

W-9 REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION

PURPOSE: Is to be used by persons required to file information returns with the IRS to get the payee's correct taxpayer name and identification number (TIN) for reporting purposes.

NOTE: For individuals who become US resident aliens for tax purposes are not eligible to obtain an SSN. These individuals must apply for an ITIN (IRS Individual Taxpayer Identification Number) on Form W-7, unless they have an application pending for a SSN.

U.S. person. Use Form W-9 only if you are a U.S. citizen (including a US resident alien), to provide your correct TIN to the person requesting it and, when applicable, to:

1. Certify that the TIN/SSN number you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Examples of reportable income would be

- Medical and health care services (including payments to corporations)
- Attorney Fees and gross proceeds paid to attorneys (including payments to corporations)
- Other payments made in the course of the requester's trade or business such as rents, royalties, and payments to non-employees for services if the payee is not incorporated.

NOTE: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

NOTE: A new W-9 should be requested anytime a vendor has moved, when a business has changed names or if the business has been sold and has a new tax ID #. Each vendor's W-9 should be updated at least every 3 years.

In order to print the most current W-9 Form, do the following:

- <http://www.irs.gov/formspubs/index.html>
- Under Download forms and Publications, choose Form and Instruction number
- In the FIND Box, type Form W-9
- Look to the far right hand side, to ensure you choose the most recent version
- Choose the appropriate Form W-9
- Print

Utopia County
DFCS
Accounting
7999 Wedgewood
Drive
Carrollton, GA 30112

Memo

To:

From:

CC:

Date:

Re: Request for Taxpayer Identification Number and Certification

Before we can process any future payments, we need to have the attached W-9 form completed and in our files.

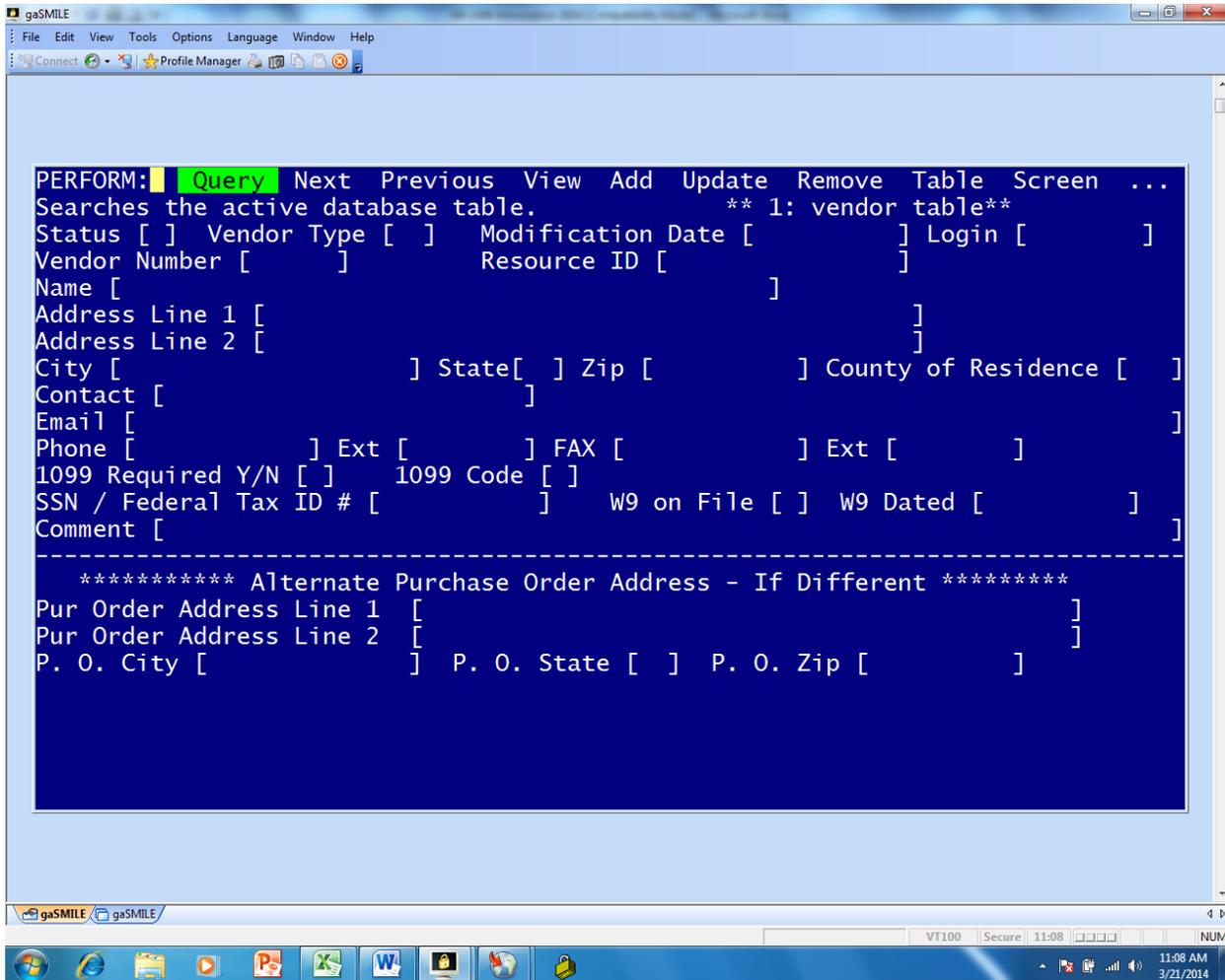
If the party for whom payment is made to is an individual, we will need your social security number.

