Pro1099 User Guide

SoftPro Select 4.0 | Friday, August 21, 2015

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SoftPro Select Overview

SoftPro Select is the most complete office solution for the real estate and title industries. See what you can do with SoftPro Select and inquire today about switching to Select from SoftPro Standard/Enterprise Editions. The SoftPro Select family of products offer solutions at each level of your needs:

ProForm

ProForm is the leader in title insurance order and closing automation. Enter order data to produce professional closing and title insurance forms. Manage order tasks and run reports to track your business. Customize screens for your workflow.

ProTrust

ProTrust is the choice for trust account management and reconciliation. Works seamlessly with your ProForm data. Print daily and monthly reports according to your criteria.

Pro1099

With Pro1099, your 1099-S filing is now automated. Pro1099 will produce your yearly IRS 1099-S submission file using the data you enter once in ProForm.

SPImage

SPImage enables you to scan documents and associate them with your ProForm orders — making it easy to view images, archive complete files and retrieve when needed.

SPAdmin

SPAdmin is the security module of SoftPro .NET. With it, you manage SoftPro users and their permissions, adjust global program preferences, and create Lookup tables.

Resources

Online

- SoftPro Select on the Internet: www.softprocorp.com
- mySoftPro login: www.softprocorp.com/mySoftPro/mySoftProLogin.asp
- Register with mySoftPro to access the support knowledge base, document downloads, and more.

Support

- SoftPro Solution Center
- **(800) 848-0143**
- Monday to Friday from 8:00 A.M. to 5:30 P.M. EST
- Platinum-level support hours: Monday to Friday from 8:00 A.M. to 10:00 P.M. EST, Saturday 11:00 A.M. to 2:00 P.M. EST

Sales

- Call your SoftPro representative to register for platinum support service or inquire about products
- SoftPro Select Sales
- **(800) 848-0143**
- Monday to Friday from 8:30 A.M. to 5:30 P.M. EST
- sales@softprocorp.com

About Pro1099

Pro1099 automates the preparation of 1099-S forms for submission to the IRS and eliminates the need for pre-printed carbon 1099-S forms. Pro1099 stores 1099-S data throughout the year. Users can enter the 1099-S data directly into the program or, if you have ProForm, it automatically exports orders into Pro1099.

Pro1099 generates a substitute 1099-S form to give to the seller and keeps track of whether you have furnished the 1099-S information to the seller.

To prevent the possibility of the submission being returned for incomplete or inaccurate data, Pro1099 includes an exceptions report. This report, which is run before submitting data to the IRS, lists any problematic records so that users can correct any errors or oversights.

Major Features

- Manages unlimited number of 1099-S records
- Produces IRS Tax file for submitting 1099-S data to the IRS via the FIRE Website
- Eliminates the need for carbon 1099-S forms
- Generates substitute 1099-S forms to give to sellers
- Produces exception reports for erroneous and missing information
- Integrates with ProForm for one-time data entry

About The IRS FIRE System

The FIRE System is a website (http://fire.irs.gov) maintained by the Internal Revenue Service (IRS) that you can use to electronically file your IRSTAX file directly with the IRS.

IRS resources

The IRS maintains documentation for their FIRE system. SoftPro advises that you reference their procedures directly for the most accurate information. Although the SoftPro Solution Center is ready to assist you with questions regarding any aspect of using Pro1099, including creating your IRSTAX files, you need to address your technical questions about using the FIRE System to the Internal Revenue Service, Enterprise Computing Center - Martinsburg (IRS/ECC-MTB). IRS technical assistance is available Mon – Fri, 8:30 A.M. - 4:30 P.M. EST, (866) 455-7438. You may request publications related to the 1099-

S filing by calling the IRS at (800) TAX-FORM or (800) 829-3676. Additionally, you may visit the IRS forms and publications page to download various documents.

Publication 3609

This publication, periodically updated and hosted on the IRS website, provides a walk-through of the following processes in detail:

- Submitting test files
- Submitting extension of time requests (described in detail here)
- File status e-mail notifications
- First time connections to the FIRE system
- Subsequent connections to the FIRE system
- Uploading files to the FIRE system, including original, replacement, and correction files
- Checking file status

Publication 1220

This document, found on the IRS website here, outlines the specifications for electronically filing a variety of forms. Some of the most important sections of this document are:

1. What's New for Tax Year 2014 & Communicating With The IRS - Page 10, Sec. 3 & 4
2. Additional Resources - Page 12, Sec. 5. Form 4419 is referenced here. You'll have to complete this form to use the FIRE system.
3. Filing Requirements, Retention Requirements, Due Dates and Extensions - Page 13, Sec. 6
4. Corrected Returns - Page 15, Sec.10
5. Application for Filing Information Returns Electronically & User ID, Password and PIN Requirements - Page 27, Sec.1 & 2
6. Connecting To FIRE - Page 28, Sec.3
7. Electronic Specifications - Page 30, Sec.4
8. Electronic Submissions - Page 30, Sec.5
9. Test Files & Common Problems - Page 31, Sec.6 & 7
10. Common Formatting Errors - Page 33, Sec.8
11. Name Control Examples - Page 123, Part E. Exhibits

Other Contacts

Information Reporting Program Customer Service Center

- Phone: Toll-free within the US: (866) 455-7438 - Outside the US: (304) 263-8700
- Email: mccirp@irs.gov
- TDD (Telecommunication Device for the Deaf): (304) 267-3367
- Fax: Toll-free within the US: (877) 477-0572 - Outside the US: (304) 264-5602

Preparing to use the FIRE system

Getting a Transmitter Control Code (TCC)

Before you submit your IRSTAX file to the FIRE System, you must associate it with a Transmitter Control Code. If you have not acquired a TCC from the IRS yet, you need to submit **Form 4419, Application For Filing Information Returns Electronically (FIRE)** to IRS/ECC-MTB no later than 45 days before the due date of your information returns.

- The 4419 form is accessible from the IRS FIRE Requirements webpage or through mySoftPro.

After the IRS receives your application, the IRS/ECC-MTB will issue a TCC. The TCC is required on all files and correspondence. After you receive your TCC from the IRS, you need to type it in Pro1099.

Adding the TCC to Pro1099

For information about adding the TCC to Pro1099, see Application Configuration below.

File Compression And Browser Settings

The time required to transmit a file can be reduced up to 95 percent by using compression:

- When sending electronic files larger than 10,000 records, data compression is encouraged.
- WinZip and PKZIP are the only acceptable compression packages. The IRS cannot accept self-extracting zip files compressed files containing multiple files.

Additionally, your web browser must:

- Have pop-up blocking software disabled before attempting to transmit files.
- Be capable of file uploads
- Support SSL 128-bit encryption.
- Enabled to receive cookies, which are used to preserve your User ID status.

Note to existing IRS FIRE system users

If you have already configured your computer to connect to the IRS FIRE system, and submitted using the FIRE system last year, see the Subsequent Connections to the FIRE System section of the IRS P3609 document to get started quickly.

Submission Deadlines

- **February 17, 2015 (Tuesday)**: The Recipient copy of the Substitute 1099-S must be provided to the seller by this date, as February 15th, 2015 falls on a Sunday and President's day is Monday, February 16.
- **February 20, 2015**: Submit test files to https://www.fire.test.irs.gov/ on or before this date. The FIRE system will be available from November 3, 2014—February 20, 2015.
- **March 31, 2015 (Tuesday)**: The date by which files must be electronically submitted to the IRS.

- **Extensions**: File as soon as you know an extension is necessary; Form 8809 must be filed by the due date of the returns.

Fines and penalties

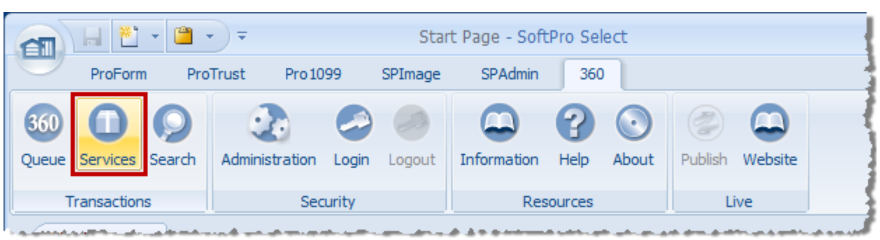
Per Public Law 111-240 (signed into law September 23, 2010), penalties have **doubled** effective January 1, 2011 and will affect customers who are late with their submissions. The amount of the penalty is based on when you file your information return. The penalty could be:

- **$30** per information return if you correctly file within 30 days of the due date of the return
- **$60** per information return if you correctly file more than 30 days after the due date but by August 1st, 2015
- **$100** per information return if you correctly file after August 1st, 2015, or you do not file required information returns

Please review Public Law 111-240 for additional information on assessed penalties.

Verify Pro1099 version (2014 tax year)

Every year, the IRS updates documentation, which requires a 1099 software update to Pro1099. For the submission process, it is necessary to ensure you have the correct version of Pro1099.
The update is available for download via SoftPro 360. Just go to the **Services menu** under the **SoftPro 360 Products menu**, select **Pro1099 Updater** from the **Utilities service**, and follow the installation instructions as provided in the wizard.

