as a control report.

If you do not receive your reports, contact me or reach out to your agency SFMS Analyst as soon as possible.

TY2025 1099 Processing Timeline - January

1/16/2026

Final day for agency online corrections (T-Code 415/416 with effective date 12/31/25).

43M Screen populated for agency viewing (after batch cycle).

43N Screen populated for agency viewing (after batch cycle).

1/20/2026

Run report of employee vendors with reportable payments–E099.

1/22/2026



Last day to request manual changes to 1099-MISC and 1099-NEC forms before the forms are printed and sent to the vendor.

- *Reminder if an agency is requesting 10+ changes per 1099 type, please notify SFMS as soon as possible so a 1099 change spreadsheet can be sent and used.*

1/26/2026

1099-NEC electronically filed with IRS/DOR (IWIRE).

SFMA CALENDAR YEAR 2026
CLOSING SCHEDULE for Agencies
January 2026 (FM07/FY26)

| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|-------------------|---|--|---|--|--|----------|
| | | | | 1 New Year's Day Holiday  | 2 Weekly Report Run | 3 |
| 4 | 5 | 6 Dec 25 CA Proof 1 Run | 7 | 8 Dec 25 CA Proof 2 Run | 9 Dec 25 CA Post Run Dec 25 WDPR Close Weekly Report Run | 10 |
| 11 | 12 Dec 25 WDPR Load SFMA | 13 Dec 25 WDPR Post R2 | 14 | 15 | 16 EOM Close Dec 25 Print Final DAFR7940 Report, Populates 43M Prints Final DAFRNE40 Report, Populates 43N Weekly Report Run | 17 |
| 18 | 19 Martin Luther King Jr Holiday  | 20 Print DAFRE099- Employees paid with 1099 reportable COBJ SWB Report Available | 21 DAFJ620-Close Dates for Eligible Docs prior to INAE | 22 Final day for Agencies to submit 1099 MISC/NEC Changes | 23 Print 1099-MISC Print 1099-NEC Weekly Report Run | 24 |
| 25 INAE Oct 25 | 26 File 1099-NEC Jan 26 WDPR Close | 27 Jan 26 WDPR Load SFMA | 28 ACH Training Jan 26 WDPR Post R1 | 29 | 30 Weekly Report Run | 31 |

TY2025 1099 Processing Timeline - February

2/12/2026

Corrected 1099-NEC forms mailed to vendors from PnD.

Adjusted 1099-MISC forms mailed to vendors from PnD.

2/26/2026


Corrected 1099-NEC forms mailed to vendors from PnD.

Adjusted 1099-MISC forms mailed to vendors from PnD.

2/27/2026

1099-NEC electronically file Corrections with IRS/DOR (IWIRE).

SFMA CALENDAR YEAR 2026
CLOSING SCHEDULE for Agencies
February 2026 (FM08/FY26)

| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|-------------------|--|-----------------------------|---|--|--|----------|
| 1 | 2 | 3 Jan 26 CA Proof 1 Run | 4 | 5 SFMA User Group Hybrid 9:30 – 11:30 am Jan 26 CA Proof 2 Run | 6 Jan 25 CA Post Run Weekly Report Run | |
| 8 | 9 Jan26 WDPR Close | 10 Jan 26 WDPR Load SFMA | 11 Jan 26 WDPR Post R2 | 12 Print Adjusted 1099-MISC Forms Print Corrected 1099-NEC Forms | 13 EOM Close Jan 26 Weekly Report Run | 14 |
| 15 | 16 Presidents Day Holiday  | 17 SWB Report Available | 18 DAFJ620-Close Dates for Eligible Docs prior to INAE | 19 Pmt Control/Cancel Archive | 20 Weekly Report Run | 21 |
| 22 INAE Nov 25 | 23 Feb 26 WDPR Close | 24 Feb 26 WDPR Load SFMA | 25 Feb 26 WDPR Post R1 | 26 Print Adjusted 1099-MISC Forms Print Corrected 1099-NEC Forms | 27 File Corrected 1099-NEC Weekly Report Run | 28 |

TY2025 1099 Processing Timeline - March

3/12/2026

Corrected 1099-NEC forms mailed to vendors from PnD.

Adjusted 1099-MISC forms mailed to vendors from PnD.

3/26/2026

Corrected 1099-NEC forms mailed to vendors from PnD.


Adjusted 1099-MISC forms mailed to vendors from PnD.

3/27/2026

1099-MISC electronically file with IRS/DOR (IWIRE).

1099-NEC electronically file corrections with IRS/DOR (IWIRE).

SFMA CALENDAR YEAR 2026
CLOSING SCHEDULE for Agencies
March 2026 (FM09/FY26)

| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|--|----------------------------|-----------------------------|---|---|---|----------|
| 1 | 2 | 3 Feb 26 CA Proof 1 Run | 4 | 5 Feb 26 CA Proof 2 Run | 6 Feb 26 CA Post Run Weekly Report Run | 7 |
| 8 Daylight Saving Time Begins  Spring Forward | 9 Feb 26 WDPR Close | 10 Feb 26 WDPR Load SFMA | 11 Feb 26 WDPR Post R2 | 12 Print Adjusted 1099-MISC Forms Print Corrected 1099-NEC Forms | 13 EOM Close Feb 26 Weekly Report Run | 14 |
| 15 | 16 SWB Report Available | 17 | 18 DAFJ620-Close Dates for Eligible Docs prior to INAE | 19 | 20 Weekly Report Run | 21 |
| 22 INAE Dec 25 | 23 | 24 | 25 | 26 Print Adjusted 1099-MISC Forms Print Corrected 1099-NEC Forms Mar 26 WDPR Close | 27 File 1099-MISC File Corrected 1099-NEC Mar 26 WDPR Load SFMA Weekly Report Run | 28 |
| 29 | 30 Mar 26 WDPR Post R1 | 31 | | | | |

TY2025 1099 Processing Timeline - April

4/9/2026

Corrected 1099-NEC & 1099-MISC forms mailed to vendors from PnD.