If this is a business, we will need a TIN number.

Please complete the W-9 in its entirety, sign and return in the enclosed envelope.

Thank you,

“SMILE” VENDOR FILE



All vendors that receive payments from the “SMILE” system will need to be entered into the vendor file. Any vendor meeting the criteria for receiving a 1099 will need the vendors SSN/FEI #, 1099 Required Y/N, 1099 Code (A, M, N, O, or R), W9 on File and W9 Dated entered in the vendor file information.

If updates are made in the current statewide vendor files remember to enter the approved code as “Y” with the current date to have the vendor information pushed out statewide.



W-9 HELPFUL HINTS

- A W-9 is REQUIRED from all vendors, except government agencies, utilities, and universities.
- DON'T GIVE A CHECK TO A VENDOR UNTIL YOU HAVE THE VENDORS W-9 IN YOUR FILE. Sometimes this may mean sending the check back to the worker to personally give the vendor in order to receive the completed W-9.
- KEEP AN UPDATED FILE WITH ALL VENDOR'S W-9 FORMS.
- KEEP THE 'SMILE' VENDOR FILE UPDATED AS CHANGES COME IN ON VENDORS.
- IF A VENDOR SELLS THEIR BUSINESS, DO NOT CONTINUE USE THE OLD VENDOR NUMBER FOR THE NEW OWNERS. ESTABLISH A NEW VENDOR NUMBER FOR THE NEW OWNERS AND HAVE THEM COMPLETE A NEW FORM W-9 FOR YOUR FILES.
- LLCs must select C, S, or P on the W-9. If they select C or S they will NOT get a 1099. If they select P(partnership) they should get a 1099. If they did not select anything, send a 1099 just in case.

VENDOR FILE MAINTENANCE

1. Search the vendor file update and check it before setting up a new vendor.
2. Query on the field for the vendor's SSN/FED TAX ID#. If you have this number on a vendor then enter it into the system, even if they do not require a 1099. This is a unique number which will be an easy query to make sure you are not entering a duplicate vendor.
3. Query on the field for phone number or fax number, if entered these too are unique numbers.
4. Query with a wild card for part of the name.
 - "Q"uery: *child* and any vendor with part of the name (child) will come on the screen.
 - Now use your "N"ext and
 - "P"revious perform keys to go back and forth thru all vendors that came back on the query.
 - Child Support Enforcement
 - Children's Home
 - Georgia Child Welfare Association
 - Know it all Child Care Center
 - Nowhere Early Childhood Dev Center Inc.
5. Query with a wild card for part of the address, city and/or state.
 - "Q"uery: any vendor with part of the address, city or state will come up on the screen.
 - Now use your "N"ext and
 - "P"revious perform keys to go back and forth thru all vendors that came back on the query.
6. Keep your vendor file updated with any changes to the vendor.
7. Keep the "status" of active and inactive updated to make the vendor printout show the vendors you are wanting.



