

# IRS Tax Forms Compliance in Different SAP Deployments

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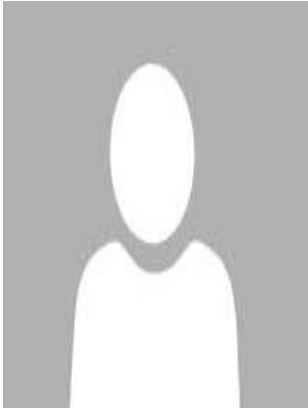
## Key Outcomes/Objectives

1. IRS Tax Forms supported by SAP
2. SAP Advanced Compliance Reporting for S4/HANA
3. IRS 1099 and 1042S: Configuration & Demo run

## Agenda

- SAP Team
- SAP Globalization Services
- IRS Tax Forms in SAP scope & Deployment Models
- Advanced Compliance Reporting Framework (“ACR”)
- IRS 1099 and 1042S: Configuration
- Demo

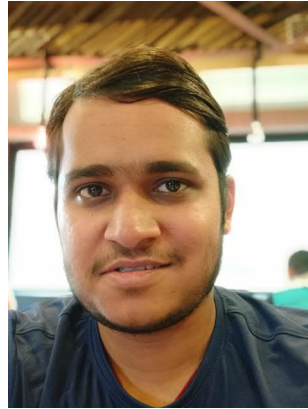
## SAP TEAM



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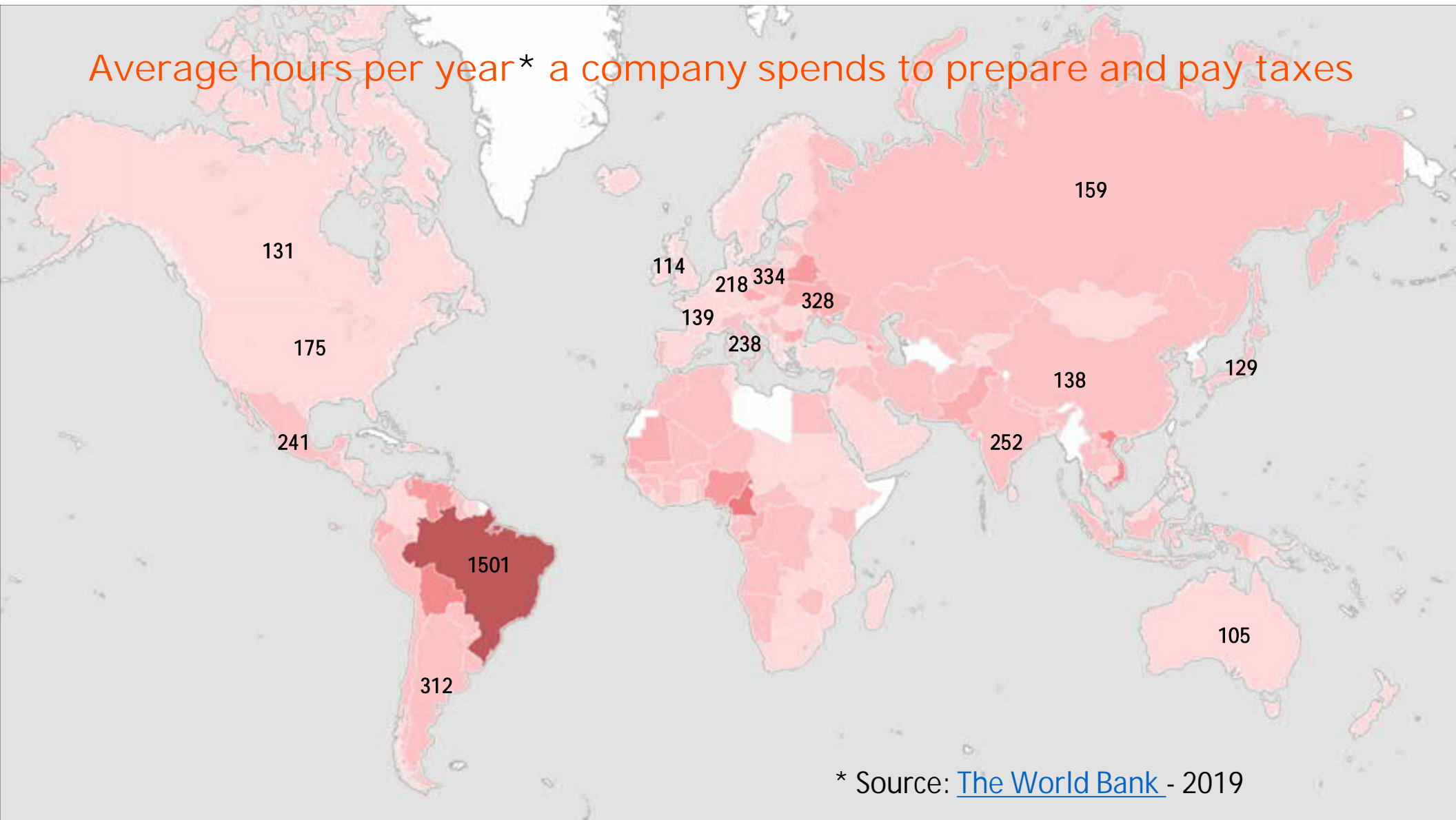


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Product Owner  
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Gustavo Tamae Kakazu  
Senior Product Manager  
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SAP LABS PALO ALTO, CA

Average hours per year\* a company spends to prepare and pay taxes



\* Source: [The World Bank](https://data.worldbank.org/) - 2019

# What Globalization Services mean for SAP Customers?

## Internationalization

Globalization  
全球化  
Globalisierung  
भूमंडलीकरण



Technical enablement of a system to operate globally

- Multilanguage support
- Code pages / Unicode
- Time zones
- Multiple currencies
- Calendars

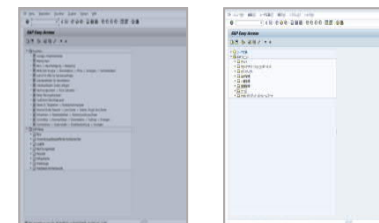
## Localization



Functions dedicated to the needs of business in a specific country or region / cross-countries

- Local best business practices
- Tax and legal requirements
- Statutory reporting

## Translation



Speak the language of the locals

- Product (User Interface)
- Documentation and collaterals
- Customer communication

## The impact of SAP Globalization Services worldwide

Development centers in 9 countries	263.000 customers in 190 different countries	
New solutions tailor-made for emerging countries	Country versions	Translated into 39 languages
	Finance/Logistics 64 Payroll 101	1.000 legal changes per year in 10 releases
1.200	People working @Globalization Services	
160.000	Person Days spent per year	
280.000.000	Words translated per year	
		Strong commitment towards customers to ensure continuously legal compliance



## USA – SCOPE OF IRS TAX FORMS SUPPORTED

IRS PRINT FORMS & FILES (1) (2)	
1099-MISC	Miscellaneous payments
1099-NEC	Non-employee compensation
1099-INT	Interest payments
1099-G	Government payments
1099-K	Payment Card and 3 <sup>rd</sup> party network transactions
1042-S	Payment of US source income to foreign person

(1) Combined Federal/State Program is supported.

(2) Individual State requirements are outside the scope supported.

## DEPLOYMENT MODEL

DEPLOYMENT MODEL	ECC (1)	S4/HANA OP (2) (3)	S4/HANA CLOUD (2)
For fiscal year 2020	<ul style="list-style-type: none"> <li>Program RFIDYYWT</li> </ul>	<ul style="list-style-type: none"> <li>ACR compatibility mode (RFIDYYWT)</li> <li>ACR full mode (available)</li> </ul>	<ul style="list-style-type: none"> <li>ACR compatibility mode (RFIDYYWT)</li> <li>ACR full mode (available)</li> </ul>
For fiscal year 2021 and onwards	<ul style="list-style-type: none"> <li>Program RFIDYYWT</li> </ul>	<ul style="list-style-type: none"> <li>ACR full mode (mandatory)</li> </ul>	<ul style="list-style-type: none"> <li>ACR full mode (mandatory)</li> </ul>

Some clarifications on ACR:

- “ACR” stands for Advanced Compliance Reporting Framework
- “ACR compatibility mode” runs FIORI UI frontend and old program RFIDYYWT in the backend (see NOTE 2 below –SUNSET)
- “ACR full mode” runs FIORI frontend and the new generation tax reporting in the backend.

### NOTES:

( 1 ) For ECC in particular, report program RFIDYYWT will continue being supported for annual tax changes.

( 2 ) [SAP Note 2480067](#)

- ACR compatibility mode (RFIDYYWT) is scheduled for SUNSET (end of maintenance) and replacement by ACR full mode on October 1<sup>st</sup>, 2021
- ACR full mode will be the sole functionality running for fiscal year 2021 and onwards.

( 2 ) S4/HANA OP requires minimum release 1809 to run ACR full mode (SAP NOTES required: 2997931, 2958179, 2896508, 2908180, 2972569)

## Helpful links and information:

ECC – report program RFIDYYWT

<https://help.sap.com/viewer/3318ebc75ddc4d2994ca75b5fe521f24/6.18.15/en-US/4fd8f8691cc754e0e10000000a42189e.html>

Advanced Compliance Reporting (“ACR”) for S4/HANA

- On-premise: <https://help.sap.com/viewer/8999cee59b7c44fdb53fbbb4d703f8e6/2020.000/en-US/4fd8f8691cc754e0e10000000a42189e.html>
- Cloud: <https://help.sap.com/viewer/fd8427fa19d140c7b66d8457a70473a1/2102.500/en-US/7404635742dced74e10000000a4450e5.html>