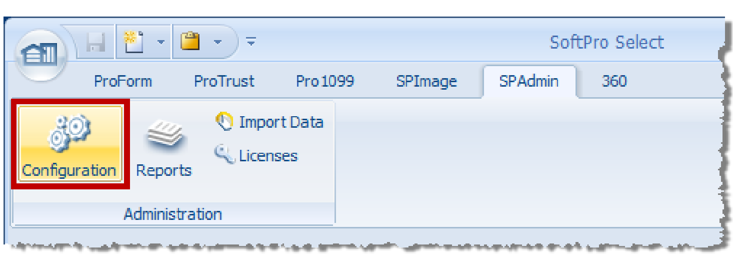


- **If you're unsure** of how to install SoftPro 360, call the SoftPro Solution Center at (800) 848-0143.

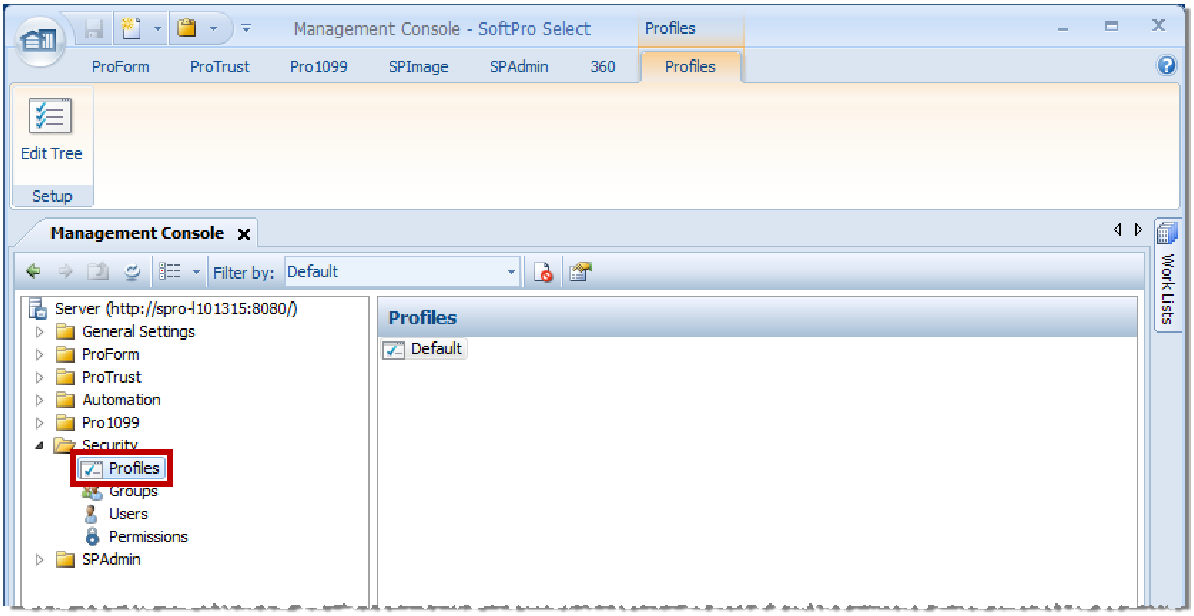
Step 1: Application configuration

Once you have obtained your TCC Code (see Preparing to Use The FIRE System), you can enter it into Pro1099 by following these steps:

1. Click on the **SPAdmin** tab in the ribbon, and then click the **Configuration** button:



2. Under the **Security** folder in the left pane, click **Profiles**, double-click the **Profile** in the right pane that will be used to prepare the 1099 submission, and then select the **1099 Tab** on the dialog that appears.



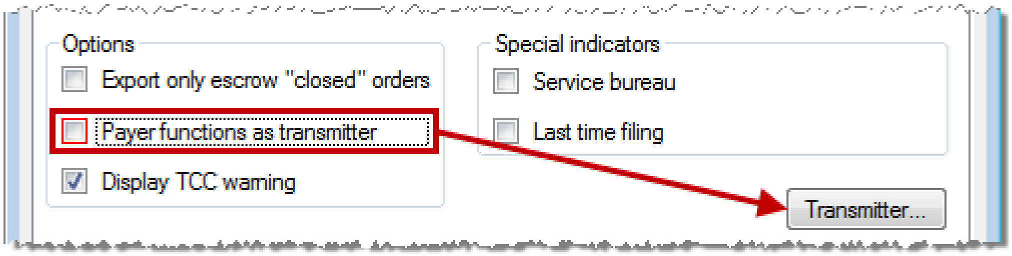
3. Confirm and/or enter your Transmitter/Payer data (detailed below). The **Transmitter** button won't be active unless your filing situation requires you to uncheck the **Payer functions as transmitter** checkbox. This checkbox is found under the **Options** area in the lower left.
4. Click **OK**.

Payer information

- **Payer Name**: Enter the name of the payer whose TIN appears in positions 12-20 of the "A" Record. Extraneous information must be deleted. Filers shouldn't enter a transfer agent's name in this field. Any transfer agent's name should appear in the Second Payer Name Line Field.
- **Name Control**: The Payer Name Control can be obtained only from the mail label on the Package 1099 that is mailed to most payers in December. Package 1099 contains Form 7018-C, Order Blank for Forms, and the mail label on the package contains a four-character name control.
    - If a Package 1099 has not been received, you can determine your name control using the following simple rules. For a business, use the first four significant characters of the business name. Disregard the word "the" when it is the first word of the name, unless there are only two words in the name. A dash (-) and an ampersand (&) are the only acceptable characters. Names of less than four characters should be left-justified, filling the unused position with blanks.
- **TCC**: The TCC (Transmitter Control Code) is required by the IRS before a file can be submitted electronically via the IRS FIRE System. Pro1099 requires the TCC number to be entered on the Transmitter/Payer Information screen. The transmitter's other contact information is also required on this screen.

Options

- **Payer functions as transmitter**: Check if the payer is also the transmitter (Default Setting). When the box is un-checked, the transmitter information becomes available.



- **Note**: If the payer functions as the transmitter, then only the payer information section needs to be completed. Also if submitting multiple TaxIDs under one TCC, it is recommended that a "Transmitter" be enter for each TaxID.
- **Display TCC warning**: Check to remind user that a required TCC has not been entered.

Export only escrow "closed" orders: Defaults to unchecked.

- **Check** to export saved ProForm orders to Pro1099 when the order is a purchase with at least one seller, the **Exclude order from IRS submission** option is unchecked and the escrow status is closed.
- **Uncheck** to export saved ProForm orders to Pro1099 when the order is a purchase with at least one seller, the **Exclude order from IRS submission** option is unchecked, the Settlement date is equal or prior to today's date and the order status or escrow status is not Hold, Duplicate or Canceled.

Special Indicators:

- **Service Bureau**: Check to indicate if an agency will produce or submit files for electronic filing.
- **Last Time Filing**: Check if this is the last year this payer name and TIN will file information returns electronically, or on paper; otherwise, enter a blank.
- **Foreign Corporation**: Check to indicate if the transmitter is a foreign entity.

Transmitter Information

- **Transmitter Name**: Enter the name of the transmitter in the manner in which it is used in normal business.

Transmitter and Payer Shared Fields

- **Name Line 2:** If more space is required for the name, use the Second Payee Name Line field. The use of the business name is optional in the Second Payee Name Line field. A dash (-) and an ampersand (&) are the only acceptable special characters for First & Second Payee Name lines.
- **Tax ID Number**: Enter the tax ID number (TIN - 9-digit EIN/SSN).
- **Contact Name**: Required. Enter the name of the person to be contacted if IRS/ECC-MTB encounters problems with the file or transmission.

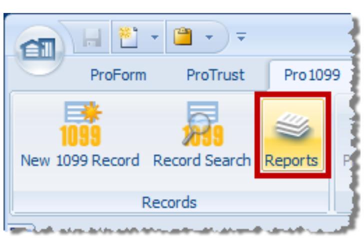
- **Phone Number**: Required. Enter the telephone number of the person to contact regarding electronic files. Note: If the foreign checkbox is checked, the field's format changes slightly to accommodate a foreign phone number (the area code parentheses and dash are removed and the field extends to 20 characters).
- **Phone Extension**: Enter the extension of the person to contact regarding electronic files.
- **E-mail Address**: Required if available. Enter the E-mail address of the person to contact regarding electronic files. If no E-mail address is available, leave blank.
- **Company Name**: Required. Enter the name of the company to be associated with the address where correspondence should be sent.
- **Name Line 2**: Enter any additional information that may be part of the name of the company where correspondence should be sent.
- Mailing Address: Required. Enter the mailing address where correspondence should be sent.
- **City**: Required. Enter the city, town, or post office where correspondence should be sent.
- **State**: Required. Enter the valid U.S. Postal Service state abbreviation.
- **ZIP**: Required. Enter the valid nine-digit ZIP assigned by the U.S. Postal Service.
- **Foreign**: Check if this is a foreign address.
- **Foreign address (text box)**: Enter the foreign address. Check Foreign checkbox & the address.