1099-MISC INCOME FORM

File Form 1099-MISC, Miscellaneous Income, for each person to whom you have paid

(a) at least \$10 in royalties or broker payments in lieu of dividends or tax-exempt interest

(b) at least \$600 in rents, services (including parts and materials), prizes and awards, other income payments paid to an individual, partnership, or estate;

(c) All medical and health care payments, even if incorporated

(d) All attorney fees/payments, even if incorporated

(e) for each person from whom you have withheld any Federal Income tax under the backup withholding rules regardless of the amount of the payment

(f) All partnerships and sole proprietors/individuals

(g) All LLC -P

NOTE: DO NOT CHANGE ANY VENDORS TO “N” WHILE YOU ARE WORKING ON YOUR 1099’S FOR THE YEAR AS THIS MAY AFFECT ANOTHER REGION. REMOVE THE VENDOR FROM YOUR 1099 ADJUSTMENT SCREEN.

Title: W-9's and 1099 Reporting

**DO COMPLETE 1099'S FOR THE FOLLOWING VENDORS PAID \$600
OR MORE:**

Box 1 – Rent (if not incorporated)

Real Estate Rentals

Equipment Rentals (copiers, postage, etc) – 645.XXX

Office Space Rentals – 648.XXX

Hotels/Motels – (Not all hotels are Incorporated, some are family owned businesses)

Box 3 – Other Income (O) – CHECK WITH YOUR PAYROLL PERSON

Deceased Employee's accrued wages, vacation pay and other compensation paid after the date of death (**nothing else should be coded as O**)

Box 4 – Federal Income Tax Withheld

Any taxes withheld on payments listed in Boxes 1, 2, 3, 5, 6, 7, 8, 10, and 14.

Box 6 – Medical and Health Care Payments (even if they are incorporated) (M) – 622. 504, 511, 518, 521, 526, 527, 537, 538, 551, 571, 573, 604 and possibly 773-784 and 873-884

Dentists

Physicians

Psychiatrists

Psychological Evaluations

Ophthalmologist

Consultant Services

Providers of Drug Screens

Radiologists

Clinics

Personal Care Homes

Box 7 – Non-employee Compensation (for those businesses not incorporated) (N) except Attorney Fees

Attorney Fees (A) – 622.510

Life History Contractors – 622.323, 627.323 or 622.515

Board Members (remember to subtract travel reimbursement) – 651.XXX

Automotive Services (include parts & labor) – 622.521, 527, 528 537 and 538

Janitorial Services – 715.XXX

Daycare Providers – **should have very few, if any of these**

Pest Control Services – 615.XXX

IMPACT Training – 622.531 **(These may be foster parents and should have 2 separate vendor numbers to ensure proper posting of taxable payments.)**

CAUTION: Be sure to report payments in the proper box because the IRS uses this information to determine whether the recipient has properly reported the payment.

DO NOT COMPLETE 1099'S FOR THE FOLLOWING VENDORS:

1. Payments to a corporation, except for medical and health care services or legal services.
2. Payment to a Tax-exempt organization, such as Federal, State, Local and County entities.
3. Payment to real estate agents for rent.
4. Wages or business travel allowances paid to employees or to Vanguard.
5. Vendors which were paid for the following:
 - Merchandise
 - Supplies – 614.XXX
 - Telephone – 673.XXX
 - Utilities – 617.XXX
 - Freight – 627.XXX
 - Storage Building Fees – 648.XXX
6. Payments made to vendors using an Adult's or Child's restricted funds. This is considered to be a reimbursement since our responsibility is only the management of their funds.
7. Reimbursement Type Vendors Payments to families/**clients** should not be counted as income.
 - Adoption Supplements
 - Relative Care Subsidies
 - Foster Parent Per Diem
 - RBWO Providers for Per Diem type services
 - TANF clients**
 - Medicaid Transportation**
 - ILP Stipends**

NOTE: If you pay any of the above type providers for services other than per diem type reimbursements, these payments are considered taxable and the provider will receive a 1099. Many times they also provide other Medical, Health Care or Legal related expenditures.

