

## Internal Revenue Process for 1099

The Fiscal Intermediary is responsible for tracking and maintaining payment information for 1099 purposes. Form 1099's are to be mailed & received by payees no later than January 31 of each year. The Fiscal Intermediary prints & mails out 1099's around the 20<sup>th</sup> of January. The agency is required to report to the IRS payment information for all providers who receive more than 600 dollars per year & are not public entities. The FI produces on CD a report of those providers who were paid under 600 dollars, those providers with a PPI of 4, 5, 7, & 9 (these PPI's not reported to IRS) and a report of those providers who were paid more than 600 dollars & thus reported to the IRS. The FI is responsible for reprinting form 1099 if the form is illegible or the provider never received the form. In the event a provider requests a corrected 1099 (meaning dollar amounts are incorrect), this is handled by the state. The IRS submits a mismatch report to the agency, during early fall of each year. The FI clears the mismatch & corrects files that require action.