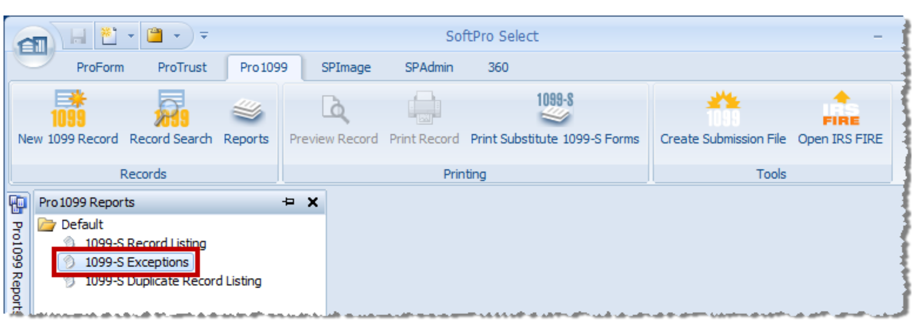
Step 2: 1099-S Exceptions report

Run the 1099-S Exceptions Report from Pro1099. The report will list the records which need to be corrected (i.e-missing Social Security Number, partial address, legal description, gross proceeds, etc). When the report runs with no errors, you are ready to create your IRS Submission file. This report lists all non-exempt Pro1099 records that contain one or more exceptions for the tax year specified in reports criteria.

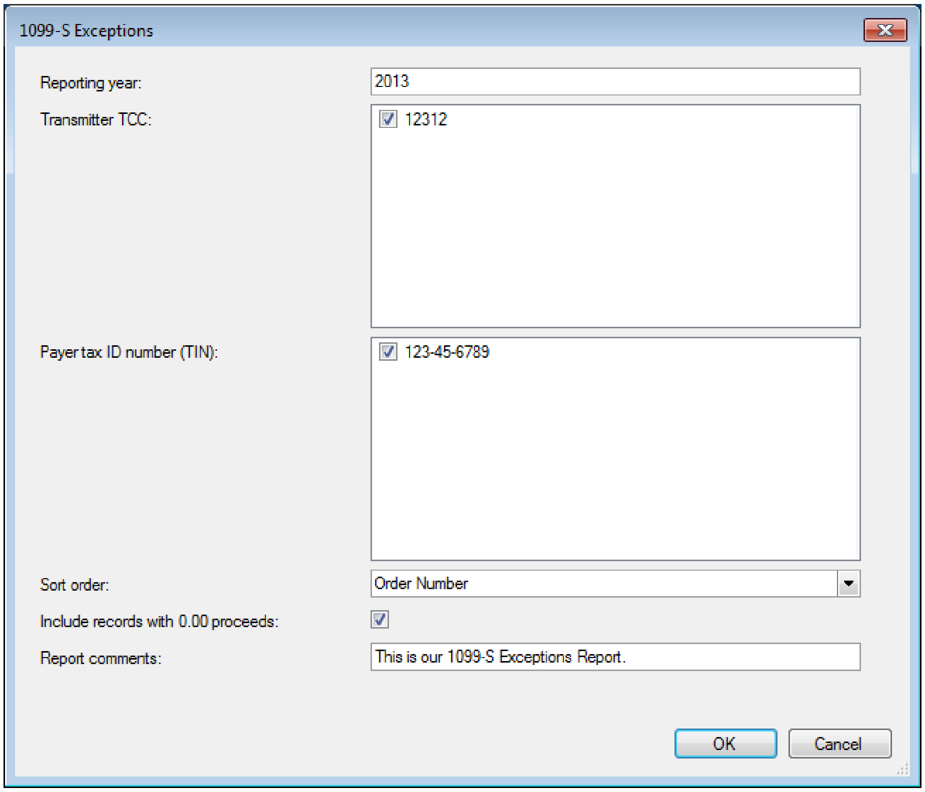
This process will likely be the most time consuming part of the 1099 Submission process. Success in accurately identifying and resolving exceptions will reduce the risk of needing to file a corrected return.

1. Click the **Reports** button under the **Pro1099 tab** and then select the **1099-S Exceptions Report** in the pane that appears at left:

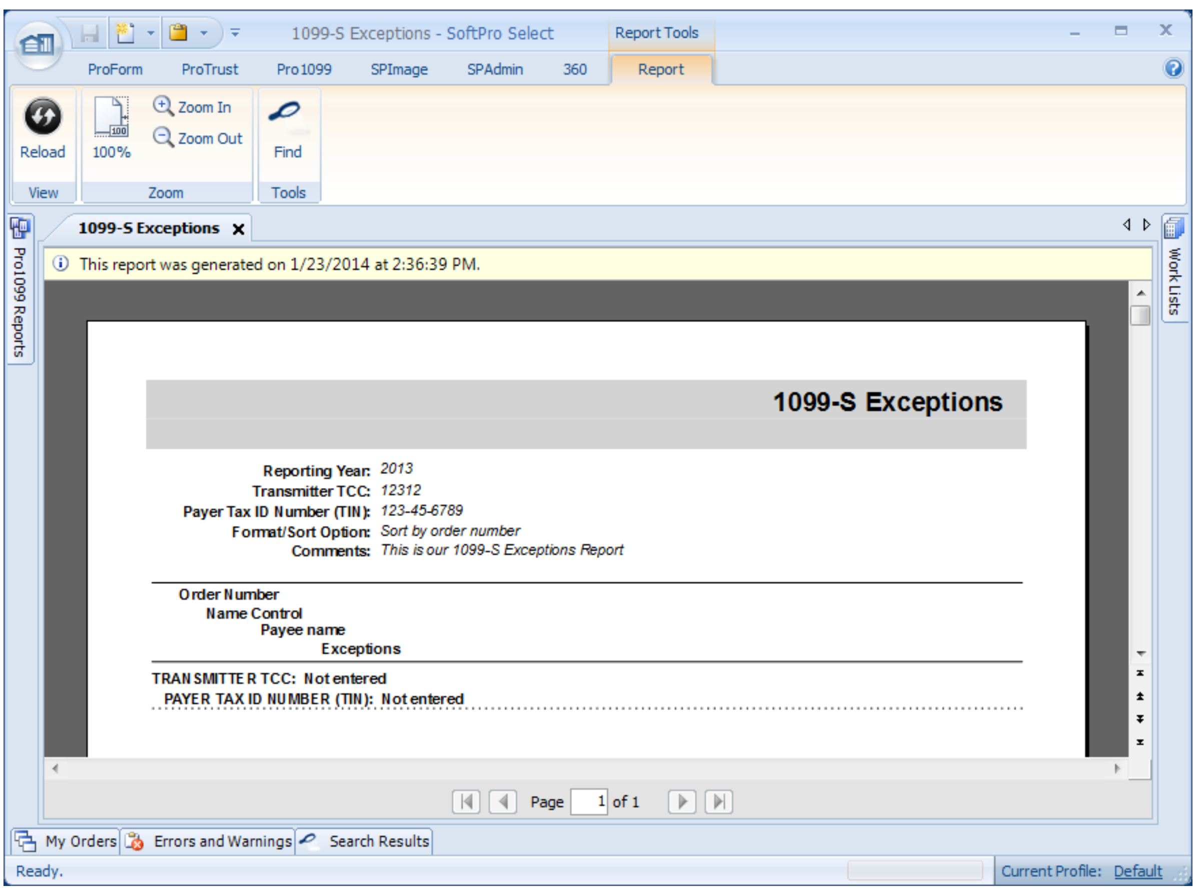




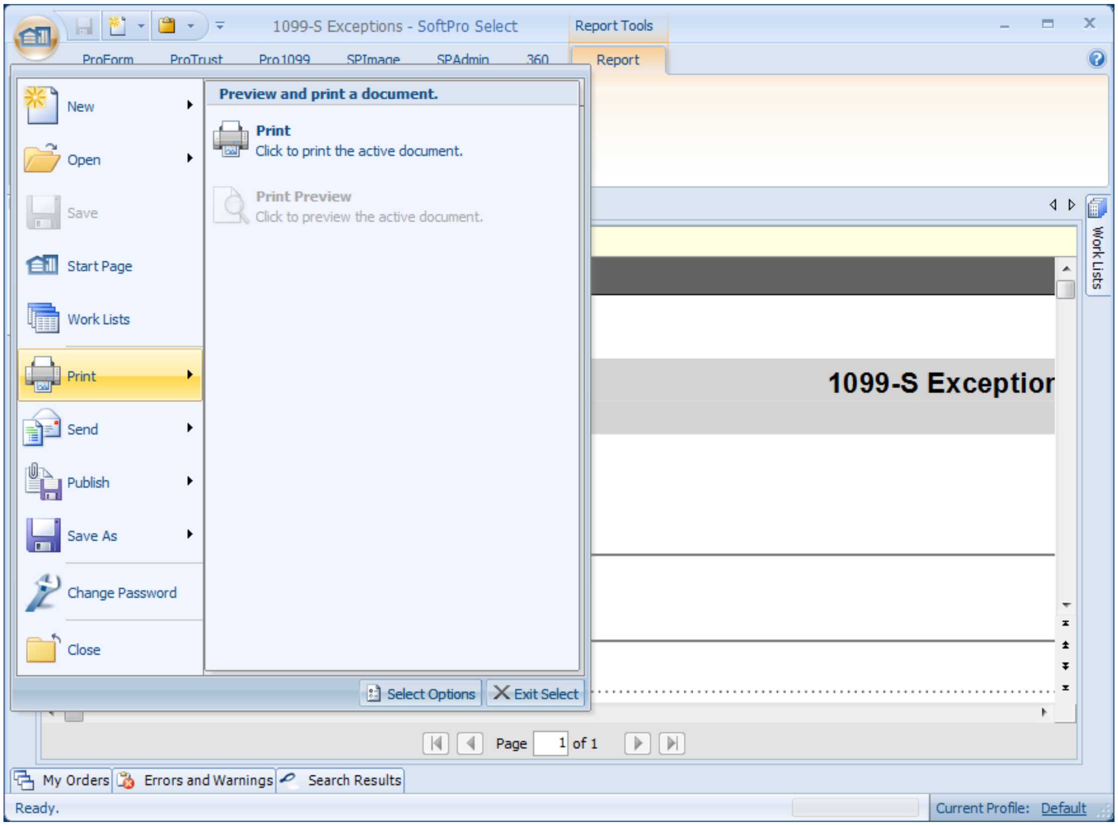
2. Enter your report criteria on the 1099-S Exceptions report **prompts/options dialog**.