US component to raise customer tickets related to IRS tax forms: FI-AP-AP-Q1

## SAP Advanced Compliance Reporting for S4/HANA



# The Current Market Reality for Legal Reporting



## Regulation

- Changing Economy
- Changing legislation



## Risk

- Legally Compliant



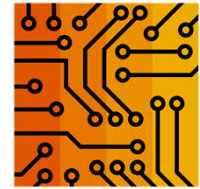
## Strategy

- Cumbersome Process
- Digital Business



## Globalization

- High TCO & integration

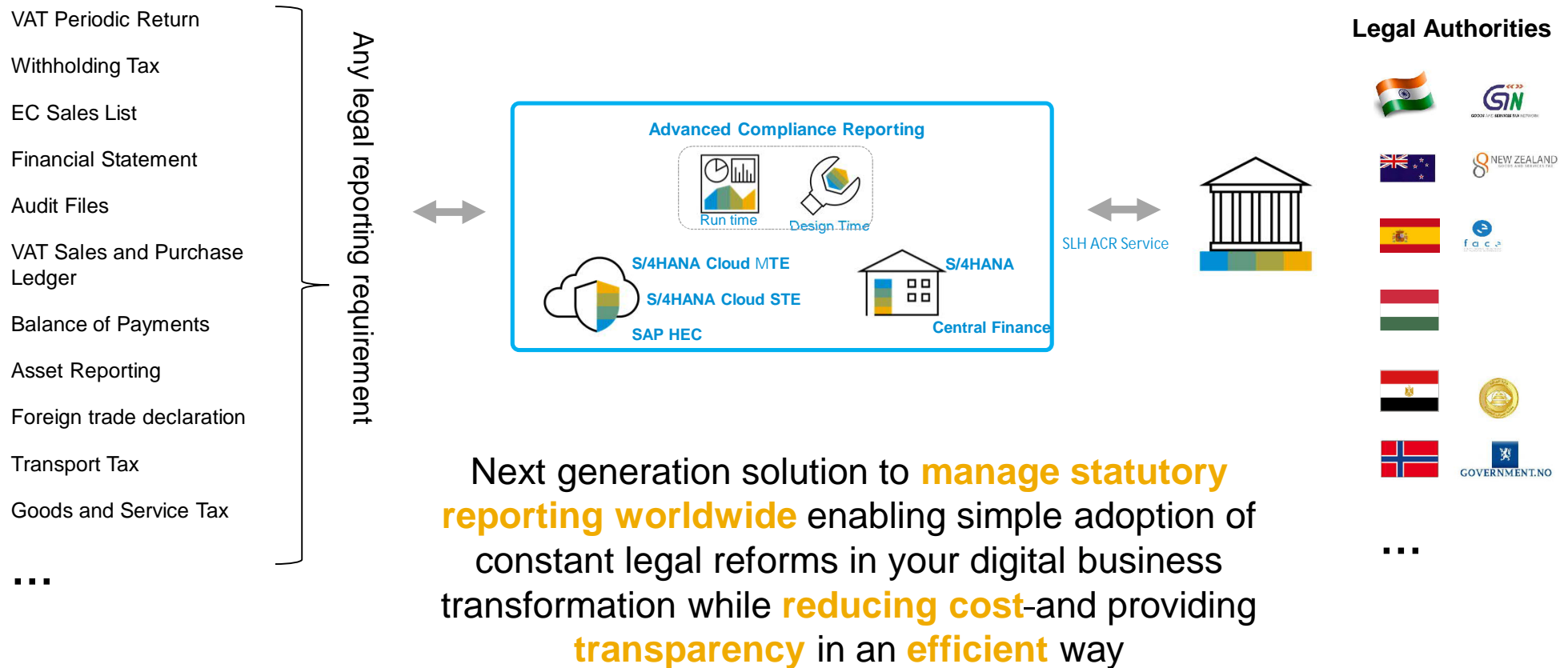


## Technology

- Harmonize reporting
- New Data Technologies

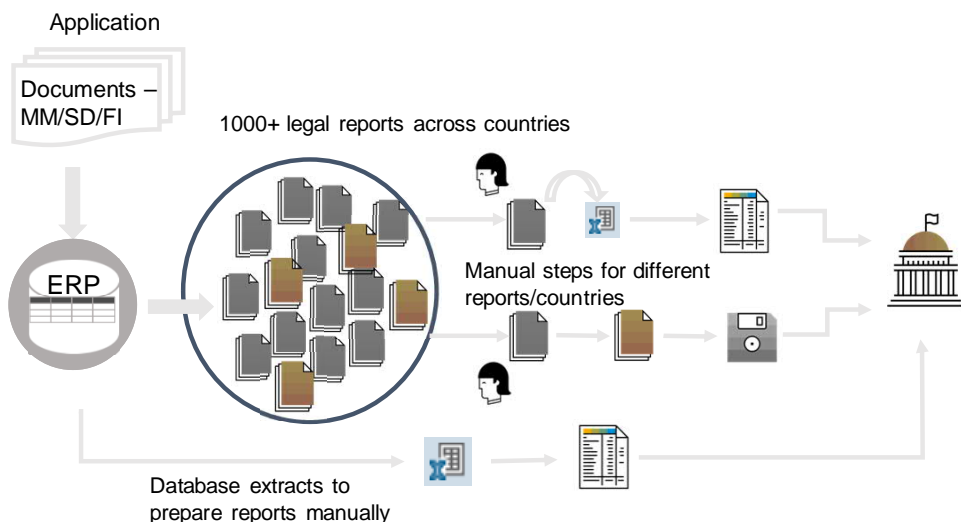
# Advanced Compliance Reporting

## Next generation legal reporting platform

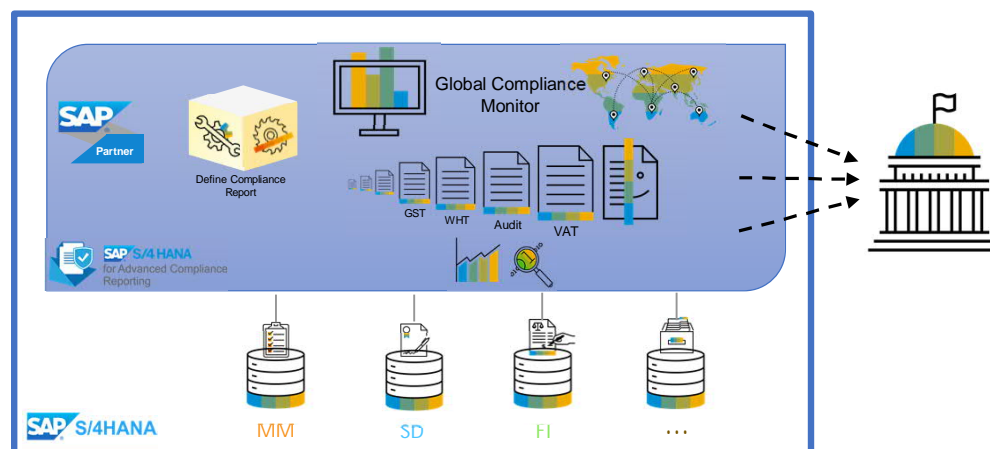


# How S4/HANA ACR has transformed Legal Reporting

## Classic legal reporting without ACR



## S/4 Advanced Compliance Reporting



- **Heterogeneous** single point solutions
- **Cumbersome** data display and review
- **Manual** report **data extraction**, collection and generation
- Manual monitoring and **No transparency** of reporting compliance
- Classic reports **difficult to extend and adapt**

- **Homogenous** legal reporting solution as per Government prescribed formats
- Data Preview, **Embedded Analytics** and **Audit Trail**
- **Real Time reporting** without any data replication and reconciliation
- E2E Monitoring and **Complete Transparency** on reporting compliance
- **Guided platform** for defining and extension of reports





Value Added  
Legal Reporting  
Capabilities



Global Coverage of  
End to End Legal  
Reporting



Legal Reporting  
Platform



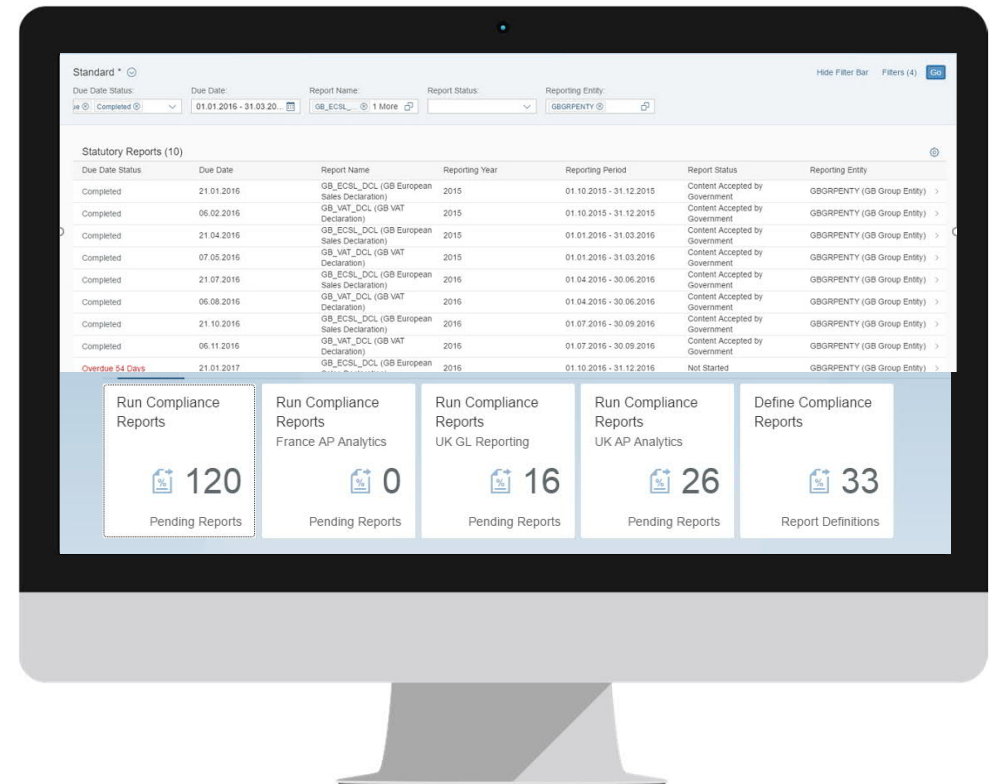
A photograph of a man and a woman looking at a tablet together. The man is on the left, wearing glasses and a dark shirt. The woman is on the right, smiling, wearing a red polka-dot top. They are both looking at a tablet held by the woman. The background is dark and out of focus.

# Value Added Legal Reporting Capabilities

## ACR Reporting dashboard

### Monitor the reporting status

- Overview of statutory reporting tasks and status to keep ahead of submission deadlines. The app provides a smooth process for creating and sending statutory reports to the government on time and acts as a constant monitor of submission statuses.



# Report Generation



# Data Preview



1. Unified representation of generated formats to business users.

2. Documentation for elements is taken from XSD and shown as additional information.

3. User friendly labels.

Run Advanced Compliance Reports

Document Name: VAT Return Body

Reporting Entity: CB Group Entity  
Report Name: Great Britain VAT Return  
Generated by: UNİYALA

Reporting Period: Quarter 1  
Content Accepted by Government

IRenvelope

IRheader

VATDeclarationRequest

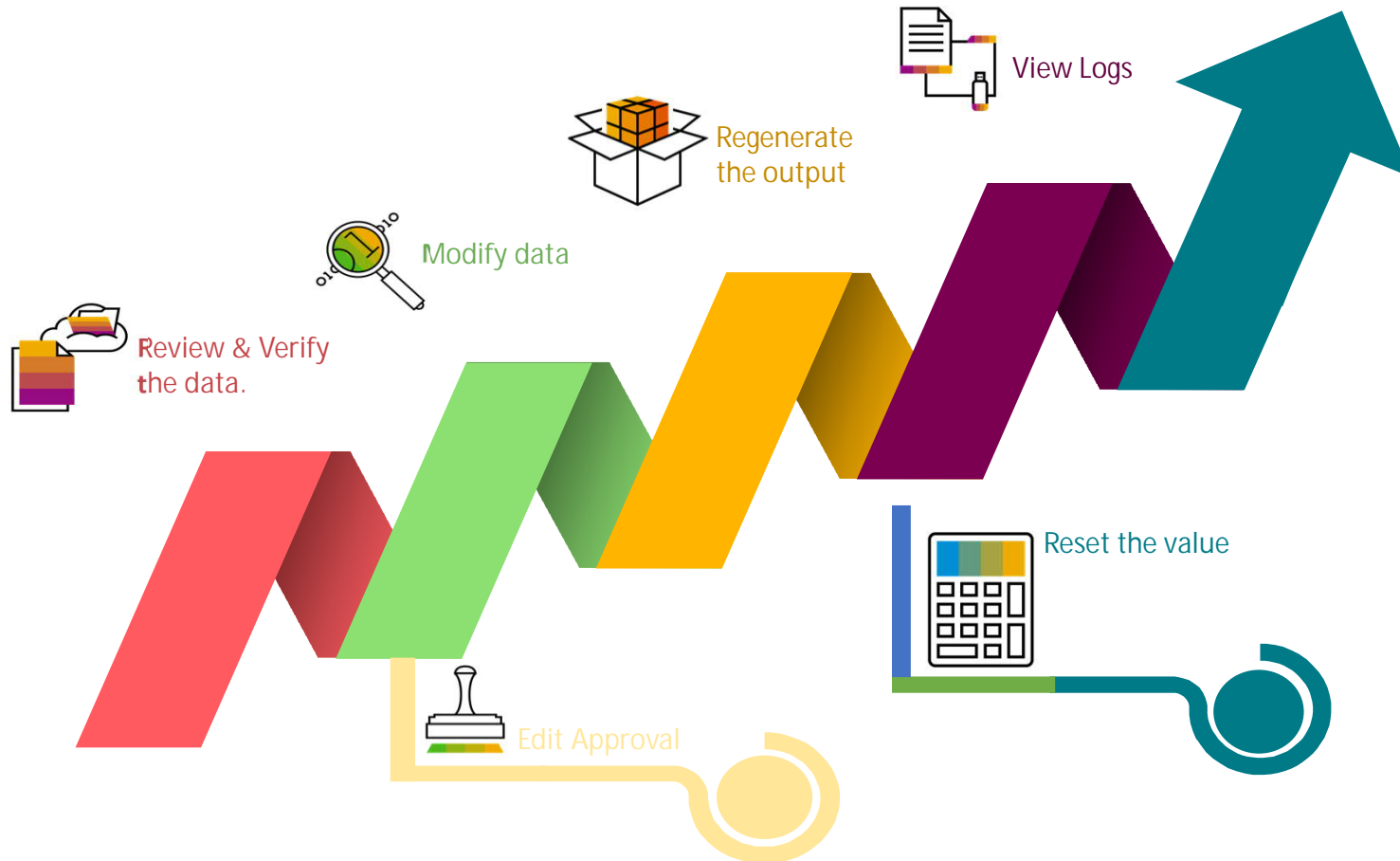
VAT Due On Outputs: 101557.58  
Total VAT: The sum of VAT Due On Outputs ("Box 1") and VAT Due on EC Acquisitions ("Box 2"; also known as "Box 3")  
Net VAT: 103107.77  
Net Purchases and Inputs: 4635  
Net EC Acquisitions: 5816