Payments from accounts 622.XXX and the 811.XXX – 816.XXX to Foster Parents, Relative Care Parents or Adoption Parents will not receive a 1099.

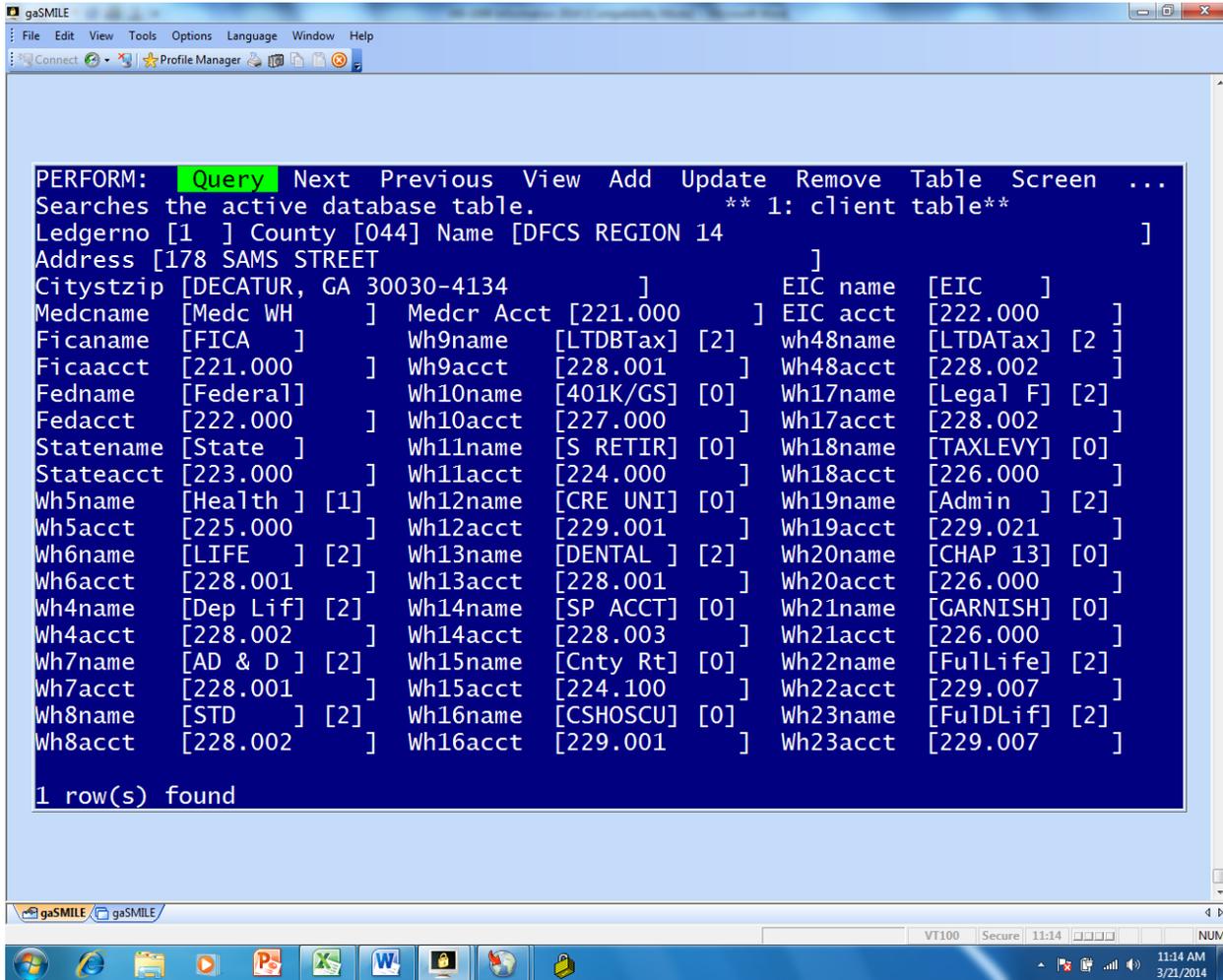
501	502	503	505	506	507
508	509	520	542	550	552
553	574	575	576	577	578
579	605	606	607	608	609
610	611	612	613	614	615
616	617	618			

Payments from accounts such as 622.XXX and 811.XXX – 816.XXX to the Vendor should get a 1099

504	522	604	450	460
-----	-----	-----	-----	-----

Therefore, please be very careful when a county is requesting a total of how much a vendor has been paid. Many times, these vendors are using this as collateral to finance new homes, and at any time that state could discontinue their contract and this would greatly impact the vendor's finances.

