

CHOOSING THE CORRECT LOCATION FOR YOUR PAYMENT

Once the agency has determined what they are paying the vendor for (services or supplies), the next step is to find the correct location to use in the voucher. Following are some examples of how choosing the correct location will do your 1099 reporting work for you.

1. **Individuals who receive non-reportable state monies.** Individuals must have withholding turned on, because it is possible that they could be paid for services at any time by another agency. If Vendor Registry has been notified that certain individuals should not be reported for income from a particular program, a location is set up specifically for that agency to use and not worry about withholding on the vouchers.

- ✚ 1099-G locations used for grain tax refunds by Commodity Groups
- ✚ 1099-S locations used by DOT for right-of-way payments
- ✚ Other non-reportable grants as labeled in the description field

2. **Combination vendors.** Utility payments for heat, water, phone, cable and even monthly Internet service are all non-reportable according to IRS. Wherever possible, Vendor Registry removed the withholding link from these vendors, even if they were partnerships. Some vendors proved too complicated for this, however:

- ✚ Midcontinent Business Solutions (#81925) had to be set up as an entirely new vendor to properly cover its combination of services and utilities. This vendor has separate locations for (1) reportable cable advertising, (2) non-reportable Internet service, and (3) other reportable services, such as consulting or installation charges. PeopleSoft allows the creative use of locations and addresses to meet the needs of all vendors. That leads us to the next item

3. If you are in the middle of a voucher and need withholding information added or changed, please tell Vendor Registry to watch the “effective date.” Vendor addresses and locations have effective dates too, and unless our staff is told otherwise, these rows will be dated the current date. If you need information backdated to the invoice date or accounting date, Vendor Registry must be made aware. In PeopleSoft 8.4, the 1099 information is very sensitive to effective dating and can prevent agencies from seeing the correct information in the voucher.

As you can see, selecting the correct location while entering a voucher is not only important for the correct address and payment method, but it can help provide a smoother 1099 process for you, too.