VAT Due On EC Acquisitions: 5816.56  
VAT Reclaimed On Inputs: 4266.37  
Net Sales and Outputs: 4130913  
Net EC Supplies: 3122519

```
<?xml version="1.0" encoding="UTF-8"?>
<vat:IRenvelope xmlns:vat="http://www.govtalk.gov.uk/taxation/vat/vatdeclaration/2">
  <vat:IRheader>
    <vat:Keys>
      <vat:Key Type="VATRegNo">999900007</vat:Key>
    </vat:Keys>
    <vat:PeriodID>2017-01</vat:PeriodID>
    <vat:PeriodStart>2017-01-01</vat:PeriodStart>
    <vat:PeriodEnd>2017-03-31</vat:PeriodEnd>
    <vat:Agent>
      <vat:Company>Company name</vat:Company>
    </vat:Agent>
    <vat:DefaultCurrency>GBP</vat:DefaultCurrency>
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  </vat:IRheader>
  <vat:VATDeclarationRequest>
    <vat:VATDueOnOutputs>101557.58</vat:VATDueOnOutputs>
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    <vat:VATReclaimedOnInputs>4266.37</vat:VATReclaimedOnInputs>
    <vat:NetVAT>103107.77</vat:NetVAT>
    <vat:NetSalesAndOutputs>4130913</vat:NetSalesAndOutputs>
    <vat:NetPurchasesAndInputs>4635</vat:NetPurchasesAndInputs>
    <vat:NetECSupplies>3122519</vat:NetECSupplies>
    <vat:NetECAcquisitions>5816</vat:NetECAcquisitions>
  </vat:VATDeclarationRequest>
</vat:IRenvelope>
```

## Manual Adjustments for late changes

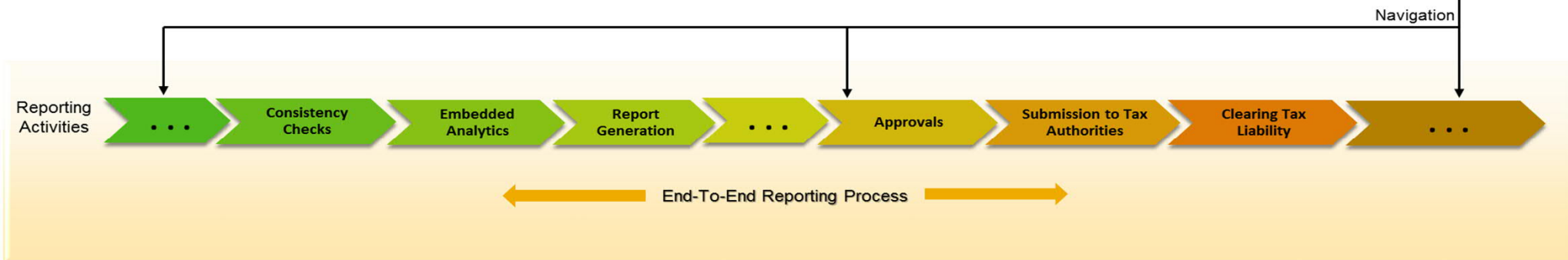
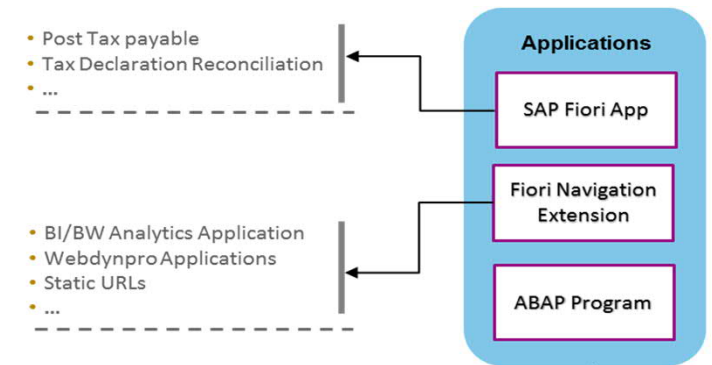
Only if Really Needed!



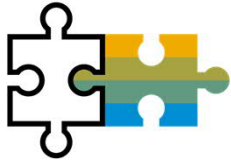
## End-to-end reporting process

Define, Consume and monitor the activities around your reporting process

- Reporting Activities are preparatory steps like consolidation, exception analysis and post steps like posting of tax payables.
- They can be carried out before or after the legal report generation. With the flexible Reporting activities concept, all activities can be plugged in to enable end-to-end legal reporting.
- .



# Manual Adjustments via Manage Tax Items for Legal Reporting



## The Problem

Tax consultants have to carry out manual activities outside the SAP system to ensure that all the relevant tax items are reported to the tax authority as per the country's legal requirement. Irrelevant tax reporting results in budget impacts and cash liquidity burdens to operations.



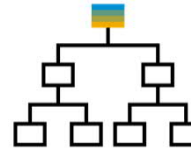
## Solution Intent

- Give holistic view of tax items for a specific period
- Control tax items without manipulating it outside the system
- Reduce dependency with shared services team

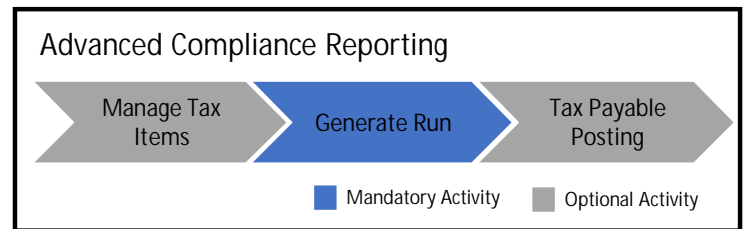
## Value Proposition



- Support tax accountants to move tax items across reporting periods by updating the Tax Reporting Date
- Provides a view to verify the tax items for reporting
- Adapt last minute corrections
- Track changes to support auditing



## Process Flow



## Prerequisites

- Activate tax reporting date for company code
- Ensure change of tax reporting date is legally allowed

# ACR Solution Capabilities

## Available Capabilities

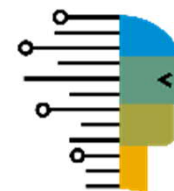
- ✓ Single framework for all statutory reporting with Fiori UX
- ✓ Reporting dashboard to monitor status
- ✓ Multiple legal output formats – XML, XBRL, TXT, PDF forms, JSON, CSV
- ✓ Real Time Reporting based on CDS views
- ✓ Embedded Analytics
- ✓ Data preview
- ✓ Manual Adjustments-Output format
- ✓ Electronic submission with Government Interfaces via ACR service
- ✓ Complementary compliance attachments
- ✓ Partner Correspondence
- ✓ Audit Trail
- ✓ Versioning of Legal Output Formats
- ✓ Incorporating Business Rules
- ✓ Flexible Reporting Levels
- ✓ End-to-End reporting process through Reporting Activities
  - Manage Tax Items
  - Enablement of Tax Payable Postings
- ✓ Self Service Configurations
- ✓ Extensibility Using Define Advanced Compliance Reports
- ✓ Scheduling
- ✓ Ad-hoc Reporting
- ✓ Design Studio Integration
- ✓ Co-Pilot enabling Collaboration
- ✓ Global compliance Monitor – Reporting completion %
- ✓ Support Tax calendar
- ✓ Generic Reports for VAT, Cash Flow Statement and Financial Statement
- ✓ Support for correction and clarification process
- ✓ File Level Submission
- ✓ Workflows for Approvals

## Planned Innovations\*

- Integration with SAP Tax Compliance
- Reconciliation with tax authorities data
- Support Excel format as legal output
- Manual Adjustment: Handling of calculated elements; Adding/deleting row
- e-Signing
- Data from External System for reporting
- Further Extensibility Possibilities via Define Advanced Compliance Reports
- Advanced Scheduling of ACR reports
- Access to Archive data for legal reporting
- Additional KPI's on global compliance monitor
- Notifications to business users
- Mail communication to business partners
- Versioning of Report Definitions
- Workflow For ACR activities and File level submission
- Integration with Advance Financial Close
- Data Preview for large files
- Features based on requirements from future legal reports

## Solution Vision\*

- Digital Assistance via Co-Pilot integration
- Digital Board Room Presence

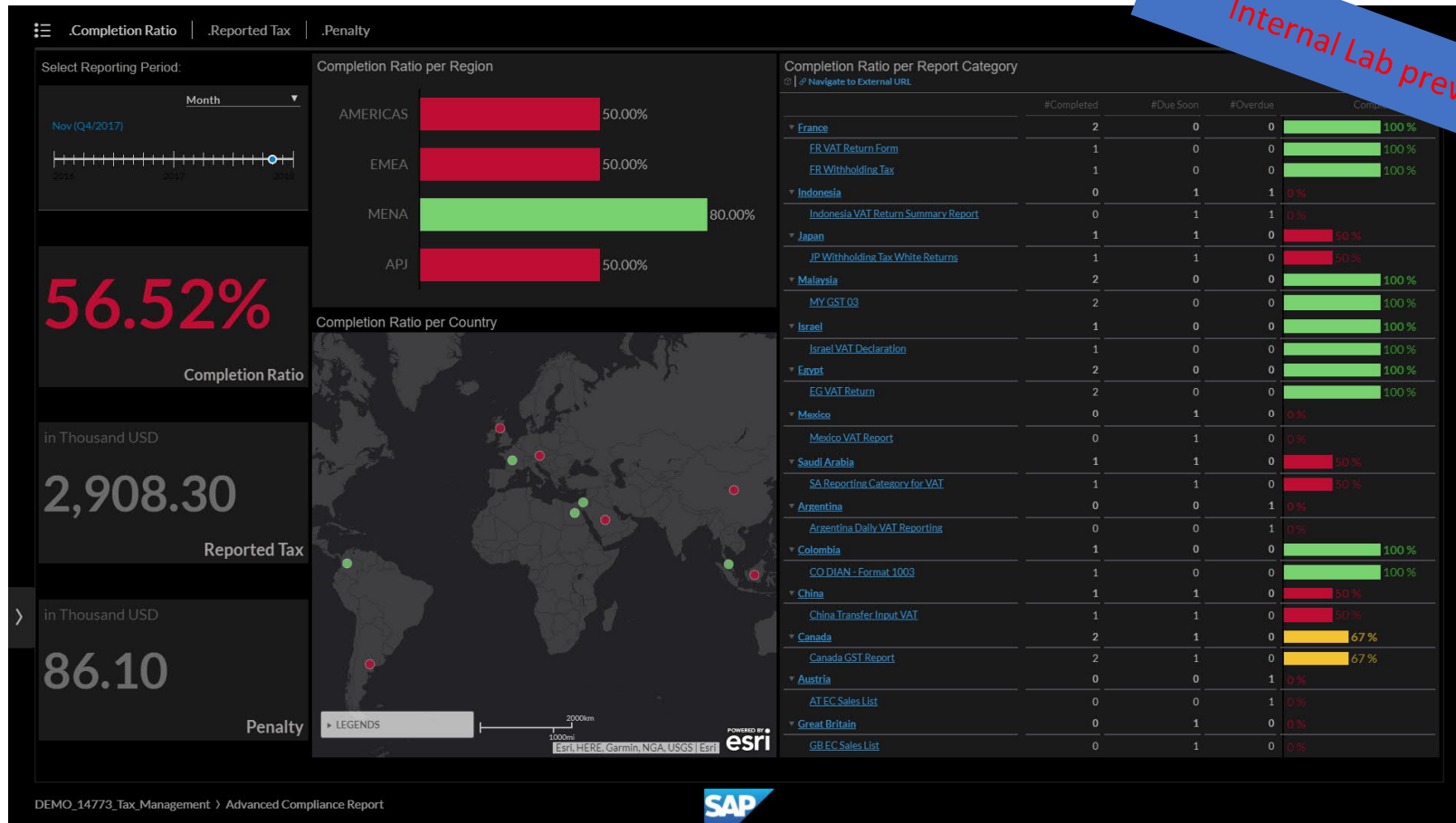


**ASUG**

**SAP Globalization Services**  
Local Solutions. Global Success.



# Global Compliance Monitor





# Global Coverage of End to End Legal Reporting

## ACR Built-in Legal Reports – Overall availability for S/4HANA Cloud until 2005 (~235 reports)

### AMERICAS

- ✓ **Brazil:** ECD, ECF, EFD – ICMS/IPI, EFD – Contribuições, EFD - REINF Reporting
- ✓ **Canada:** GST Reports – HST & RITC, Templates for PST & QST
- ✓ **Mexico:** DIOT Report, Chart of Accounts Report, VAT Declaration, Account Balance Report, Journal Entry Details Report, Account Auxiliary Report, Withholding Tax -37A
- ✓ **USA:** Withholding Tax Reports - 1099 MISC, 1099 NEC, 1099 G, 1099 INT, 1099 K, 1042 S
- ✓ **Venezuela:** Withholding Tax Report