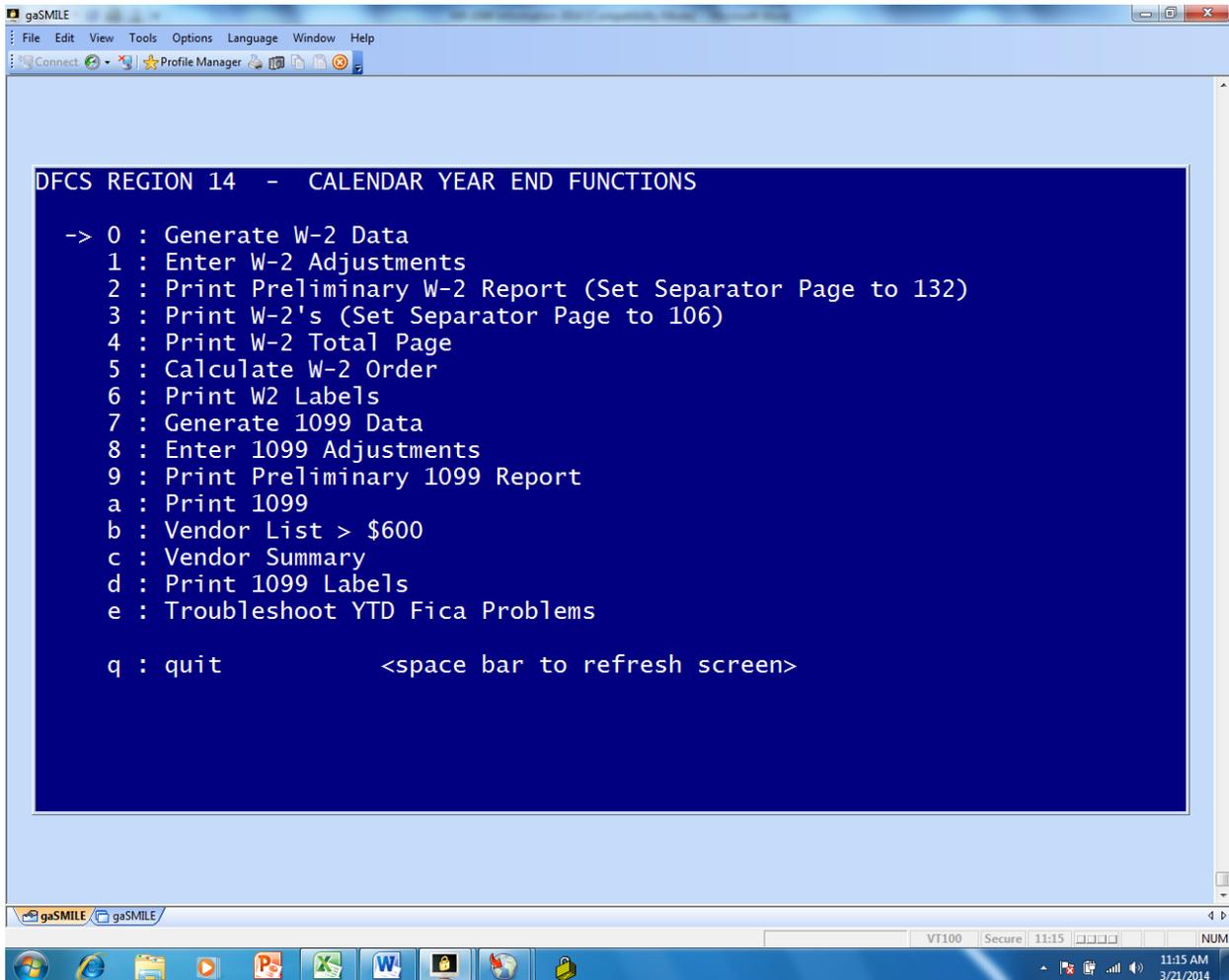
“SMILE” CLIENT FILE



It is very important to keep the agency Name and Address updated in the Client File. When W2's and 1099's are printed the "SMILE" system pulls the information in this file to the W2 and 1099 file.