3. Click **OK** to view the report.



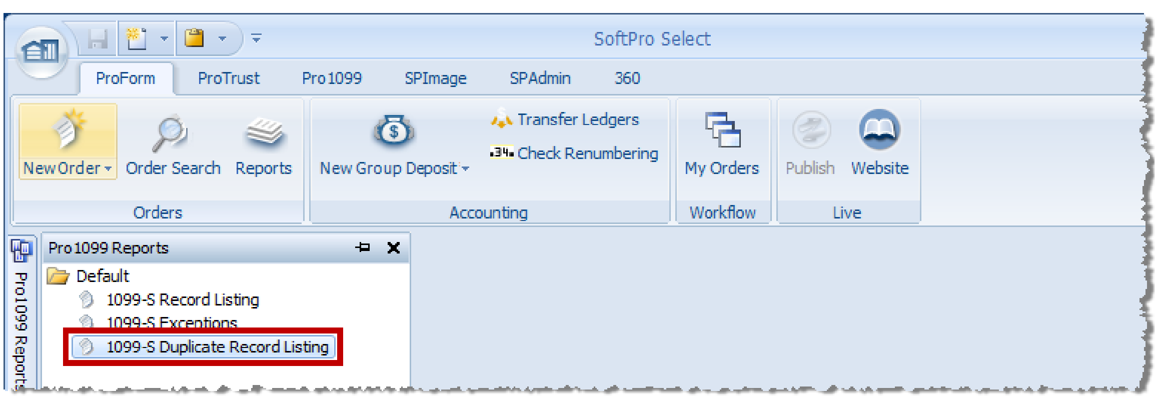
4. In order to **Print**, you will have to click the Select button in the far upper left, and select that option from the dropdown menu. Other options are available to you as well.



- **Note**: you can preview the report by clicking **Print Preview** option on the drop-down menu.

Step 3: 1099-S Duplicate record listing report

Run the 1099-S Duplicate Record Listing Report from Pro1099. The report will list all records where two or more records contain the same Social Security Number (TIN) and order number. One of the duplicates may need to be deleted prior to creating a submission file. This report is located in the same navigation pane as the 1099-S Exceptions Report from Step 2 above.



The **1099-S Duplicate Record Listing report** lists all Pro1099 records where two or more records contain the same Social Security number and order number.

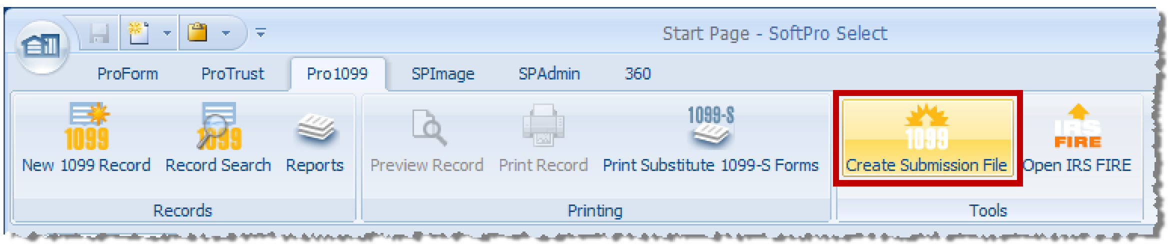
Step 4: Create Submission File

Before producing the IRS TAX file for submission, ensure that all ProForm orders have been exported to Pro1099. The only orders that will be exported are purchase orders that contain a seller, have a settlement date prior to or equal to today's date, and are not canceled, duplicate, or hold status, and which do not have the Exclude order from IRS submission checkbox checked.

- **Replacement Files**: If you receive notification from the IRS that you need to submit a replacement file, you will create and submit the file in the exact same manner that you create the original file. Follow these steps to create all submissions:

Create your file (**IRSTAX**). When prompted to save, save to your desktop.

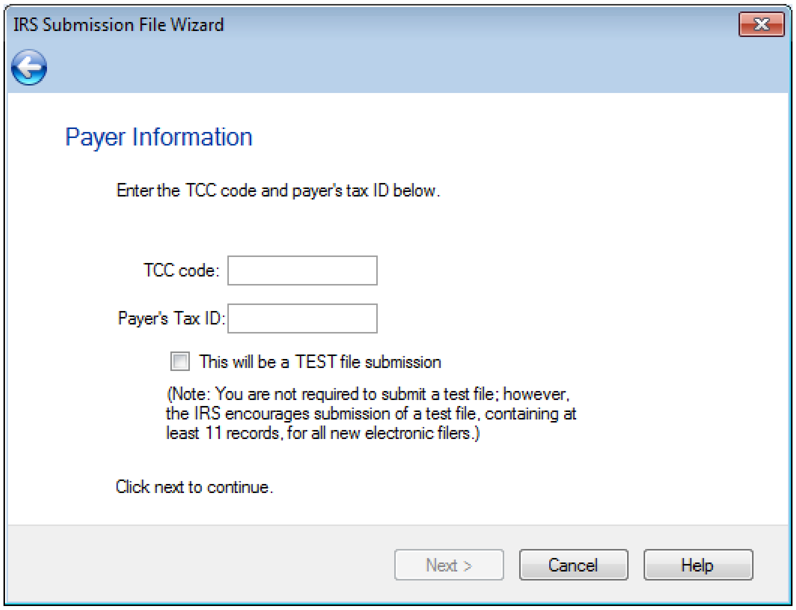
1. **Open the IRS Submission File Wizard**: Select the **Pro1099 tab** and click the **Create Submission File** button:



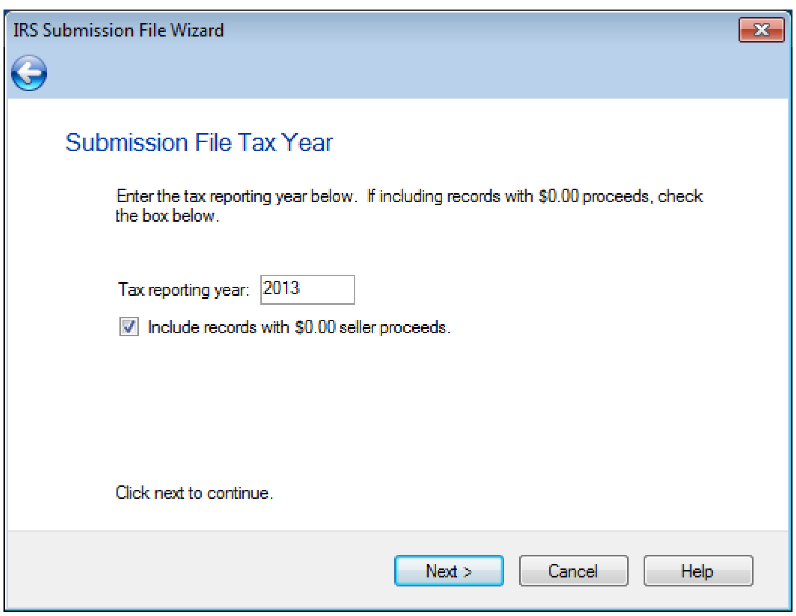
2. **Welcome**: Confirm that your Pro1099 software has been updated with the current Tax Year. The Welcome screen provides a brief summary of why and how often a file needs to be submitted. If you need an update, please contact SoftPro. If you only have one TCC code it defaults to your TCC code in the TCC code field. If you have multiple TCC codes, you are required to enter a TCC code before continuing to the next step. Click **Next**.

3. **Payer Information**: Enter the **Tax ID** in the **Payer's Tax ID** field. If you have multiple Tax ID numbers for a single TCC code, you may leave this field blank & your file will include "A" & "B" records for each Tax ID number associated with the TCC code entered. If you'd like to submit

separate files for each Tax ID, you will need to enter the Tax ID number before continuing to the next step. Check the **This is a TEST file submission** box if you are submitting a test file. This is not required, but is suggested for first-time filers. A test file should include at least 11 records. Click **Next**.