### MENA

- ✓ **Saudi Arabia:** VAT Return, Withholding Tax Declaration - Form 06, Withholding Tax Declaration - Form 09
- ✓ **South Africa:** VAT Return – Summary Report , VAT Declaration- Line Items, BBBEE Vendor Classification Report, VAT Return Summary File
- ✓ **United Arab Emirates:** VAT Return, FAF Audit Report File for VAT line items, Cash Flow Statement

### APJ

- ✓ **Australia:** GST Data summary for BAS Report
- ✓ **China:** Transfer Input VAT, Construct Input VAT, Audit Reports - Asset Accounting, Account Payables and Receivables, Common Information, General Ledger, Cash Flow Report (Direct/Indirect), Statement of Equity change
- ✓ **India:** Withholding Tax Quarterly Declaration - 26Q, 27Q and 27EQ, GST Reports - GSTR3B, GSTR1, FORM GST ANX-1, FORM GST ANX-2
- ✓ **Indonesia:** VAT Return, Withholding Tax Report – PPH 23/26, PPH 4(2), PPH 15, PPH 22, e-Tax Invoices – VAT In/Out, VAT Imports, VAT Exports, Cashflow statement

### APJ

- ✓ **Japan:** Withholding Tax Reports: Blue Returns, White Returns, VAT Detail Report, VAT Summary Report, VAT Summary Detail Report, VAT Form 4-(2), 4-(6), VAT Form 3-(2), VAT Form 3-(1), Central Bank Report –Payment Style 2 (1), Payment Style 2 (2), Payment Style 4 (1), Payment Style 4 (2); Trade Credit Check Reporting - Long term Export Credit, Short term Export Credit, Long term Import Debt, Short term Import Debt, Export Down payment received, Import Down payment paid, Financial Statement
- ✓ **Malaysia:** GST03 Report, GST Audit File – GAF, Sales and Service Tax Report
- ✓ **New Zealand:** Goods and Services Tax (GST) Report
- ✓ **Philippines:** Tax Summary List - Summary List of Importations, Sales & Purchases, Withholding Tax Reporting – BIR 2307 , VAT Return - Quarterly, VAT Declaration – Monthly , Computerized Accounting System Reports - General Journal, General Ledger, Inventory Book, Purchase Journal, Sales Journal, Cash Receipt Journal, Cash Disbursement Journal, Monthly Remittance Form of Creditable Income Taxes Withheld (Expanded) 0619-E, Monthly Remittance Form of Final Income Taxes Withheld 0619-F, Quarterly Remittance of Creditable Income Taxes Withheld (Expanded) 1601-EQ, Quarterly Remittance Return of Final Income Taxes Withheld 1601-FQ
- ✓ **Singapore:** GST Return, WHT report - IR37/S45, GST Transaction Listing (IAF)
- ✓ **South Korea:** VAT Returns - Tax Invoice of Sales/Purchases, Fixed Asset Acquisition Report, Withholding Tax Reports - Business Income/ Other Income, Trial Balance, Cash Flow Statement
- ✓ **Taiwan, China:** VAT - BAN.TXT, BAN.T02 & BAN.T08, Balance Sheet / Income Statement, Cash Flow Statement
- ✓ **Thailand:** Cashflow statement, VAT return – PP36, VAT Return PP30, Vat Return PP30 – Extended, Withholding Tax Reporting - 50BIS, PND2, PND3, PND53, PND54

## ACR Built-in Legal Reports – Overall availability for S/4HANA Cloud until 2005 (~235 reports)

### EMEA

- ✓ **Austria:** EC Sales List, Balance of Payments – L1, Annual VAT Return – U1; Advance VAT Return - U30, Ad-hoc reporting
- ✓ **Belgium:** EC Sales list, Withholding Tax Declaration 281.50, Annual Sales List, Balance of Payments - F01DGS, F01MER, F02CMS & S03CCR, Periodic VAT return
- ✓ **Czech Republic:** EC sales list, VAT return, Balance Sheet Statement, Cash Flow Statement, Profit & Loss Statement
- ✓ **Denmark:** EC Sales List, VAT Report
- ✓ **Finland:** VAT/Tax Return, EC Sales List - Recapitulative Statement
- ✓ **France:** Overdue Invoice – D441-4, VAT Return- CA3, EC Sales list, Withholding Tax Declaration – DAS2, Balance of Payments - ECO & RTE, Audit File
- ✓ **Germany:** Audit Report Z3, EC Sales List
- ✓ **Hungary:** EC Sales and Purchase List - A60, Audit Files - AEA, VAT Return- 65A, 65M
- ✓ **Ireland:** VAT Return – VAT3, EC Sales list- VIES, Return Trading Details, Withholding Tax – Deduction Summary
- ✓ **Italy:** Withholding Tax Declaration – CU, Quarterly VAT Declaration
- ✓ **Luxembourg:** EC Sales list, Balance of Payments STATEC Form 26, SAF-T (FAIA), VAT Return - Annual
- ✓ **Netherlands:** EC Sales list – ICP, VAT Return
- ✓ **Norway:** Line item report – GL, AP, AR, VAT Return
- ✓ **Poland:** EC Sales and Purchase List, VAT Register, Trail Balance and Line Items - Customer/ G/L Account/ Supplier, SAF-T Reporting - Invoices/Accounting Ledgers/Goods movement/VAT/Bank Statements, Overdue Invoice Report, Financial Statements - Quarterly/Yearly, Cash Flow Statement – Direct, Fixed Assets Forms - OT, LT, MT, Customer Balances and Line Items in Local Currency, Vendor Balances and Line Items in Local Currency , WHT Report & Declarations (IFT2/IFT-2R), Withholding Tax Declaration (CIT-10Z)
- ✓ **Portugal:** Monthly SAFT for Self-billing (e-Fatura), Billing SAF-T, Fiscal Maps, Withholding Tax - Modulo 30, EC Sales List, SAF-T Accounting/Integrated/Audit
- ✓ **Romania:** EC Sales List – Declaration 390, Journal for Sales/Purchase, Trial Balance, VAT Declaration - 300, Domestic sales purchase list – VIES 394, Fixed Asset Chart, Financial Statement – Annual/Semester
- ✓ **Russia:** Invoice Journal, VAT Purchase Ledger, VAT Sales Ledger, VAT Return, Financial Statements, Property Tax Calculation and Return, VAT Return Clarification Request, Cash Flow Statement
- ✓ **Spain:** EC Sales and Purchase List – Model 349, VAT Return – Model 303, Withholding Tax – Model 190, Form 347 - Annual Transaction Statement, Incoming Cash Transaction, Withholding Tax Reports – Modelo 111, Modelo 216, Modelo 296
- ✓ **Sweden:** EC Sales list, VAT Return
- ✓ **Switzerland:** National Bank Reporting (Balance of Payments), VAT Return (effective reporting method), Ad-hoc reporting
- ✓ **Slovakia:** EC Sales List, Fixed Asset Forms, Cash Flow Statement, Financial Statements, VAT Control Statement, VAT Return
- ✓ **Turkey:** Input VAT declaration, Inventory ledger, Sales invoice list, Purchase Sales Declaration (Ba/Bs Forms), e-Ledger
- ✓ **United Kingdom:** VAT Return, EC Sales list, Withholding Tax Report – CIS 300, Reverse Charge Sales List

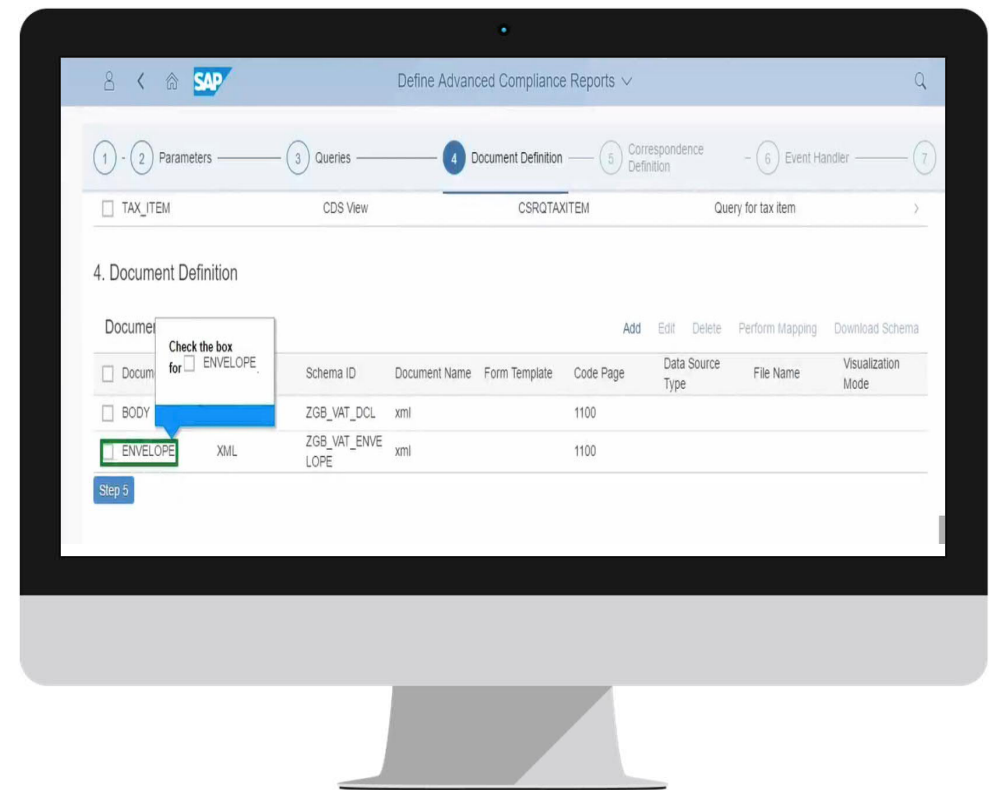
A photograph of two men in business suits shaking hands in an office setting. They are standing in front of a large window with blinds. In the foreground, there is a desk with a laptop and some papers, and an office chair. The image is dimly lit, with the primary light source coming from the window.

# Legal Reporting Platform

## ACR Design time tool

Reuse & Change existing legal reports or Create new definitions

- Out of the box Features
- Report Wizard
  1. Define report properties and parameters
  2. Selecting data source
  3. Mapping to output formats
  4. Reuse xml schema
  5. Define events
  6. Define business partner correspondences
  7. System validations





# SAP S/4HANA for advanced compliance reporting

## Benefits and Capabilities

### Benefits

Cost Savings

Simplicity

Compliance

Innovation



### Capabilities

Global Coverage

Central Framework

Design time platform

Efficient & Accurate

Next Generation Reporting Platform: Simple, Efficient, Open for Customer & Partner development

## IRS 1099 and 1042S: Configuration





## Overview

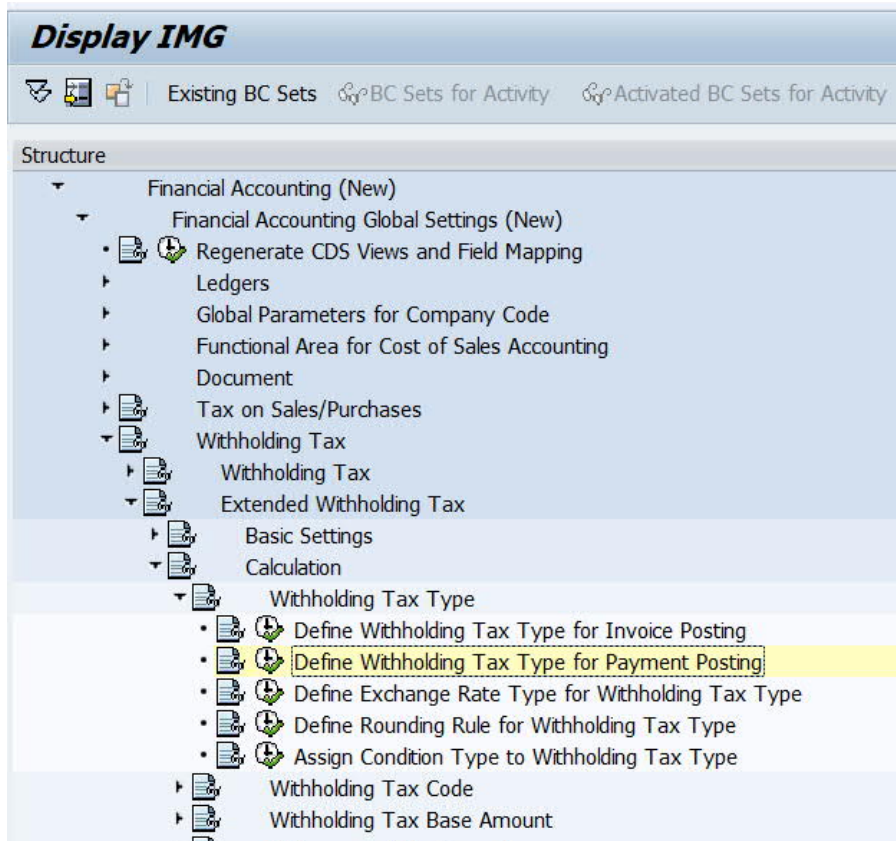
- In the United States, Withholding Tax is calculated at the time of payment
- Cleared vendor invoices, credit memos and open down payments with withholding tax information are reported to the IRS