ONLY SMI HAS ACCESS TO UPDATE THIS FILE

“SMILE” CLOSING PAGE/CALENDAR YEAR END FUNCTIONS



The screenshot shows a window titled 'gaSMILE' with a menu of functions for 'DFCS REGION 14 - CALENDAR YEAR END FUNCTIONS'. The menu items are as follows:

```
DFCS REGION 14 - CALENDAR YEAR END FUNCTIONS

-> 0 : Generate W-2 Data
    1 : Enter W-2 Adjustments
    2 : Print Preliminary W-2 Report (Set Separator Page to 132)
    3 : Print W-2's (Set Separator Page to 106)
    4 : Print W-2 Total Page
    5 : Calculate W-2 Order
    6 : Print W2 Labels
    7 : Generate 1099 Data
    8 : Enter 1099 Adjustments
    9 : Print Preliminary 1099 Report
    a : Print 1099
    b : Vendor List > $600
    c : Vendor Summary
    d : Print 1099 Labels
    e : Troubleshoot YTD Fica Problems

    q : quit          <space bar to refresh screen>
```

Generate 1099 Data:

This option pulls in all checks that have been paid for a vendor in the calendar year with a total of \$600 or more & the 1099 required field is “Y”es in the vendor file.

Be very careful when setting up new vendors, if “N” in 1099 field, could cause you to miss a vendor at 1099 reporting time.

NOTE: Print a Vendor List > \$600 and this will capture all vendors regardless if they are marked "Y" in the 1099 field. This will allow you to update those vendors that have been improperly coded. REMEMBER, that vendors are statewide and others may use them differently, it may be necessary to adjust these manually in the 1099 Adjustments Screen file.

ENTER 1099 ADJUSTMENT SCREEN

```
LINUS
File Edit Options Send Receive Window Help
PERFORM: Query Next Previous View Add Update Remove Table Screen ...
Adds a row to the active database table.          ** 1: adj1099 table**

Vendor #                [76    ]
Vendor Name              DR SMITH & SMITH, ORTHODONTISTS
1099 Code                [N]
Nonemployee Compensation [$2400.00 ]
Rents                   [$0.00  ]
Medical Payments        [$0.00  ]
Other Income             [$0.00  ]
Attorney Fees           [$0.00  ]

Row added
```

```
LINUS
File Edit Options Send Receive Window Help
PERFORM: Query Next Previous View Add Update Remove Table Screen ...
Changes a row in the active database table.       ** 1: adj1099 table**

Vendor #                [76    ]
Vendor Name              DR SMITH & SMITH, ORTHODONTISTS
1099 Code                [N]
Nonemployee Compensation [$0.00  ]
Rents                   [$0.00  ]
Medical Payments        [$2400.00 ]
Other Income             [$0.00  ]
Attorney Fees           [$0.00  ]

This row has been changed
```

If an adjustment is needed to a 1099 vendor, query up the vendor's number, update the necessary information or add an additional screen if needed.



1099-MISC HELPFUL HINTS

1. TOTAL PAYMENTS OF \$600 OR MORE MADE TO A VENDOR FOR THE CALENDAR YEAR THAT MEET THE CRITERIA TO RECEIVE A 1099 WILL RECEIVE A 1099 AFTER THE 1099'S ARE GENERATED.
2. MAKE SURE THAT ALL ADJUSTMENTS ARE DONE BEFORE PRINTING 1099'S.
3. FORM 1099-MISC SHOULD BE MAILED TO THE VENDORS NO LATER THAN JANUARY 31, XXXX.
4. SMI WILL SEND AN ELECTRONIC FILE TO THE IRS BEFORE THE MARCH 31, XXXX DEADLINE.

