

## 2009 1099 Filing Guidelines

1. 1099-MISC is the method by which businesses (such as the Diocese of Monterey) must report fees for services earned by individuals and businesses who are independent contractors. The Diocese of Monterey (and our locations) must report to the vendors by 1/31/10 the amounts each covered independent contractor earned from any and all of our locations. Shortly after 1/31/10, we must electronically transmit this information to the IRS.
2. Covered independent contractors include all vendors who provide services to your location (not including corporations). These commonly include gardening services, janitorial services, caterers, plumbers, electricians and the like who have their own businesses and provide their services to other businesses as well as to your location. Also included are priests offering “supply” services. If you have any questions regarding classification of individuals as employees or independent contractors, please call either Susan Mayer or Stefanie Olsen in the Human Resources Department.
3. Prior to paying covered independent contractors, please obtain a properly completed W-9 form. This form is available on the Diocese of Monterey’s website: <http://www.dioceseofmonterey.org/resource> and click “Human Resources” and scroll down for the W-9 form.
4. The Diocese of Monterey Finance Department prepares and files the 1099s for all of our locations because we are one corporation. The IRS will not allow each location to submit their own information. The Finance Department relies on you to provide it with the best information you have on your vendors.
  - a. Each of your “vendors” or service providers should be set up in your Quickbooks program. If you have not done this, please set up the vendor in Quickbooks before providing the Finance Office with your report. You will need the vendor’s name, address and tax identification number to complete the vendor profile.
  - b. Please audit your report before it is sent to the Finance Office. You are looking for the following:
    - i. If the vendor is using a Social Security Number xxx-xx-xxxx format, the person who is assigned that number’s name must be in “Vendor Name” field of Quickbooks.
    - ii. If the vendor is an individual, you must pay him/her using his/her legal name. Please do not use nicknames, initials or omit any hyphenation in the last name.
    - iii. If the name is a business name, it should have a TIN or EIN in the format xx-xxxxxx. If you have paid a business and the vendor is providing you with a Social Security number, you must alter your vendor profile to show the individual’s name in the “Vendor Name” field and the company’s name in the “Company Name” field.

- iv. Check the penalty list to see if any of your vendors are listed on it. If so, you must correct the information so that we do not get penalized again for those same vendors.
5. Reimbursements under an Accountable Plan are not reportable on a 1099-MISC. To be an accountable plan, the reimbursement must be for something desired or needed by your location (ideally, it should be pre-approved) and the employee must provide a receipt for the item.
6. Mileage reimbursements using the IRS reimbursement rate should not be included on a 1099-MISC. However, reimbursements for gas are not an accountable plan and should be included on a 1099-MISC.
7. Processing guidelines include the following:
  - a. Export the Quickbooks report to Microsoft Excel following Anne McGuire's separate instructions.
  - b. Email the Excel file to [1099reports@dioceseofmonterey.org](mailto:1099reports@dioceseofmonterey.org)
  - c. By 1/6/10
8. If you have any questions:
  - a. Who should get a 1099: Stephanie Mayer [stephanie.mayer@dioceseofmonterey.org](mailto:stephanie.mayer@dioceseofmonterey.org) or 831 373-4346 ext. 209
  - b. Quickbooks issues: Anne McGuire [amcguire@dioceseofmonterey.org](mailto:amcguire@dioceseofmonterey.org) or 831 373- 4346 ext. 276
  - c. Karen Prestigiacamo and Rose Graham will be processing your information this year. If there are any issues with your report, you will likely receive a telephone call from one of them.