Report	Description
1099MISC	For Miscellaneous Income
1099NEC	For Non-Employee Compensation
1099INT	For Interest Income
1099G	For Unemployment compensation Payments
1099K	For Payment paid via Third Party Network
1042S	For Foreign Vendors

3 legal outputs are generated by the reports:

- Text File which can be Submitted to the IRS
- Pre-printed form which can be printed on any COPY A and can be submitted to the IRS
- COPY B which needs to be given to suppliers

## Configuration for Tax Type



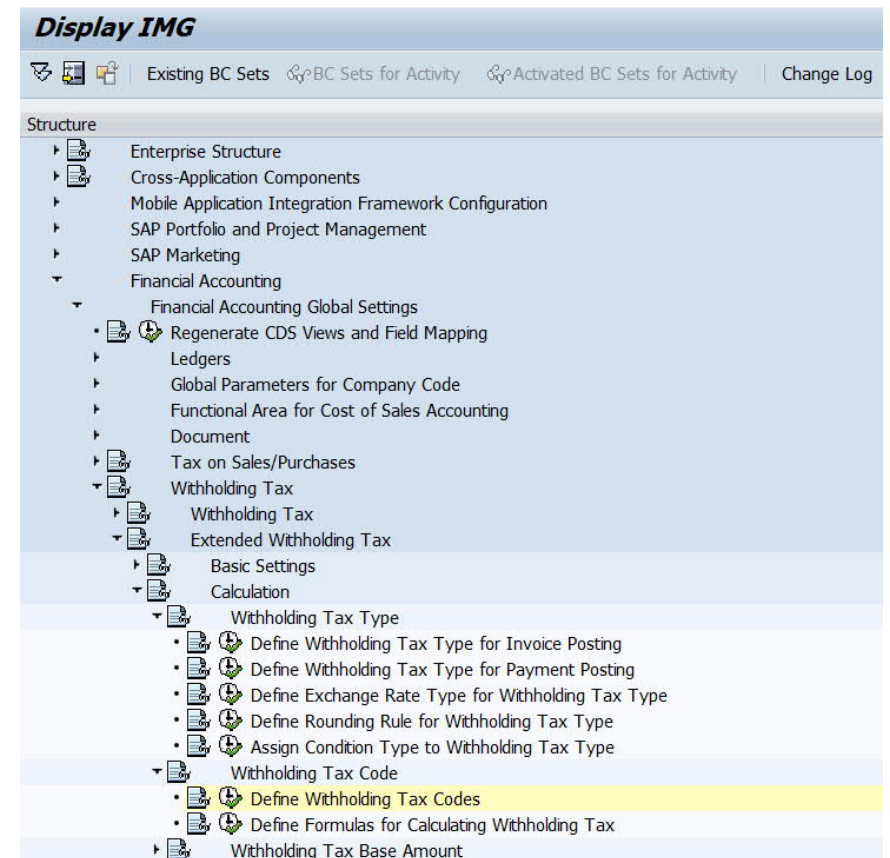
1. Go to IMG path -> Financial Accounting -> Financial Accounting Global Settings -> Withholding Tax -> Extended Withholding Tax -> Calculation -> Withholding Tax Type -> Define Withholding Tax Type for Payment Posting

2. Below are the tax types required for 1099 and 1042S

Country/Reg.	US	CA
WTax Type	Name	
03	1042S state report	
FE	1099 report	
G1	1G G Form	

## Configuration for Tax Code

- Go to IMG path -> Financial Accounting -> Financial Accounting Global Settings -> Withholding Tax -> Extended Withholding Tax -> Calculation->Withholding Tax Codes->Define Withholding Tax Codes -> Select Country/Region Key as US



## Configuration for 1099-MISC Reporting



## Configuration for 1099-MISC

### Define Tax Code

The tax codes must have the following numbering to get correct reporting:

TYPE	CODE	DESCRIPTION	W/T PERCENTAGE
FE	01	Rents	0%
FE	02	Royalties	0%
FE	03	Other Income	0%
FE	05	Fishing boat proceeds	0%
FE	06	Medical and health care payments	0%
FE	08	Substitute payment in lieu of dividends	0%
FE	09	Direct Sales to a buyer for resale	0%
FE	10	Crop insurance proceeds	0%
FE	3b or 13	Excess golden parachute	0%
FE	3c or 14	Gross proceeds to an attorney	0%
FE	7b	Section 409A income	0%
FE	15	Section 409A deferrals	0%

Base amount, percentage to tax : 100 %

Postings, Post. Indic. : 1

Calculation, With/tax rate: Leave blank

**Display View "Withholding tax code": Details**

Country/Reg.  USA

---

**General data**

Withhld tax type  Off. W/Tax Key

W/tax code  Description

---

<b>Base amount</b>	<b>Postings</b>
Percentage subject to tax <input type="text" value="100.00"/> %	Post.indic. <input type="text" value="1"/>

---

<b>Calculation</b>	<b>Reporting information</b>
With/tax rate <input type="text" value="0.0000"/> %	Region <input type="text"/>
With/tax rate (fraction) <input type="text" value="0"/> / <input type="text" value="0"/>	Prov.tax code <input type="text"/>
<input type="checkbox"/> W.tax form.	Income type <input type="text"/>

## Configuration for 1099-MISC

### Define Tax Code

TYPE	CODE	DESCRIPTION	W/T PERCENTAGE
FE	F1	Rents	28%
FE	F2	Royalties	28%
FE	F3	Other Income	28%
FE	F5	Fishing boat proceeds	28%
FE	F6	Medical and health care payments	28%
FE	F8	Substitute payment in lieu of dividends	28%
FE	F9	Direct Sales to a buyer for resale	28%
FE	F0	Crop insurance proceeds	28%
FE	FB	Excess golden parachute	28%
FE	FC	Gross proceeds to an attorney	28%
FE	FD	Section 409A deferrals	28%
FE	FE	Section 409A income	28%

If state tax must be withheld, assign a second type to the company code as follows:

TYPE	CODE	DESCRIPTION	W/T PERCENTAGE
ST	16	State tax withheld	Depending on state



# 1099-MISC Form

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		1 Rents \$ Tax Code: 01 and F1	OMB No. 1545-0115 <b>2020</b> Form 1099-MISC	<b>Miscellaneous Income</b>
		2 Royalties \$ Tax Code: 02 and F2		
		3 Other income \$ Tax Code: 03 and F3		
PAYER'S TIN	RECIPIENT'S TIN	4 Federal income tax withheld \$ F0, F1, F2, F3, F5, F6, F8, F9, FB, FC, FD, FE, 16	<b>Copy B For Recipient</b>	
RECIPIENT'S name Tax Code: F9, 09		5 Fishing boat proceeds \$ Tax Code: 05 and F5	6 Medical and health care payments \$ Tax Code: 06 and F6	This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
Street address (including apt. no.)		7 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/> \$ Tax Code: F9, 09	8 Substitute payments in lieu of dividends or interest \$ Tax Code: 08 and F8	
City or town, state or province, country, and ZIP or foreign postal code		9 Crop insurance proceeds \$ Tax Code: F0, 10	10 Gross proceeds paid to an attorney \$ Tax Code: FC, 3C, 14	
Account number (see instructions)		11	12 Section 409A deferrals \$ Tax Code: FD, 15	
FATCA filing requirement <input type="checkbox"/>	13 Excess golden parachute payments \$ Tax Code: FB, 3B, 13	14 Nonqualified deferred compensation \$ Tax Code: FE, 7B		
15 State tax withheld \$ S0, S1, S2, S3, S5, S6, S8, S9, SB, 16		16 State/Payer's state no.	17 State income \$	

Form **1099-MISC** (keep for your records) [www.irs.gov/Form1099MISC](http://www.irs.gov/Form1099MISC) Department of the Treasury - Internal Revenue Service

# Configuration for 1099-MISC

## Sample Output: Copy B Form

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. Company Code 1710  3475 Deer Creek test address Palo Alto , CA , 94304-1355		1 Rents	OMB No. 1545-0115	<b>Miscellaneous Income</b>  <b>Copy B For Recipient</b>
		\$ 4,056,260.00	<div>2020</div> Form 1099-MISC	
		2 Royalties		
		\$ 20,000.00		
		3 Other income	4 Federal income tax withheld	
		\$ 20,000.00	\$	
PAYER'S TIN	RECIPIENT'S TIN	5 Fishing boat proceeds	6 Medical and health care payments	This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
123456789	456789098	\$ 10,000.00	\$	
RECIPIENT'S name Domestic US Supplier 1  Street address (including apt. no.)  198 S Ohio Ave City or town, state or province, country, and ZIP or foreign postal code Muncie IN 47305-2757		7 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input checked="" type="checkbox"/>	8 Substitute payments in lieu of dividends or interest	
		9 Crop insurance proceeds	10 Gross proceeds paid to an attorney	
		\$ 20,000.00	\$ 10,000.00	
		11	12 Section 409A deferrals	
			\$ 20,000.00	
Account number (see instructions)	FATCA filing requirement	13 Excess golden parachute payments	14 Nonqualified deferred compensation	
0017300001	<input type="checkbox"/>	\$ 20,000.00	\$	
		15 State tax withheld	16 State/Payer's state no.	17 State income
		\$		\$
		\$		\$

Form 1099-MISC

(keep for your records)

[www.irs.gov/Form1099MISC](http://www.irs.gov/Form1099MISC)

Department of the Treasury - Internal Revenue Service



# Configuration for 1099-MISC

Sample Output: Pre-Printed Form

Company Code 1710		4,056,260.00		
3475 Deer Creek				
test address		20,000.00		
Palo Alto , CA , 94304-1355		20,000.00		
123456789	456789098	10,000.00		
Domestic US Supplier 1			×	20,000.00
198 S Ohio Ave		20,000.00		10,000.00
Muncie IN 47305-2757				20,000.00
17300001		X		20,000.00

## Configuration for 1099-MISC

[illegible]

## Configuration for 1099-NEC Reporting



## Configuration for 1099-NEC

### Define Tax Code

The tax codes must have the following numbering to get correct reporting:

TYPE	CODE	DESCRIPTION
FE	F7	Non-Employee Compensation
FE	07	Non-Employee Compensation
FE	N7	Non-Employee Compensation
FE	S7	Non-Employee Compensation

# 1099-NEC Form

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		OMB No. 1545-0116 <b>2020</b> Form 1099-NEC		<b>Nonemployee Compensation</b>  <b>Copy B</b> <b>For Recipient</b>  This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
		<b>1 Nonemployee compensation</b> \$ Tax Codes: F7, N7, 07		
PAYER'S TIN	RECIPIENT'S TIN	2		
RECIPIENT'S name		3		
Street address (including apt. no.)		<b>4 Federal income tax withheld</b> \$ Tax Codes: F7, 07		
City or town, state or province, country, and ZIP or foreign postal code				
FATCA filing requirement <input type="checkbox"/>				
Account number (see instructions)		<b>5 State tax withheld</b> \$ Tax Code: S7	<b>6 State/Payer's state no.</b>	<b>7 State income</b> \$
		\$		\$

Form 1099-NEC (keep for your records) www.irs.gov/Form1099NEC Department of the Treasury - Internal Revenue Service