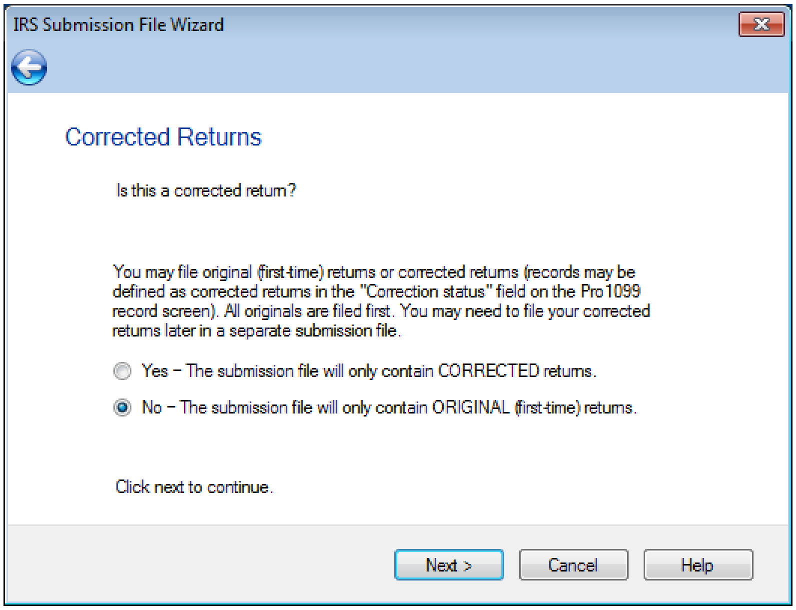


4. **Submission File Tax Year**: Enter the tax reporting year. The year defaults to the current year; you can't enter a future year. Check **Include records with $0.00 seller proceeds** to include records in the file that have $0.00 gross proceeds & the **Property or services received checkbox** is not selected. Click **Next**.

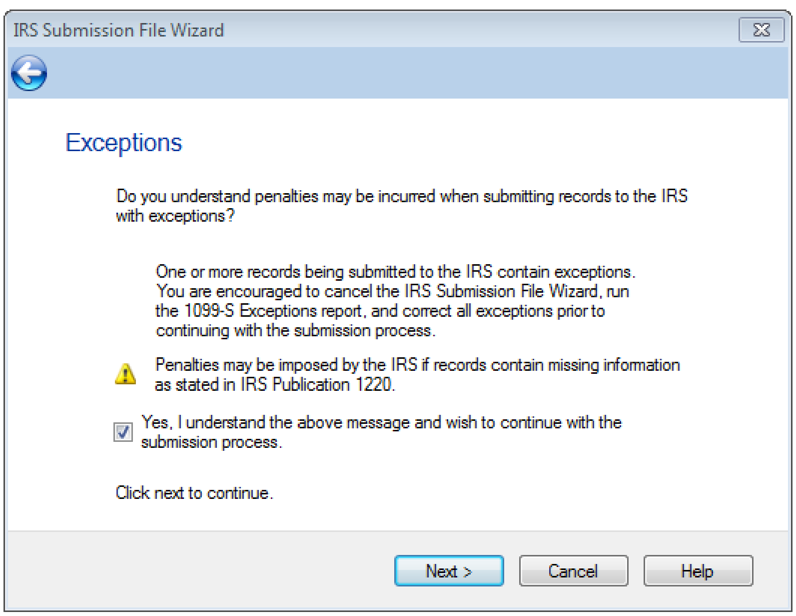


5. **Corrected Returns**: You can create a corrected return by selecting the **Yes** option. Click **No** if this is an initial submission and not a corrected return. A correction is an information return submitted by the transmitter to correct an information return that was previously submitted to

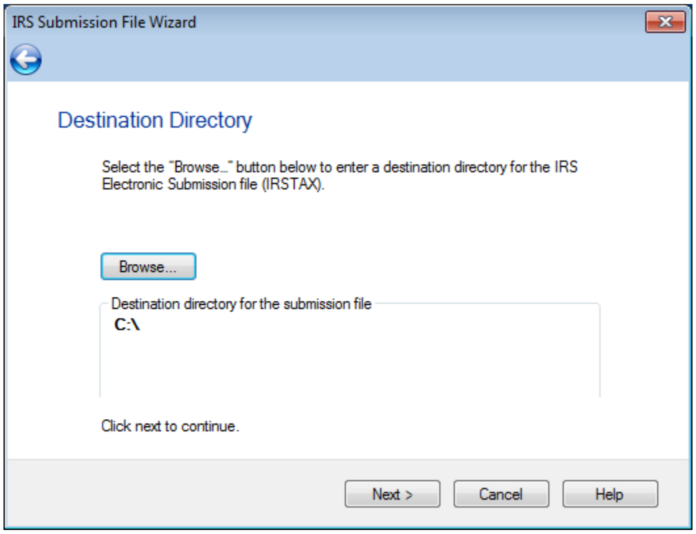
and processed by IRS / ECC-MTB, but contained erroneous information. Corrections should only be made to records that have been submitted incorrectly, not the entire file. Click **Next**.



6. **Exceptions**: If you're submitting an IRS Submission file with error (not recommended), then you'll see the screen below. You can generate an IRS submission regardless of 1099 record exceptions. You are encouraged to cancel the wizard, verify, & correct all exceptions (by running an Exceptions Report) before continuing with the submission. Click Cancel to exit the wizard without creating a submission file, or check **Yes, I understand the above message…** & click **Next** to continue.

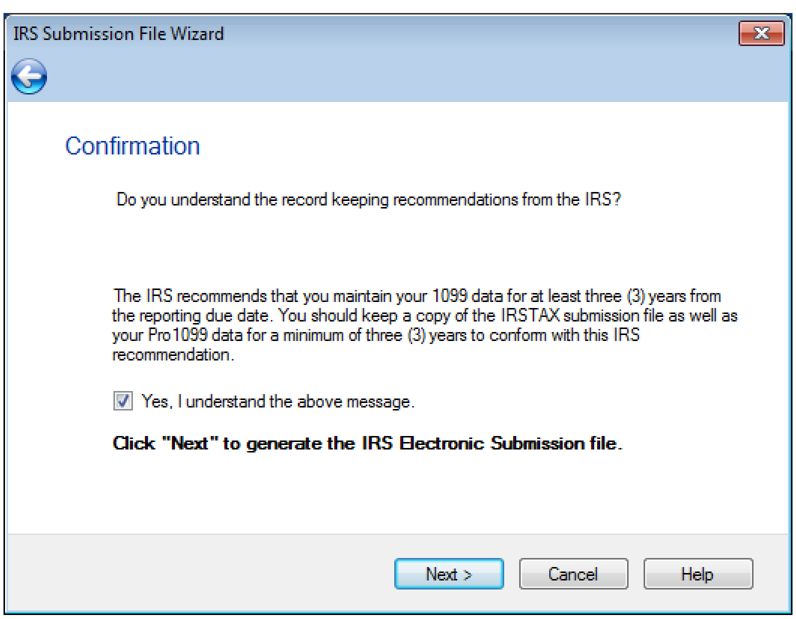


7. **Destination Directory**: Press **Browse** to select a path to save the file to. Click **Next** to continue.

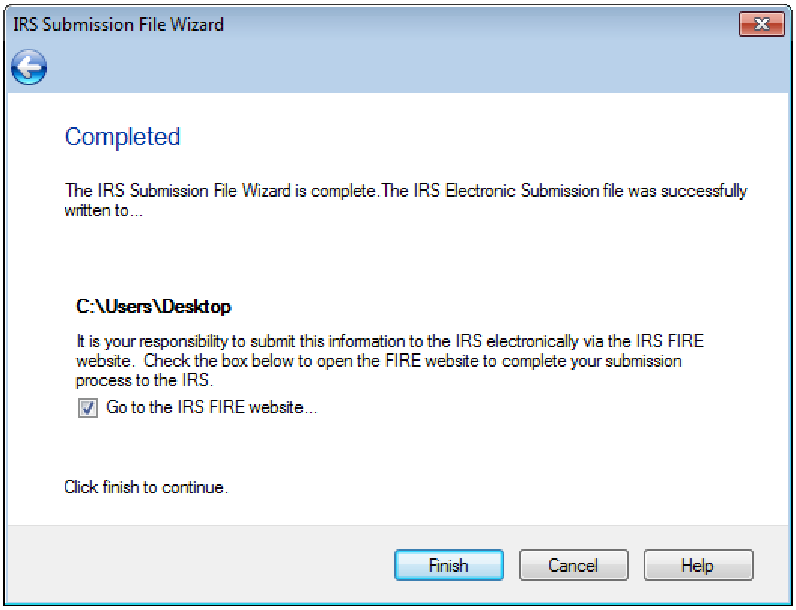


- **NOTE**: You must retain the IRSTAX file you send to the IRS for three years. This text file can be opened in Notepad and reviewed for research in the event of an audit or a returned submission. However, it is important to keep in mind that *Pro1099 will always output a file with the same name, IRSTAX, which could create problems if not named carefully*. To avoid sending an incorrect version of the file to the IRS—as well as to prevent overwriting the previous year's file, there are a few steps that can be taken:
- Identify where you want to save the IRSTAX file BEFORE creating it in Pro1099. (e.g. "Desktop")
- Ensure that the folder or desktop location does not already contain a file called IRSTAX.
- If there is an existing/older copy of an IRSTAX file, simply rename it. (e.g. "IRSTAX2011")
- AFTER submitting the new file, rename the file to something different. (e.g. "IRSTAX2012")
- You may name this output file whatever you wish, and submit that file. For example, you may rename "IRSTAX" to "FIREsubmission2013" & then submit to the IRS.
- Confirmation

8. Select **Yes, I understand the above message** if you understand the IRS's recommendations, and to generate the file. Click **Next**.



9. **Completed**: This indicates your file has been generated and saved to your chosen location.