4/23/2026 – Final Date for Scheduled Printed Corrections

Corrected 1099-NEC & 1099-MISC forms mailed to vendors from PnD.


4/28/2026 – FINAL PLANNED Filing for TY2025

1099-NEC and 1099-MISC Electronically File Corrections with IRS/DOR (IWIRE).

This is the end of the scheduled 1099's. This does not mean that agencies cannot request corrected 1099's after April. It only means that they will be done on an ad hoc timeline.

If the agency discovers that a 1099 was issued in error or the reported amount is incorrect: *please notify SFMS immediately* to discuss processing and timelines to be provided to the affected vendor.

SFMA CALENDAR YEAR 2026
CLOSING SCHEDULE for Agencies
April 2026 (FM10/FY26)

| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|---|---|--|--|--|--|---|
|  | | | 1 | 2 Generate Pre-Expire Warrant Report | 3 Weekly Report Run | 4 |
| 5 | 6 | 7 Mar 26 CA Proof 1 Run | 8 | 9 Print Corrected 1099-MISC Forms Print Corrected 1099-NEC Forms Mar 26 CA Proof 2 Run Mar 26 WDPR Close | 10 Mar 26 CA Post Run Mar 26 WDPR Load SFMA Weekly Report Run | 11 |
| 12 | 13 Mar 26 WDPR Post R2 | 14 | 15 SARS/SFMS Joint Training – Statewide Balancing | 16 | 17 EOM Close Mar 26 Weekly Report Run | 18 |
| 19 | 20 SWB Report Available | 21 | 22 Final Date for Agencies to Send Requests for Corrected 1099 MISC/NEC Forms DAFJ620-Close Dates for Eligible Docs prior to INAE | 23 Print Corrected 1099-MISC Forms Print Corrected 1099-NEC Forms | 24 Financial Table Archive Weekly Report Run | 25 SFMA Closed Financial Archive Verification |
| 26 INAE Jan 26 | 27 SFMA Closed Financial Archive Verification – Open TBD No Expedite Cycle Apr 26 WDPR Close | 28 File Corrected 1099- MISC File Corrected 1099-NEC Apr 26 WDPR Load SFMA | 29 Apr 26 WDPR Post R1 | 30 | | |

Information Returns Reported to DAS



Department of Administrative Services does not process or maintain a system for entities to file 1099 forms with the State of Oregon.

Please see [Department of Revenue](#) website for information regarding filing 1099 forms with the State of Oregon.

Supplemental Information – Services & Rent

There can be 1099-MISC income as well as 1099-NEC income on the same invoice.

If your agency has ***rental of equipment*** or ***machinery*** (1099-MISC, Box 1) ***reportable as well as services*** (1099-NEC) are clearly itemized:

- If the ***rent for use*** of equipment or machinery is alone on an ***itemized invoice was \$600*** or more? It should be ***reported as Box 1 (Rental Income) of 1099-MISC.***
- If the ***services to setup/operational use*** of the equipment or machinery was ***also \$600 or more and itemized on the invoice***, then it should ***be reported as Box 1 of a 1099-NEC.***
- If the ***rental/setup/operation*** use of the equipment or machinery are ***all one bill and not itemized*** and the ***cost was \$600*** or more, ***Box 1 (Rental Income) of 1099-MISC.***

Supplemental Information – 1099 Checklist

SFMS suggested checklist to assist in agency review prior to 1099 production:

- ✓ **Identify** which **vendors** your agency uses that are **1099-Misc and 1099-NEC reportable**.
- ✓ **Review IRS regulations** (or enclosed filing guideline) to become familiar with what type of **taxpayer identification number is required** for **each type** of **entity** and how to ask a payee for the correct number.
- ✓ **Review 1099-MISC and 1099-NEC reportable vendors** for possible **changes** in **name, address, or entity type**.
- ✓ **Contact vendors** with **possible changes** (from above) to **verify correct information** on file, or to update information **to be accurate for reporting**.
- ✓ Review vendor activity to **verify 1099-MISC and 1099-NEC reportable payments** are **coded** to the **correct expenditure object codes**.

Supplemental Information – 1099 Checklist

(cont.)

- ✓ **Review** purchases or confer with other accounting staff to **verify 1099-MISC and 1099-NEC reportable activity** has **not** been **buried in capital outlay or other expenditure object** not captured by accounting system as reportable.
- ✓ **Verify adjustments** made manually such as warrants returned for cancellation or stop pay are **reflected on the DAFR7940 and DARFNE40 report**.
- ✓ **Verify** that **BT transactions** present on the **DAFR7940 and DAFRNE40 report** are from payments made in the **2025 calendar year and are not from 2024**.
 - **Original payment made in 2024 (1/1/24-12/31/24)** - a prior year 1099 correction will need to be reported to the IRS if not previously reported on TY2024 1099.
 - **Original payment made in 2024 (1/1/24-12/31/24)** - will need to be removed from TY2025 activity.

Where can I find more information about 1099's?

Forms and Publications

www.irs.gov/formspubs

Link to download forms and publications and other educational resources.

If your agency would like a list of reportable COBJ's with affiliated IRS Box & Form, please contact me for this information.

Thank You For Attending SFMS Annual 1099 Training

Please feel free to contact me if you have any additional questions regarding 1099's.

Email: [Karlene Hancock](#)

Call: (971) 900-9769

Teams: [Click Here](#)