# Configuration for 1099-NEC

## Sample Output: Copy B Form

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. Company Code 1710  3475 Deer Creek Palo Alto , CA , 94304-1355 test address		OMB No. 1545-0116  <div style="font-size: 2em; font-weight: bold;">2020</div> Form <b>1099-NEC</b>		<b>Nonemployee Compensation</b>  <b>Copy B For Recipient</b>
1 Nonemployee Compensation <b>\$ 20,000.00</b>				
PAYER's TIN  123456789	RECIPIENT'S TIN  4216789765	2		This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
RECIPIENT'S name Domestic US Supplier 3 (with ERS)		3		
Street address (including apt. no.)  18861 Caminito Cantilena		4 Federal income tax withheld <b>\$ 1,530.00</b>		
City or town, state or province, country, and ZIP or foreign postal code San Diego CA 92128-6167				
FATCA filing requirement <input type="checkbox"/>				
Account number (see instructions)  17300003		5 State tax withheld <b>\$</b> <b>\$</b>	6 State/Payer's state no.	7 State income <b>\$</b> <b>\$</b>

Form **1099-NEC**

(keep for your records)

[www.irs.gov/Form1099NEC](http://www.irs.gov/Form1099NEC)

Department of the Treasury - Internal Revenue Service

# Configuration for 1099-NEC

Sample Output: Pre-Printed Form

Company Code 1710		
3475 Deer Creek		
test address		
Palo Alto , 94304-1355		20,000.00
123456789	4216789765	
Domestic US Supplier 3 (with ERS)		
18861 Caminito Cantilena		1,530.00
San Diego CA 92128-6167		
17300003	X	



### Sample Output: Text File

[illegible]

## Configuration for 1099-G Reporting



## Configuration for 1099-G

### Define Tax Code

The tax codes must have the following numbering to get correct reporting:

CODE	DESCRIPTION
1G	Unemployed compensation amount
2G	Total state tax refunds amount
5G	Taxable Grant amount
6G	Taxable Grant amount
7G	Total Agriculture payment amount
8G	Total trade or business amount
5B	ATAA Payment amount

Percentage subject to tax: 100%

Withholding tax rate: 0% (or valid rate for reporting year)

# 1099-G Form

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		1 Unemployment compensation		OMB No. 1545-0120		<b>Certain Government Payments</b>  <b>Copy B For Recipient</b>  This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
		\$ Tax Code: 1G		<b>2020</b>  Form <b>1099-G</b>		
		2 State or local income tax refunds, credits, or offsets				
		\$ Tax Code: 2G or 8G				
PAYER'S TIN	RECIPIENT'S TIN	3 Box 2 amount is for tax year		4 Federal income tax withheld		This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
				\$ 5G, 6G, 5B, 1G, 2G, 7G, 8G		
RECIPIENT'S name		5 RTAA payments		6 Taxable grants		
		\$ Tax Code: 5B		\$ Tax Code: 5G, 6G		
Street address (including apt. no.)		7 Agriculture payments		8 If checked, box 2 is trade or business income <input type="checkbox"/>		
		\$ Tax Code: 7G		Checked if Box 2 has 8G <input checked="" type="checkbox"/>		
City or town, state or province, country, and ZIP or foreign postal code		9 Market gain		11 State income tax withheld		
		\$		\$		
Account number (see instructions)		10a State	10b State identification no.			

Form **1099-G**

(keep for your records)

[www.irs.gov/Form1099G](http://www.irs.gov/Form1099G)

Department of the Treasury - Internal Revenue Service

# Configuration for 1099-G

## Sample Output: Copy B Form

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. STEPHANIE DUNNE -1 STEPHANIE DUNNE2 -1 stephanie.dunne@MillerCoors.com -1 NEW JERSEY -1,30,66778-781 414 9316467-		1 Unemployment compensation \$ 2,500.00 2 State or local income tax refunds, credits, or offsets \$ 3,000.00	OMB No. 1545-0120  <b>2020</b>  Form 1099-G	<b>Certain Government Payments</b>  <b>Copy B For Recipient</b> This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
PAYER'S TIN 12345	RECIPIENT'S TIN 123-00-6789	3 Box 2 amount is for tax year	4 Federal income tax withheld \$	
RECIPIENT'S name US 1099 G Partner Name 2 Street address (including apt. no.) Street 2 23 US Street 1 City or town, state or province, country, and ZIP or foreign postal code New York CO 10012		5 RTAA payments \$ 6,500.00	6 Taxable grants \$ 121,518.00	
		7 Agriculture payments \$ 8,499.00	8 If checked, box 2 is trade or business income <input checked="" type="checkbox"/>	
		9 Market gain \$		
Account number (see instructions) US99_1099G		10a State _____	10b State identification no. _____	11 State income tax withheld \$ \$

Form 1099-G (keep for your records) [www.irs.gov/Form1099G](http://www.irs.gov/Form1099G) Department of the Treasury - Internal Revenue Service

# Configuration for 1099-G

Sample Output: Pre-Printed Form

STEPHANIE DUNNE -1	2,500.00	
STEPHANIE DUNNE2 -1		
stephanie.dunne@MillerCoors.com -1		
NEW JERSEY -1,30,66778-781		
414 9316467-	3,000.00	
12345		
US 1099 G	6,500.00	121,518.00
Partner Name 2		
Street 2	8,499.00	×
23 US Street 1		
New York CO 10012		
US99_1099G		X

## Configuration for 1099-G

Sample Output: Text File

[illegible]



## Configuration for 1099-INT Reporting



## Configuration for 1099-INT

### Define Tax Code

The codes must have the following numbering to get correct reporting:

CODE	DESCRIPTION
1I	Total Interest Amount
1J	Total Interest Amount
2I	Total early withdrawal Amount
3I	Total Int Savings bonds Amount

Withholding tax rate: 0% (or valid rate for reporting year)

# 1099-INT Form

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		Payer's RTN (optional)		OMB No. 1545-0112		<b>Interest Income</b>
		1 Interest income \$ <b>Tax Codes: 1I, 1J</b>		2020 Form 1099-INT		
PAYER'S TIN		RECIPIENT'S TIN		2 Early withdrawal penalty \$ <b>Tax Code: 2I</b>		<b>Copy B For Recipient</b>
				3 Interest on U.S. Savings Bonds and Treas. obligations \$ <b>Tax Code: 3I</b>		
RECIPIENT'S name		4 Federal income tax withheld \$ <b>1I, 1J, 2I, 3I</b>		5 Investment expenses \$		This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
Street address (including apt. no.)		6 Foreign tax paid \$		7 Foreign country or U.S. possession		
City or town, state or province, country, and ZIP or foreign postal code		8 Tax-exempt interest \$		9 Specified private activity bond interest \$		
		10 Market discount \$		11 Bond premium \$		
		12 Bond premium on Treasury obligations \$		13 Bond premium on tax-exempt bond \$		
		14 Tax-exempt and tax credit bond CUSIP no.		15 State		
Account number (see instructions)				16 State identification no.		17 State tax withheld \$
						\$

Form 1099-INT

(keep for your records)

[www.irs.gov/Form1099INT](http://www.irs.gov/Form1099INT)

Department of the Treasury - Internal Revenue Service

# Configuration for 1099-INT

## Sample Output: Copy B Form

CORRECTED (if checked)				Interest Income	
PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.  Company Code 1710  3475 Deer Creek test address Palo Alto , CA , 94304-1355		Payer's RTN (optional)	OMB No. 1545-0112		2020
		1 Interest income	Form 1099-INT		
		\$ 20,000.00	2 Early withdrawal penalty		Copy B  For Recipient
		\$ 10,000.00	3 Interest on U.S. Savings Bonds and Treas. obligations		
PAYER'S TIN	RECIPIENT'S TIN	\$ 30,000.00	4 Federal income tax withheld		This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
123456789	456789098	\$ 10,000.00	5 Investment expenses		
RECIPIENT'S name Domestic US Supplier 1		\$	6 Foreign tax paid		
Street address (including apt. no.)  198 S Ohio Ave City or town, state or province, country, and ZIP or foreign postal code Muncie IN 47305-2757		\$	7 Foreign country or U.S. possession		
		\$	8 Tax-exempt interest		
		\$	9 Specified private activity bond interest		
		\$	10 Market Discount		
		\$	11 Bond Premium		
FATCA filing requirement <input type="checkbox"/>		\$	12 Bond premium on treasury obligations		13 Bond premium on tax-exempt bond
		\$	14 Tax-exempt and tax credit bond CUSIP no.		
Account number (see instructions)  0017300001		15 State	16 State identification no.	17 State tax withheld	
				\$	
				\$	

Form 1099-INT (keep for your records) www.irs.gov/Form1099INT Department of the Treasury - Internal Revenue Service

# Configuration for 1099-INT

## Sample Output: Pre-Printed Form

Company Code 1710		
3475 Deer Creek test address		20,000.00
Palo Alto 94304-1355		
		10,000.00
123456789	456789098	30,000.00
Domestic US Supplier 1		
198 S Ohio Ave		
Muncie IN 47305-2757		
0017300001		X

### Sample Output: Text File

[illegible]

## Configuration for 1099-K Reporting





# Configuration for 1099-K

## Define Tax Code

- 1099K Reporting is based on the period in which documents are posted
- If the document is posted in January the amount will be displayed in January box and so on

☐ CORRECTED (if checked)

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		FILER'S TIN	OMB No. 1545-2205  <b>2020</b>  Form <b>1099-K</b>	<b>Payment Card and Third Party Network Transactions</b>  <b>Copy B For Payee</b>  This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if taxable income results from this transaction and the IRS determines that it has not been reported.
		PAYEE'S TIN		
		1a Gross amount of payment card/third party network transactions \$		
Check to indicate if FILER is a (an): Payment settlement entity (PSE) <input type="checkbox"/> Electronic Payment Facilitator (EPF)/Other third party <input type="checkbox"/>		Check to indicate transactions reported are: Payment card <input type="checkbox"/> Third party network <input type="checkbox"/>	1b Card Not Present transactions \$ 3 Number of payment transactions 2 Merchant category code 4 Federal income tax withheld \$	
PAYEE'S name		5a January \$ <b>Period 01</b>	5b February \$ <b>Period 02</b>	
Street address (including apt. no.)		5c March \$ <b>Period 03</b>	5d April \$ <b>Period 04</b>	
		5e May \$ <b>Period 05</b>	5f June \$ <b>Period 06</b>	
City or town, state or province, country, and ZIP or foreign postal code		5g July \$ <b>Period 07</b>	5h August \$ <b>Period 08</b>	
		5i September \$ <b>Period 09</b>	5j October \$ <b>Period 10</b>	
PSE'S name and telephone number		5k November \$ <b>Period 11</b>	5l December \$ <b>Period 12</b>	
Account number (see instructions)		6 State	7 State identification no.	8 State income tax withheld \$
				\$

Form **1099-K** (Keep for your records) [www.irs.gov/Form1099K](http://www.irs.gov/Form1099K) Department of the Treasury - Internal Revenue Service

# Configuration for 1099-K

## Sample Output: Copy B Form

☐ CORRECTED (if checked)

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. STEPHANIE DUNNE -1 STEPHANIE DUNNE2 -1 stephanie.dunne@MillerCoors.com -1 NEW JERSEY -1,30,66778-781 414 9316467-		FILER'S TIN 999999999	OMB No. 1545-2205	<b>2020</b> <b>Form 1099-K</b>	<b>Payment Card and Third Party Network Transactions</b>
		PAYEE'S TIN 3465Y65667			
1a Gross amount of payment card/third party network transactions \$98,000.00		1b Card Not Present transactions \$	2 Merchant category code	<b>Copy B For Payee</b>  This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if taxable income results from this transaction and the IRS determines that it has not been reported.	
Check to indicate if FILER is a (an): Payment settlement entity (PSE) <input checked="" type="checkbox"/> Electronic Payment Facilitator (EPF)/Other third party <input checked="" type="checkbox"/>		Check to indicate transactions reported are: Payment card <input checked="" type="checkbox"/> Third party network <input checked="" type="checkbox"/>	3 Number of payment transactions		
PAYEE'S name US 1099 K Partner Name 2 Street address (including apt. no.) Street 2 23 US Street 1  City or town, state or province, country, and ZIP or foreign postal code New York CO 10012		5a January \$ 1,000.00	5b February \$ 2,000.00		
		5c March \$ 1,000.00	5d April \$ 4,000.00		
		5e May \$ 1,000.00	5f June \$ 6,000.00		
		5g July \$ 35,000.00	5h August \$ 33,000.00		
PSE'S name and telephone number TEST PES 998056789		5i September \$ 1,000.00	5j October \$ 1,000.00		
		5k November \$ 1,000.00	5l December \$ 12,000.00		
Account number (see instructions) US99_1099K		6 State	7 State identification no.	8 State income tax withheld \$	
				\$	

Form **1099-K**

(Keep for your records)