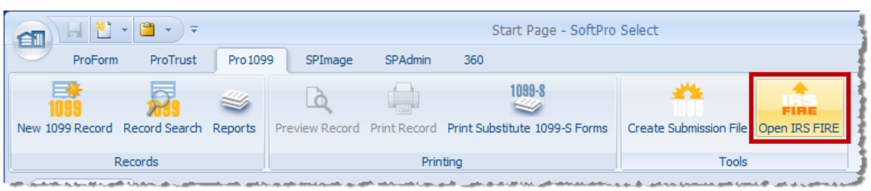


10. Check **Go to the IRS FIRE Website…** and click **Finish** to connect to the IRS FIRE system via an Internet browser.

Step 5: Submit File(s) to the IRS FIRE website

To upload your submission, file you'll need to access the IRS FIRE Website. For more information see the section above About the IRS Fire System.

1. From Pro1099, go to the Tools menu on the ribbon, then press **Open IRS FIRE**.



2. The FIRE site will appear within the Select application.

Submitting a Replacement File

WHAT IS A REPLACEMENT FILE?

Replacement files are not the same as corrected returns. A replacement file is an information return file sent by the filer, because the CHECK FILE STATUS option on the FIRE System indicated the file was bad. A replacement file:

- …may be required for **bad originals** OR **bad correction files**. If it is a **bad correction file**, it is created in Pro1099 as a correction and uploaded to the IRS as a replacement file for a bad correction file.
- **…must be submitted within 60 days** from the day the original file was transmitted.

HOW DOES ONE SUBMIT A REPLACEMENT FILE?

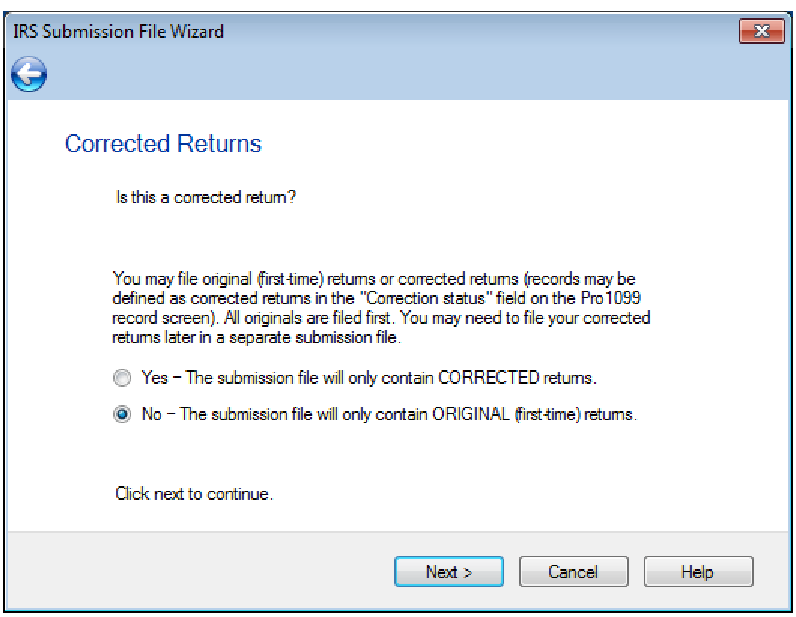
Replacement files are submitted in exactly the same manner as original submissions. After the necessary changes have been made, the file must be transmitted through the FIRE System. The IRS website will automatically code your submission as a Replacement. Filers should never transmit anything to IRS/ECC-MTB as a **Replacement** file unless the CHECK FILE STATUS option on the FIRE System indicates the file is bad.

HOW DOES ONE CREATE A REPLACEMENT FILE?

To create a replacement file, follow the same steps you would to create an original submission with Pro1099. Read the remaining warnings and follow all instructions until the replacement file has been created.

Correcting 1099-S Returns

Corrections to 1099-S submissions to the IRS may take either one or two transactions, depending on the type of correction being made.



Corrections requiring one transaction.

Original return was filed with one or more of the following errors:

- Incorrect Payment Amount Codes in the A record
- Incorrect Payment amounts in the B record
- Incorrect Payee Address
- Incorrect Code in the Distribution Code Field in the B record (N/A to 1099-S)
- Incorrect Direct Sales Indicator in B record (N/A to 1099-S)
- Incorrect Payee Name

To make corrections requiring one transaction:

1. Retrieve each Pro1099 record that needs to be corrected.
2. Correct the error in the record.
3. Select "One part or first of a two part correction" in the **Correction Status:** field.

Corrections requiring two transactions.

Original return was filed with one or more of the following errors:

- No payee TIN (SSN or EIN)
- Incorrect payee TIN
- Wrong type of return indicator
- Incorrect payee name and address

To make corrections requiring two transactions:

1. Retrieve each of the Pro1099 records that need to be corrected.
2. Do not correct the error. The record should appear exactly as it was in the original submission.
3. Select One part or first of a two part correction in the Correction Status: field on the original 1099 record.
4. Add a new 1099 record containing the correct information.
5. Select Second of a two part correction in the Correction Status field on the new 1099 record.

Submitting Additional Transactions

If you send the file to the IRS and discover that transactions were left out in error, you will need to contact SoftPro Support. The submission of these additional transactions is not considered a correction to the original submission.

IRS FIRE system guide

The IRS created .pdf walkthrough guide P3609 for FIRE users. For compliance purposes, SoftPro recommends that Pro1099 users reference this guide when submitting their IRSTAX files. Please see the IRS Resources section at the beginning of this document for details on what P3609 covers.

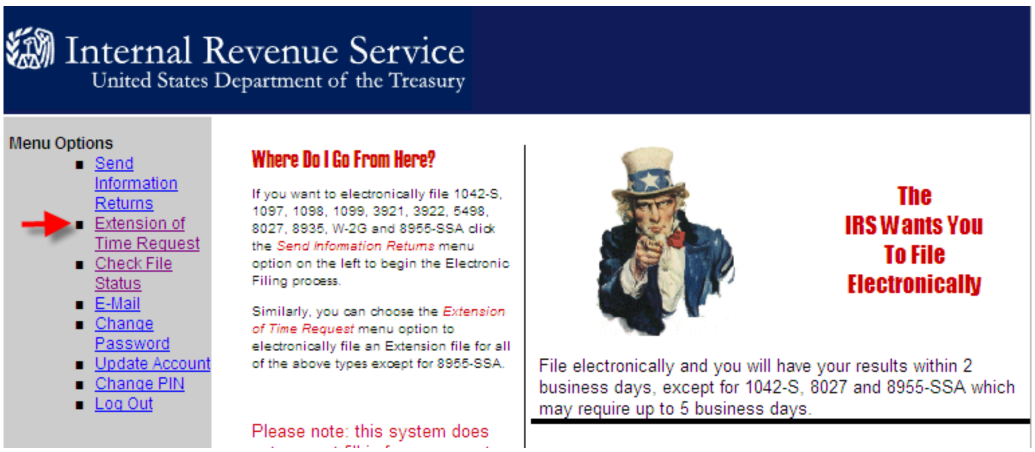
Accessing the FIRE site

You may access the FIRE system site with two methods:

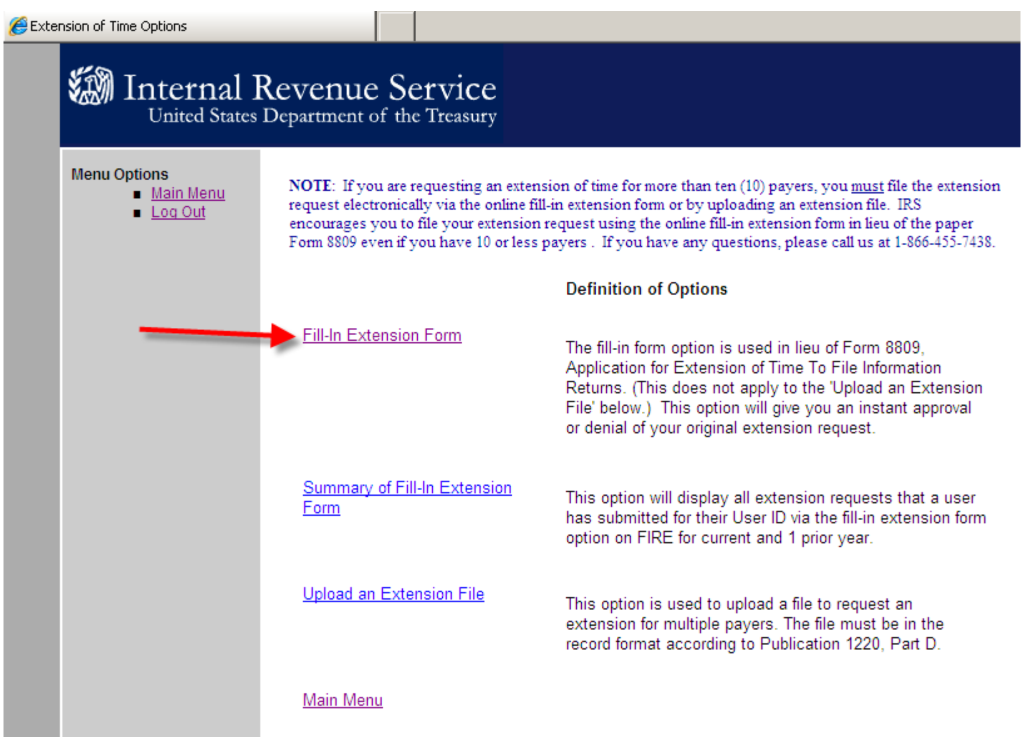
- Use your web browser to go directly to https://fire.irs.gov/.
- From within Pro1099, click **Access the IRS FIRE Web Site** from the **Tools** menu.