SMILE REPORTS THAT MAY ASSIST YOU

Print Preliminary 1099 report: Once you have generated 1099 data you can then run a preliminary 1099 report to help you in checking the information. If you find an error or that an adjustment is required you can choose the option to “Enter 1099 Adjustments”, update the information and print this report again. This report can be printed as many times as needed. Remember, you want this report to be correct before printing your 1099 forms.

Print 1099 forms: Once you know your preliminary 1099 report is correct you are now ready to print the 1099 forms. These forms can be printed as many times as needed.

Vendor listing > \$600: This report will print out all vendors during the period of time stated that have been paid \$600 or more. On this report, you will see the vendor number, vendor name, SSN/FED ID #, Amount paid, 1099 code, W9 on file and W9 dated.

Vendor summary: You can ask for a vendor summary report for Active or Inactive vendors. This report will print out all vendors during the period of time stated no matter how much you have paid them. On this report you will see the vendor number, vendor name, SSN/FED ID #, Amount paid, 1099 code, W9 on file and W9 dated.

Print 1099 labels: This option allows you to print 1099 labels to be used for the mailing of the 1099 forms.

IRS Civil Penalties Notice for 1099s

Each tax year the IRS reviews the information that was submitted on the 1099s. They send out a report to each region listing any 1099s that had a missing TIN or the name and TIN are a mismatch. In order to avoid the penalties associated with the errors a "B Notice" must be created and mailed to all vendors on the list to prove our "due diligence" in obtaining correct information. Please see the instructions below.

- 1) Send First B Notice to all vendors on the list within **15 days** of the IRS notice
- 2) Date the B notice **no later than 30 business days** after the date of the IRS notice
- 3) Enter the **correct backup withholding rate** from the IRS table (check the website each year for current rate)
- 4) Mark the envelope "Tax Documents Enclosed"
- 5) Information cannot be received by phone, must be on a form W-9
- 6) Maintain a copy of each B Notice as documentation for our efforts
- 7) Send an abatement letter to the IRS with copies of at least **4** of the B Notices to the address on the IRS notice
- 8) Update information for all W-9s received
- 9) These letters are exact, please check the IRS website every year for updates to the form and the withholding rate

<http://www.irs.gov/pub/irs-pdf/p1281.pdf>

First B Notice

10/23/2013-date you mail notice

IMPORTANT TAX NOTICE ACTION IS REQUIRED

Backup Withholding Warning!

We need a Form W-9 from you before: ___ due date no later than 30 days _____.

Otherwise; backup withholding

will begin on 11/15/2013-select a date after the due date

Account Number **54916 (vendor #)**

Current Name on Account **GENEVAS HOMEPLATE LLC**

Current TIN on Account **56-2658672**

The Internal Revenue Service (IRS) has notified us that the taxpayer identification number (TIN) on your account with us does not match its records. The IRS considers a TIN as incorrect if either the name or number shown on an account does not match a name and number combination in their files or the files of the Social Security Administration (SSA). If you do not take appropriate action to help us correct this problem before the date shown above, the law requires us to backup withhold on interest, dividends, and certain other payments that we make to your account. The backup withholding rate is: **28%**. In addition to backup withholding, you may be subject to a \$50 penalty by the IRS for failing to give us your correct Name/TIN combination. This notice tells you how to help us make your account records accurate and how to avoid backup withholding and the penalty.

Why Your TIN May Be Considered As Incorrect.

An individual's TIN is his or her social security number (SSN). Often a TIN does not match IRS records because a name has changed through marriage, divorce, adoption, etc., and the change has not been reported to SSA, so it has not been recorded in SSA's files. Sometimes an account or transaction may not contain the correct SSN of the actual owner. For example, an account in a child's name may reflect a parent's SSN. (An account should be in the name and SSN of the actual owner.)

What You Need To Do for Individuals.

If you have never been assigned a social security number (or if you lost your social security card and do not know your SSN), call your local SSA office and find out how to obtain an original (or a replacement) social security card. Then apply for it. If you already have a social security number: Compare the name and SSN on your account with us (shown at the beginning of this notice) with the name and SSN shown on your social security card. Then use the chart on the next page to decide what action to take. (chart is in the link above page 19)

Please send the requested information to:

Address of Regional Accounting Office