UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Washington, DC 20250

Notice FI-2420

For: State and County Offices

Information on Duplicate IRS 1099-MISC

Approved by: Deputy Administrator, Management

1 Overview

A Background

The IRS 1099-MISC reporting process was automated in KCMO for calendar year 1999 reporting. If the State or County Office manually prepared IRS 1099-MISC, then recipients' receiving IRS 1099-MISC may receive duplicate reports.

B Purpose

This notice informs State and County Offices of KCMO actions to correct the duplicate IRS 1099-MISC.

C Contact

If there are any questions about this notice, contact Jorge Rivera, FMD, at 703-305-1308.

Disposal Date	Distribution
July 1, 2000	State Offices; State Offices relay to County Offices

2 State and County Office and KCMO Action

A KCMO Prepared CCC-1099-MISC

For the calendar year 1999, KCMO automated the IRS 1099-MISC reporting system to include administrative expense payments based on T/C used to issue the payment. KCMO prepared CCC-1099-MISC for reportable payments issued by State and County Offices. The following T/C's were included in the automated KCMO IRS reporting:

- ACR
- AER
- EEO
- JAR
- ORP
- OUR
- PM
- RN
- RNR.

B Incorrect and Duplicate CCC-1099-MISC

There have been some problems with the production of CCC-1099-MISC.

- Some of the CCC-1099-MISC, prepared by KCMO, erroneously reported travel reimbursements that were issued to employees during pay period 26.

- During January 2000, KCMO prepared the automated CCC-1099-MISC for all State and County Offices. Therefore, a duplicate CCC-1099-MISC was received by the recipients in those State and County Offices that manually prepared CCC-1099-MISC.

C State and County Office Action

State and County Offices shall **not** take any action concerning the correction of CCC-1099-MISC. The CCC-1099-MISC correction will be done in KCMO.

Continued on the next page

2 State and County Office and KCMO Action (Continued)

D
KCMO Action

FMD and KCMO contacted IRS concerning the corrective actions for the erroneously reported travel reimbursements to employees and the duplicate CCC-1099-MISC. The IRS recommendation was to generate a corrected CCC-1099-MISC to the recipient's and IRS. This correction will overwrite any CCC-1099-MISC information previously reported to IRS.

The following actions will be completed by KCMO to correct CCC-1099-MISC sent to the recipients and IRS.

- Remove the erroneously reported travel reimbursement from the corrected CCC-1099-MISC cycle.
- Print corrected CCC-1099-MISC, and advise all recipients to ignore any previous CCC-1099-MISC and the information shown on the corrected CCC-1099-MISC was the information reported to IRS.
- Prepare a corrected CCC-1099-MISC tape and mail to IRS.