Extension of time request for 1099-S

1. **Log on** to the https://fire.irs.gov site with the current FIRE userid/password. Click on **Extension of Time Request**:

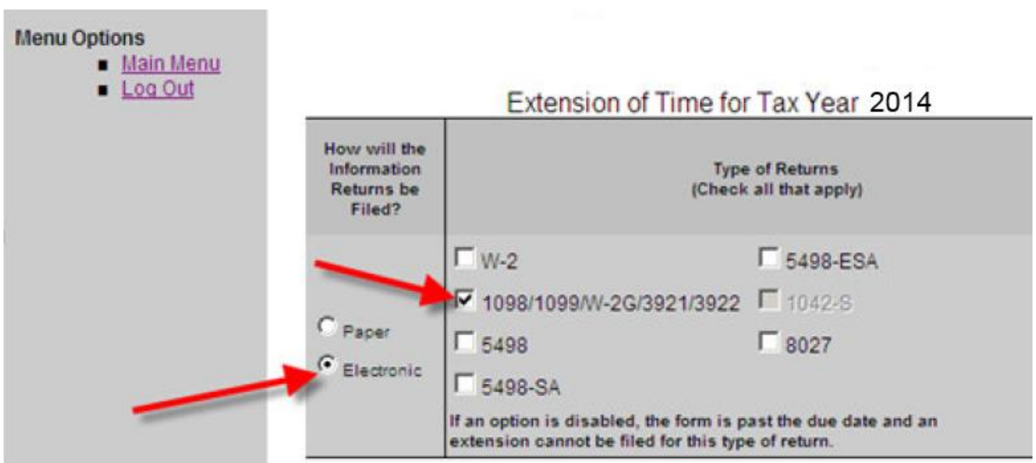


2. Click **Fill-In Extension Form**:

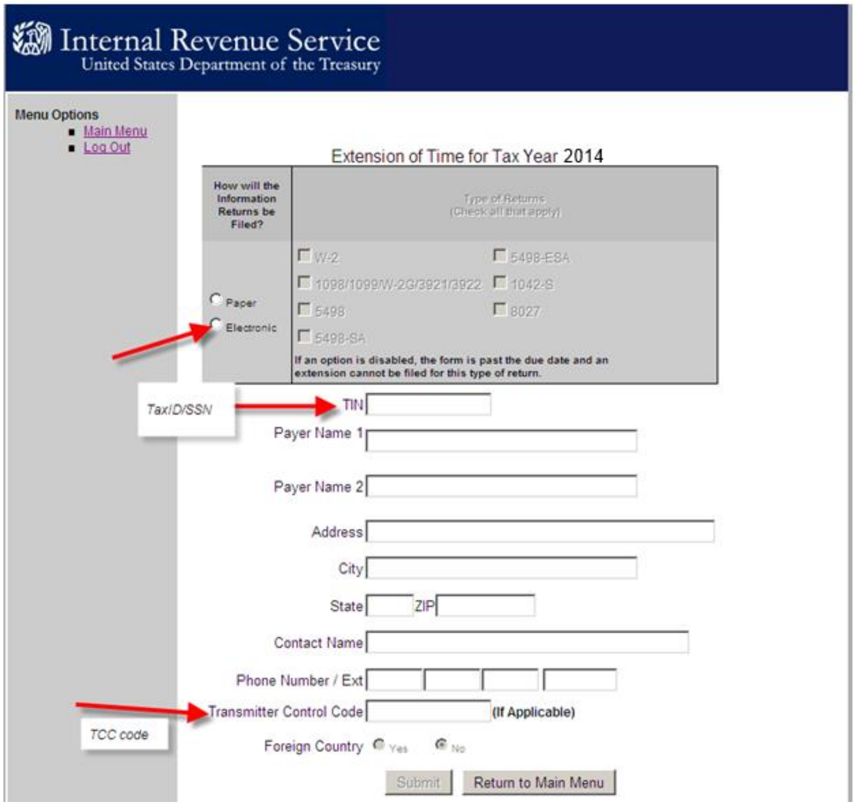


3. **Review** the information below; note that **this extension is ONLY for 30 days**:

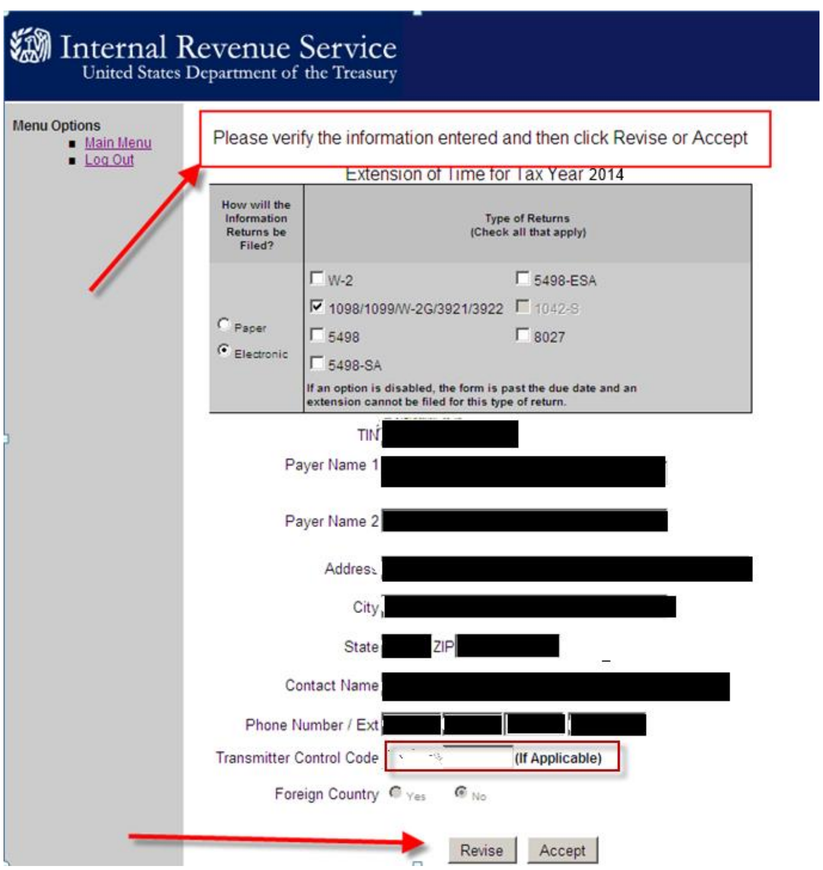
4. Select **Electronic** and the fields at the bottom of the screen will be enabled. Check the box labeled **1098/1099/W-2G/3921/3922**:



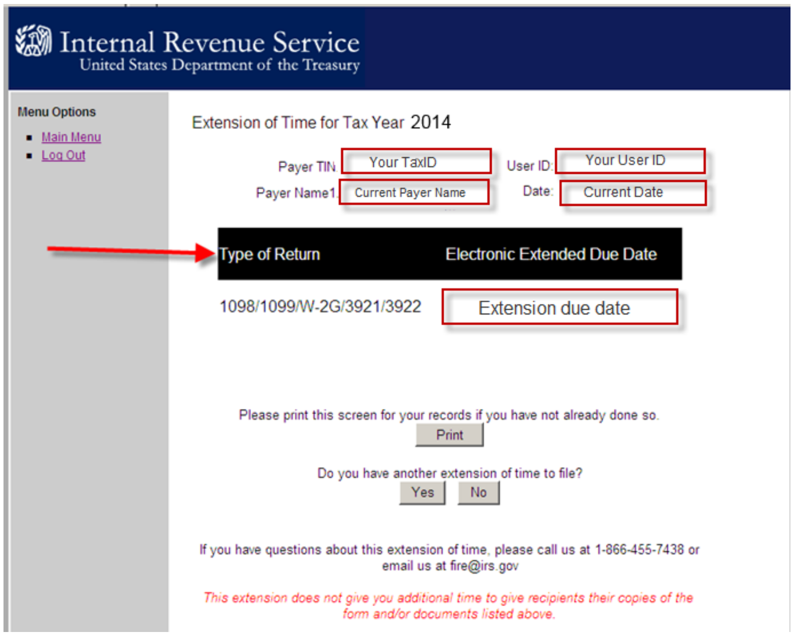
5. Once required fields have been entered, the **Submit** button will be enabled:



6. Please **verify the information entered** and then click **Revise** or **Accept**. If no changes are needed, click **Accept** to proceed to the confirmation page.



7. **Print this page** for your records:



New Pro1099 Record

Adding a New Pro1099 Record

To manually add a new record, click **New 1099 Record** and enter the required information.

Saving a Pro1099 Record

To save a record, use the **Ctrl+S** keyboard shortcut or click the save button in the menu at top.