[www.irs.gov/Form1099K](http://www.irs.gov/Form1099K)

Department of the Treasury - Internal Revenue Service

# Configuration for 1099-K

## Sample Output: Pre-Printed Form

STEPHANIE DUNNE -1	9999999999		
STEPHANIE DUNNE2 -1	3465Y65667		
stephanie.dunne@MillerCoors.com -1			
NEW JERSEY -1, 30 66778-781	51,000.00		
414 9316467-			
	X	X	
	X	X	
US 1099 K	1,000.00	2,000.00	
Partner Name 2	1,000.00	4,000.00	
Street 2	1,000.00	6,000.00	
23 US Street 1	10,000.00	11,000.00	
New York CO 10012	1,000.00	1,000.00	
TEST PES	1,000.00	12,000.00	
998056789			
US99_1099K			✓

### Sample Output: Text File

65 © 2020 ASUG Confidential

## Configuration for 1042-S Reporting

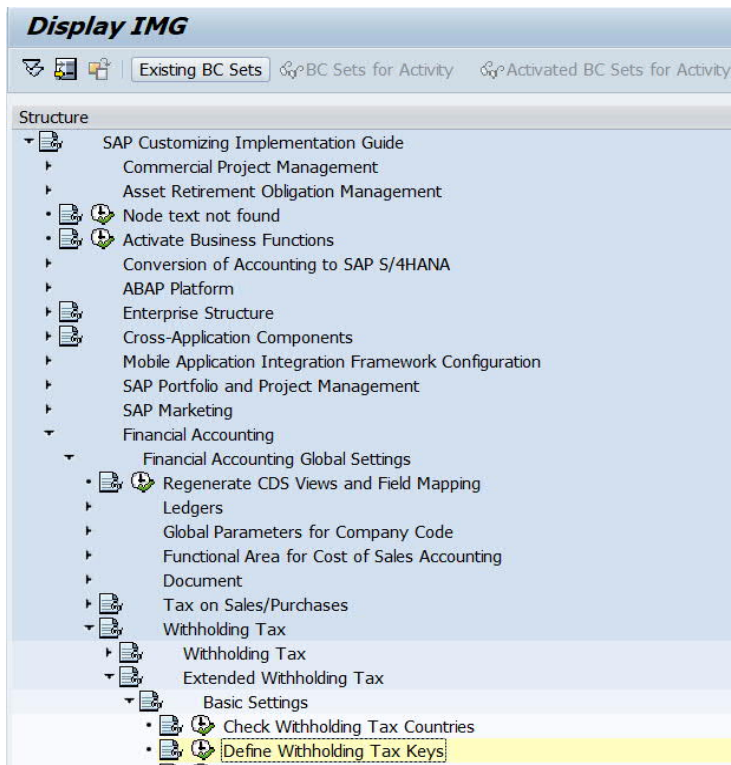




# Configuration for 1042-S

## Official Withholding Tax Keys

- Go to IMG path-> Financial Accounting -> Financial Accounting Global Settings -> Withholding Tax -> Extended Withholding Tax -> Basic Settings>Define Withholding Tax Keys



The screenshot shows the 'Display View "Official withholding tax key - Descriptions": Overview' window. It displays a table with the following columns: 'Off. Key', 'Name', and 'NatTa...'. The table lists 26 entries, including interest, dividends, capital gains, and royalties.

Off. Key	Name	NatTa...
01	II: Interest pd by U.S. obligors - genl	
02	II: Interest paid on real prop.mortgages	
03	II: Int. pd to controlling foreign corp.	
04	II: Interest paid by foreign corp.	
05	II: Interest on tax-free covenant bonds	
06	DI: Dividends pd by US corp.	
07	DI: Div. qual. for direct dividend rate	
08	DI: Dividends pd by foreign corp	
09	OI: Capital gains	
10	OI: Industrial royalties	
11	OI: Motion pic or TV copyright royalties	
12	OI: Other royalties	
13	OI: Royalties pd on public securities	
14	OI: Real prop income and nat.resour. roy	
15	OI: Pensions, annuities, almon, ins. prem	
16	OI: Scholarship or fellowship grants	
17	OI: Comp. for indep. personal services	
18	OI: Comp. for depend. personal services	
19	OI: Compensation for teaching	
20	OI: Comp.during studying/training	
22	II: Int. pd on deposit foreign branch	
23	OI: Gross income - Other	
24	OI: REIT distribution of capital gains	
25	OI: Trust dist. subj. to IRC sec. 1445	
26	OI: Unsevered crops and timber(IRC 1445)	

# Configuration for 1042-S

## Tax Type and Tax code Configuration

- Assign the official withholding tax in the tax code
- Income code is mapped to official withholding tax key

**Display View "Withholding tax code": Details**

Country/Reg.

**General data**

Withhld tax type   
W/Tax Code  Off. W/Tax Key   
Description

**Base amount**

Percentage subject to tax  %

**Postings**

Post.indic.

**Calculation**

WTax Rate  %  
With/tax rate (fraction)  /   
☐ WTax Formula

**Reporting information**

Region   
Prov.tax code   
Income Type

Form **1042-S** Foreign Person's U.S. Source Income Subject to Withholding **2020** OMB No. 1545-0096  
Department of the Treasury Internal Revenue Service  
Go to [www.irs.gov/Form1042S](http://www.irs.gov/Form1042S) for instructions and the latest information.

UNIQUE FORM IDENTIFIER  AMENDED ☐ AMENDMENT NO.

**1 Income code**  **2 Gross income**

**3 Chapter indicator.** Enter "3" or "4"   
**3a Exemption code**  **4a Exemption code**   
**3b Tax rate**  **4b Tax rate**

**5 Withholding allowance**   
**6 Net income**

**7a Federal tax withheld**   
**7b Check if federal tax withheld was not deposited with the IRS because escrow procedures were applied (see instructions)** ☐  
**7c Check if withholding occurred in subsequent year with respect to a partnership interest** ☐

**8 Tax withheld by other agents**   
**9 Overwithheld tax repaid to recipient pursuant to adjustment procedures (see instructions)**   
**10 Total withholding credit (combine boxes 7a, 8, and 9)**   
**11 Tax paid by withholding agent (amounts not withheld) (see instructions)**

**12a Withholding agent's EIN**  **12b Ch. 3 status code**  **12c Ch. 4 status code**

**13e Recipient's U.S. TIN, if any**  **13f Ch. 3 status code**   
**13g Ch. 4 status code**   
**13h Recipient's GIIN**  **13i Recipient's foreign tax identification number, if any**  **13j LOB code**

**13k Recipient's account number**

**13l Recipient's date of birth (YYYYMMDD)**

**14a Primary Withholding Agent's Name (if applicable)**   
**14b Primary Withholding Agent's EIN**   
**15 Check if pro-rata basis reporting** ☐  
**15a Intermediary or flow-through entity's EIN, if any**  **15b Ch. 3 status code**  **15c Ch. 4 status code**   
**15d Intermediary or flow-through entity's name**   
**15e Intermediary or flow-through entity's GIIN**



## Configuration for 1042-S

### Define Withholding Tax Keys

- Go to IMG path-> Financial Accounting -> Financial Accounting Global Settings -> Withholding Tax -> Extended Withholding Tax -> Calculation-> Argentina-> Define Withholding Tax Keys
- Maintain Withholding Tax Keys for Chapter 3 Reporting

Country

Define Withholding Tax Keys for Argentina

Withholding Tax Key	Description	Acc Period	Acc Type	Threshold Amount	Curr. Key	Unit Price Amount
CHP3	Chapter 3	0		0.00		0.00

# Configuration for 1042-S

## Sample Output: Copy B Form

Form <b>1042-S</b>		Foreign Person's U.S. Source Income Subject to Withholding		2020		OMB No. 1545-0096	
Department of the Treasury Internal Revenue Service		* Go to <a href="http://www.irs.gov/Form1042S">www.irs.gov/Form1042S</a> for instructions and the latest information.		UNIQUE FORM IDENTIFIER <input checked="" type="checkbox"/> AMENDED <input type="checkbox"/> AMENDMENT NO.		Copy B for Recipient	
1 Income code	2 Gross income	3 Chapter Indicator. Enter "3" or "4"		13e Recipient's U.S. TIN, if any		13f Ch. 3 status code	
20	15000.00	3a Exemption code	4a Exemption code	13h Recipient's GIN		13i Recipient's foreign tax identification number, if any	
		3b Tax rate	4b Tax rate	1287111111111110		AB	
5 Withholding allowance				13k Recipient's account number		17300050	
6 Net income				13l Recipient's date of birth (YYYYMMDD)			
7a Federal tax withheld		1500.00		14a Primary Withholding Agent's Name (if applicable)			
7b Check if federal tax withheld was not deposited with the IRS because escrow procedures were applied (see instructions)		<input checked="" type="checkbox"/>		14b Primary Withholding Agent's EIN		15 Check if pro-rata basis reporting <input type="checkbox"/>	
7c Check if withholding occurred in subsequent year with respect to a partnership interest		<input type="checkbox"/>		15a Intermediary or flow-through entity's EIN, if any		15b Ch. 3 status code	
8 Tax withheld by other agents				0		X	
9 Overwithheld tax repaid to recipient pursuant to adjustment procedures (see instructions)		( )		15d Intermediary or flow-through entity's name			
10 Total withholding credit (combine boxes 7a, 8, and 9)		1500.00		15e Intermediary or flow-through entity's GIN			
11 Tax paid by withholding agent (amounts not withheld) (see instructions)				15f Country code		15g Foreign tax identification number, if any	
12a Withholding agent's EIN		12b Ch. 3 status code		12c Ch. 4 status code		0000006666666666	
12d Withholding agent's name		X		12e Withholding agent's Global Intermediary Identification Number (GIN)		15h Address (number and street)	
Company Code 1710				US12345671111111		15i City or town, state or province, country, ZIP or foreign postal code	
12f Country code		12g Foreign taxpayer identification number, if any		16a Payer's name		16b Payer's TIN	
CA		1287111111111110		Company Code 1710		123456789	
12h Address (number and street)		3475 Deer Creek		16c Payer's GIN		16d Ch. 3 status code	
12i City or town, state or province, country, ZIP or foreign postal code		Palo Alto CA 943041355		987654321987654		16e Ch. 4 status code	
13a Recipient's name		13b Recipient's country code		17a State income tax withheld		17b Payer's state tax no.	
Foreign Supplier US 50 (CA)		US				17c Name of state	
13c Address (number and street)		3999 North Street					
13d City or town, state or province, country, ZIP or foreign postal code		Toronto AN US					

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Cat. No. 11386R Form 1042-S (2018)

# Configuration for 1042-S

## Sample Output: Pre-Printed Form

			3	✓	1	
20	15000	10 . 00				
					1287111111111110	AB
			1500			
			✓		0017300050	
			1500			
					X	
		X				
Company Code 1710					666666666	
		US1234567111111				
CA			1287111111111110			
3475 Deer Creek				Company Code 1710		123456789
Palo Alto CA 943041355						
				987654321987654		
Foreign Supplier US 50 (CA)						
			US			
3999 North Street						
Toronto AN US						



## Configuration for 1042-S

Sample Output: Text File

T2020953199135	Company Code 1710	228 W. Wintergreen St.	Palo Alto	CA94	NOREPLY
W000006543210	Company Code 1710 - Address Name 1	Agent Name 2	Agent Name 3		Deer Creek
Q0020000001500000	100000	000000	0017300050	Foreign Supplier US 50 (CA)	
C00000001	000000001500000000000000150000				
F001					

# Setting Up Business Partner

## Business Partner Details - Address

Business Partner	US_1099M	 vendor us vendor for US / Hooper CO 81136
Display in BP role	FI Vendor	

Address	Address Overview	Identification	Control	Payment Transactions	Status	Where-Used List	Employment Data	Vendor: General Data	Vendor: Tax Data
---------	------------------	----------------	---------	----------------------	--------	-----------------	-----------------	----------------------	------------------

Name	
Title	Ms.
First Name	vendor us
Last Name	vendor for US
Correspondence Lang.	EN English

Search Terms	
Search Term 1/2	US VENDOR

Special Customer	
VIP	<input type="checkbox"/>
Unwanted Customer	<input type="checkbox"/>
Reason Undes.	<input type="checkbox"/>
Comment	

Standard Address
------------------

# Setting Up Business Partner

## Business Partner Details - Address

Business Partner   vendor us vendor for US / Hooper CO 80201  
Display in BP role  

Address	Address Overview	Identification	Control	Payment Transactions	Status	Where-Used List	Employment Data	Vendor: General Data	Vendor: Tax Data
---------	------------------	----------------	---------	----------------------	--------	-----------------	-----------------	----------------------	------------------



  

☐ VIP

☐ Unwanted Customer

Standard Address

  Print Preview

Street Address

Street/House Number	1290 avenue van horne suite 310		1234
Postal Code/City	81136	Hooper	
Country	US	USA	Region CO Colorado
Time Zone	CST		

PO Box Address

PO Box	283 8562
Postal Code	80201

# Setting Up Business Partner

## Business Partner Details - Control

Business Partner: US\_1099M vendor us vendor for US / Hooper CO 81136  
 Display in BP role: FI Vendor

Address Address Overview **Identification** Control Payment Transactions Status When

**Personal Data**

Gender: ☐ Unknown ☒ Female ☐ Male  
 Marital Status:   
 Nationality:

**Identification Numbers**

External BP Number:

**Tax Numbers**

☒ Natural Person

Category	Name	Tax Number
US1	USA: Social Security Number	346727728

**Restrictions**

Category	Name
RO0	Romania: VAT Registration Number
RO1	Romania: Tax Number
RO3	Romania: Personal Identification Number
RO5	Romania: Tax Number mapped to STCD5
RU1	Russia: INN
RU3	Russia: KPP Number
RU4	Russia: OFK Number
SE0	Sweden: VAT Registration Number
SE2	Sweden: Organization Registration Number
SK0	Slovakia: VAT Registration Number
SK1	Slovakia: DIC Number
SK2	Slovakia: ICO Number
TH1	Thailand: Personal ID
TH3	Thailand: Tax ID
TR1	Turkey: Tax Office
TR2	Turkey: Tax number
UA1	Ukraine: INN
UA3	Ukraine: NDS Number
UA4	Branch Number
US1	USA: Social Security Number
US2	USA: Employer ID Number
US3	STCD3
US4	USA: Unique Form Identifier
US5	USA: GIIN Number


- US1 – Social Security Number
- US2 – Employee Identification Number
- US3 – STCD3
- US4 – Unique Form Identifier Number
- US5 – Global Intermediary Identification Number

# Setting Up Business Partner

## Withholding Tax Type and Tax Code

Business Partner   vendor us vendor for US / Hooper CO 80201  
Display in BP role   




### Company Code

Company Code   Central Finance US  
Customer   
Supplier

 Company Codes  
 Switch Company Code  
 Delete Company Code

Supplier: Account Management   Vendor: Payment Transactions   Vendor: Correspondence   No Title   **Vendor: Withholding Tax**


### Withholding Tax Types


WTax Type	WTax Code	Subject	WhTaxC	W/tax ID	Exemption Number	Exem.%	Exmpt.Resn	Exempt Fr.	
FE	01	<input checked="" type="checkbox"/>							
		<input type="checkbox"/>							
		<input type="checkbox"/>							
		<input type="checkbox"/>							
		<input type="checkbox"/>							
		<input type="checkbox"/>							
		<input type="checkbox"/>							
		<input type="checkbox"/>							
		<input type="checkbox"/>							
		<input type="checkbox"/>							



# Setting Up Business Partner


## Country Specific Enhancement

Business Partner   TRIMAX World (US) / EAGAR AZ 85925


Display in BP role  

---

Company Code

Company Code  Company Code 1710  Company Codes

Customer

Supplier   Switch Company Code

---

Vendor: Account Management   Vendor: Payment Transactions   Vendor: Correspondence   Vendor: Status   Vendor: Withholding Tax   Vendor: Texts   Vendor: Country-Spec. Enh.

---

US FATCA Financial Reporting Data

1042S Reporting

Recipient's Ctry/Reg. Code

Recipient's GIIN

Recipient's Foreign Tax ID

LOB Treaty Category Code

W8 Form Received Date

W9 Form Received Date

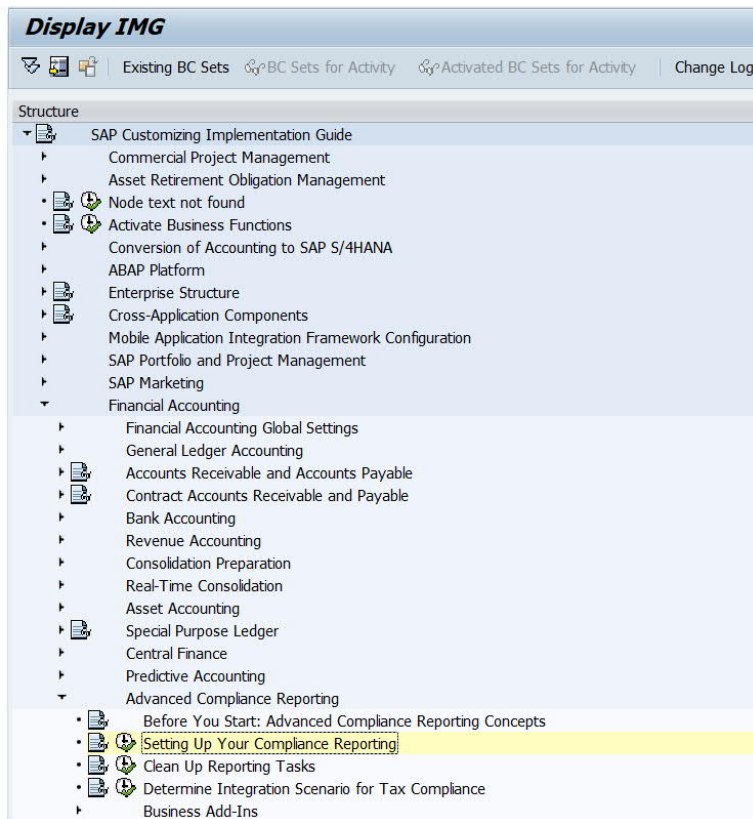
☐ Partnership Interest Indicator

1099 Reporting

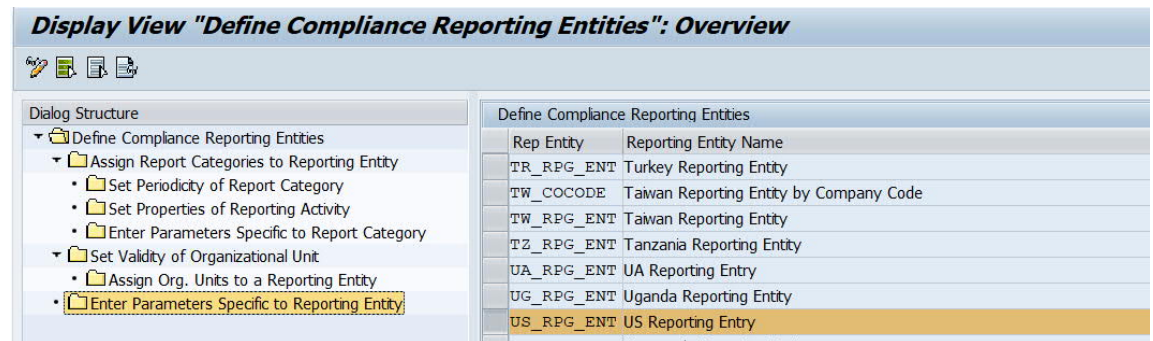
☐ Second TIN Notice

☐ FATCA Indicator

# Reporting Entity Parameters



1. Go to IMG path -> Financial Accounting -> Advanced Compliance Reporting -> Setting Up Your Compliance Reporting
2. Select Reporting Entity US\_RPG\_ENT and Enter Parameters Specific to Reporting Entity



# Reporting Entity Parameters

Parameter Name	Sample Value	Descriptions
US_COMPANY_TIN_NUMBER	953199135	Company's tax payer identification number (TIN).
US_COMPANY_WHT_EDT_REF_NUMBER	222314568	Electronic data interchange (EDI) reference number.
US_COMPANY_WHT_TAX_REF_NUMBER	953199135	Company's tax reference number.
US_COMP_CITY	Palo Alto	Company city.
US_COMP_NAME1		Company name 1.
US_COMP_NAME2		Company name 2.
US_COMP_STATE	CA	Company state.
US_COMP_STREET	3475 Deer Creek	Company street.
US_CONTACT_EMAIL	noreply@sap.com	Contact person's email address.
US_CONTACT_PERS	NOREPLY	Contact person's name.
US_CONTACT_TELNO		Contact person's phone number.
US_FILE_COMBINE		If we set it to X it generates K record.
US_FILLER_EPF		Fill EPF is set to X -> Electronic payment facilitator
US_FILLER_PSE	X	Fill PSE is set to X -> Payment Settlement Entity
US_FILLER_TPP	X	Fill TPP is set to X -> Third Party payment network
US_MIN_AMT	1500	Minimum threshold amount.
US_MIN_COMBINE	X	Check minimum threshold.
US_MIN_DIRECT		Minimum direct amount.
US_MIN_TRANS	3	
US_PAYER_ADDRESS	test address	Tax payer's address.
US_PAYER_AGENT	P/A(Payer/Agent)	Agent's name.
US_PAYER_CITY	Palo Alto	Tax payer's city.
US_PAYER_CTRL	COMP	Tax payer.
US_PAYER_CTRY	USA	Tax payer's country.

US_PAYER_GIIN	987654321987654	Tax payer's Global Intermediary Identification Number (GIIN) details.
US_PAYER_NAME1	Company Code 1710	Tax payer's name 1.
US_PAYER_NAME2		Tax payer's name 2.
US_PAYER_POSTAL_CODE	94304-1355	Tax payer's postal code.
US_PAYER_REGION	CA	Tax payer's region.
US_PAYER_STREET	3475 Deer Creek	Tax payer's street address.
US_PAYER_TELNO		Tax payer's telephone number.
US_PAYER_TIN	12345678901	Tax payer's TIN detail.
US_PSE_NAME	test PSE Name	Payment Settlement Entity (PSE) name.
US_PSE_PHONE	8589998888	PSE's phone number.
US_TAX_REF_VAL	777777777	Tax reference value.
US_TRANS_AGENT	1	Withholding tax agent Int EIN.
US_TRANS_CITY	Palo Alto	Withholding tax agent's city.
US_TRANS_NAME1	Company Code 1710	Withholding tax agent's name 1.
US_TRANS_NAME2		Withholding tax agent's name 2.
US_TRANS_PAYMT		
US_TRANS_POSTAL_CODE	94304-1355	Company's postal code.
US_TRANS_REGION	CA	Company's region.
US_TRANS_STRAS	228 W. Wintergreen St.	Company's city.
US_TRANS_TCC	44444	Transmitter control code.
US_TRANS_TIN	123456789	Transmitter TIN.
US_TRANS_TPN		Transmitter's Third Party Network (TPN).
US_WHT_AGENT_CONTACT		Withholding tax agent's contact details.
US_WHT_AGENT_DEPARTMENT		Withholding tax agent's department.

## Parameters Specific to Report Category

### 1099-MISC

Parameter Name	Sample Value	Description
US_MIN_DIRECT	10	Minimum threshold amount.
US_MIN_DIVID	10	Minimum threshold amount for dividends.
US_MIN_FED	10	Minimum threshold amount for federal.
US_MIN_RENT	600	Minimum threshold amount for rent.
US_MIN_ROYAL	10	Minimum threshold amount for royalties.

### 1099-G

Parameter Name	Sample Value	Description
US_MIN_REFUND	10	Minimum threshold amount for tax refunds.
US_MIN_RTAA	10	Minimum threshold amount for Reciprocal Trade Agreements Act (RTAA) payments.
US_MIN_UNEMPLOYMENT	10	Minimum threshold amount for unemployment compensation.

## Parameters Specific to Report Category

### 1099-INT

Parameter Name	Sample Value	Description
US_MIN_INT_GEN	10	Minimum threshold for interest income.

### 1042-S

Parameter Name	Sample Value	Description
US_1042_INT_CC		
US_1042_INT_CH3	X	Intermediary entity Chapter - 3 status code.
US_1042_INT_EIIN		Intermediary entity's employer identification numner (EIN).
US_1042_INT_GIIN	US1234567111111	Intermediary entity's global intermediary identification number (GIIN).
US_1042_INT_NAME		Intermediary entity's name.
US_1042_INT_TAXID	666666666	Foreign tax identification number.
US_CHP3	X	Chapter - 3 indicator.
US_INT_ADDRESS		Intermediary entity's address.
US_INT_COUNTRY_POST		Intermediary entity's postal address.
US_TAX_REF_VAL		Withholding tax agent's EIN.

# DEMO



# Questions?

For questions after this session, contact us at:



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