Information NOT submitted to the IRS

1099-S furnished to seller: Check if a copy of the 1099-S has been furnished to the seller.
Tax ID solicitation signed: Check if the seller has signed the TIN certification.
Escrow officer/Closer: Click the drop-down arrow and select the escrow officer or closer for the order.
Exempt: Check to omit a 1099 record from the IRS reporting file.

Information submitted to the IRS

Order number: Enter the record's identification. If the data to create this record was exported from a ProForm order, the default for the Order number field is the same as the ProForm order number.
Correction status: If this is a corrected return, select One part or first of two part correction or Second of two part correction. The default for this field is This is not a corrected return.
IRS name control: If determinable, enter the first four characters of the last name of the person whose TIN is being reported in the "B" record; otherwise enter blanks (this is usually the payee). If the name that corresponds to the TIN is not included in the first or second payee name line and the correct name control is not provided, a backup withholding notice may be generated for the record.

Special characters and imbedded blanks should be removed. In the case of a business, other than a sole proprietorship, use the first four significant characters of the business name. Disregard the word "the" when it is the first word of the name, unless there are only two words in the name. A dash (-) and an ampersand (&) are the only acceptable special characters. Last name prefixes are considered, e.g., for Van Elm, the name control would be VANE. For a sole proprietorship, use the name of the owner to create the name control and report the owner's name. Name Control Examples

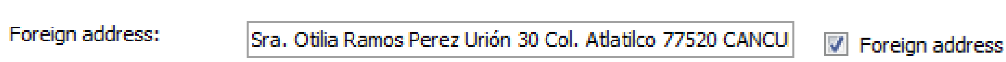
Tax ID type (Individual/Organization): Select the appropriate tax identification type. If Organization is selected, then the Type option becomes available.
Type: Select an entry to describe this seller.
Seller name - Last, First: Enter the seller name involved with the closing. Enter the last name, comma, a space and then the first name. ***Include a space after the comma. (For example, for John Smith, enter Smith, John.)*** If the data to create this record was exported from an existing ProForm order, the seller name appears in this field (in Last, First format). If there is more than one seller, a separate 1099-S record is created for each seller from the ProForm order.
Tax ID/SSN: Enter the Social Security number (SSN) or Federal Tax Identification number (TIN) of the seller. A Federal Tax Identification number (TIN) is usually used for corporations, partnerships, sole proprietorships, trusts, or businesses and entities other than individuals. Use one of these formats:

- **XXX-XX-XXXX** Nine-digit Social Security number with dashes
- **XX-XXXXXXX** Nine-digit Federal Tax Identification number with dash

A second Tax ID / SSN field also appears on the 1099 record screen to comply with IRS regulations regarding the "**Certification For No Information Reporting on the Sale or Exchange of a Principal Residence**." The IRS requires that a separate certification form be signed for each of the sellers. If the seller is a husband and wife, both are required to sign a certification.
Continuation of name: Enter the seller's spouse's name or a continuation of the seller name. Enter the spouse's name in last name, first name format.
Address/City/State/Zip: Use these fields for the street address, city, state and ZIP code of the seller.
Foreign address: Check if this a foreign address.
Foreign address (text box): Enter the foreign address. For example, if the address is:

Sra. Otilia Ramos Perez
Urión 30
Col. Atlatilco
77520 CANCUN, Q. ROO
MEXICO

Check the **Foreign** checkbox and enter the address as follows:



Legal description: Enter the property address (including street address, city, state and ZIP) and legal description (including section, lot and block information if applicable) of the property. For timber royalties, enter timber.
Settlement date: Enter the closing settlement date.
Gross proceeds: Enter the seller's gross proceeds.
Property or Services received: Check if the transferring party received or will receive property (other than cash and consideration treated as cash in computing gross proceeds) or services as part of the consideration or the property.
Buyer's part of R/E tax: Enter the total amount of the buyer's part of real estate tax.
Special data entries: Enter any special data to identify this record during a search.
Notes: Enter any information here for record identification or general notes. This information will not be included in the IRSTAX file.

Delete a Pro1099 Record

From the **Pro1099 Search** screen, enter the manually created 1099 record and click **Search**.
Once the search result displays the manually created 1099 record, right-click on the manually created 1099 record and press **Delete**.

- **Note:** If there is no current record, you must use Search for the record you want to delete.

Pro1099 Search

Searching for a 1099 record

1. Under the **Pro1099 tab in the ribbon**, click the **Record Search** button.
2. Enter data on the new screen that appears. Use the information below to help with data entry.
3. Click the **Search** button at the bottom of the screen to run the query or use the **Clear Fields** button to reset the query.

Information NOT submitted to the IRS

1099-S furnished to seller: Select this checkbox if a copy of the 1099-S has been furnished to the seller.
Tax ID solicitation signed: Select this checkbox if the seller has signed the TIN certification.
Escrow officer/Closer: Click the drop-down arrow to select the escrow officer or closer for the order.
TCC: To search for a specific TCC code, enter a TCC.
Payer Tax ID: To search for a specific tax identification number (TIN), enter a TIN.
Exempt: Check to search for records that are marked as exempt from the IRS reporting file.
Exceptions only: Select the Exceptions only checkbox to return only Pro1099 records that contain one or more of the following exceptions:

- Seller name is blank
- Seller #1 SSN/TIN is blank
- Seller address is blank

- Seller city is blank
- Seller state is blank
- Seller zip code is blank
- Gross Proceeds is blank and Property and Services received checkbox is unchecked
- Settlement date is blank
- Legal description is blank
- Foreign address is blank when the "Foreign address" checkbox is selected
- 1099-S not provided and/or signed

Note: You can refine your search by checking this box and entering additional search criteria.

Information submitted to the IRS

Order number: Enter the record's identification. If the data to create this record was exported from a ProForm order, the default for the Order number field is the same as the ProForm order number.
Correction status: If this is a corrected return, select **One part or first of two part correction** or **Second of two part correction**. The default for this field is **This is not a corrected return**.

IRS name control: If determinable, enter the first four characters of the last name of the person whose TIN is being reported in positions 12-20 of the "B" record; otherwise enter blanks. This is usually the payee. If the name that corresponds to the TIN is not included in the first or second payee name line and the correct name control is not provided, a backup withholding notice may be generated for the record. Special characters and embedded blanks should be removed. In the case of a business, other than a sole proprietorship, use the first four significant characters of the business name. Disregard the word "the" when it is the first word of the name, unless there are only two words in the name. A dash (-) and an ampersand (&) are the only acceptable special characters. Last name prefixes are considered, e.g., for Van Elm, the name control would be VANE. For a sole proprietorship, use the name of the owner to create the name control and report the owner's name in positions 248-287, First Payee Name Line.

Tax ID type (Individual/Organization): Select the appropriate tax identification type. If Organization is selected, then the Type option becomes available.

- **Type:** Select an entry to describe this seller.

Seller name - Last, First: Enter the seller name involved with the closing. Enter the last name, comma, a space, and then first name. ***Include a space after the comma. (For example, for "John Smith," enter "Smith, John").*** If the data to create this record was exported from an existing ProForm order, the seller name appears in this field (in Last, First format). If there is more than one seller, a separate 1099-S record is created for each seller from the ProForm order.
Tax ID/SSN: Enter the Social Security number (SSN) or Federal Tax Identification number (TIN) of the seller. A Federal Tax Identification number (TIN) is usually used for corporations, partnerships, sole proprietorships, trusts, or businesses and entities other than individuals. Use one of these formats:

- **XXX-XX-XXXX** Nine-digit Social Security number with dashes
- **XX-XXXXXXX** Nine-digit Federal Tax Identification number with dash

A second Tax ID/SSN field also appears on the 1099 record screen to comply with IRS regulations regarding the “Certification For No Information Reporting on the Sale or Exchange of a Principal Residence.” The IRS requires that a separate certification form be signed for each of the sellers. If the seller is a husband and wife, both are required to sign a certification.

Continuation of name: Enter the seller’s spouse’s name or a continuation of the seller name. Enter the spouse’s name in last name, first name format.

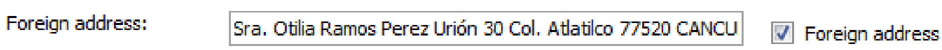
Address/City/State/Zip: Use these fields for the street address, city, state and ZIP code of the seller.

Foreign address (check box): Check to use an address format other than a standard United States address format (e.g. an address in Mexico). Checking this box changes the City, State, and ZIP code fields to one text field to enter the information.

Foreign address (text field): Enter the foreign address. For example, if the address is:

Sra. Otilia Ramos Perez
Urión 30
Col. Atlatilco
77520 CANCUN, Q. ROO
MEXICO

Check the **Foreign** checkbox and enter the address on one line as follows:



Legal description: Enter the property address (including street address, city, state and ZIP) and legal description (including section, lot and block information if applicable) of the property. For timber royalties, enter timber.

Settlement date: Enter the settlement date or range of settlement dates.

Gross proceeds: Enter a specific gross proceed amount of a range of amounts.

Property or Services received: Select this checkbox if the transferring party received or will receive property (other than cash and consideration treated as cash in computing gross proceeds) or services as part of the consideration or the property.

Exclude records with 0.00 proceeds: select Exclude records with 0.00 proceeds to exclude records that have blank or "0.00" proceeds from the search results.

Buyer's part of R/E tax: Enter the total amount of the buyer’s part of real estate tax.

Special data entries: Enter any special data to identify this record during a search.

Payer & Transmitter Information

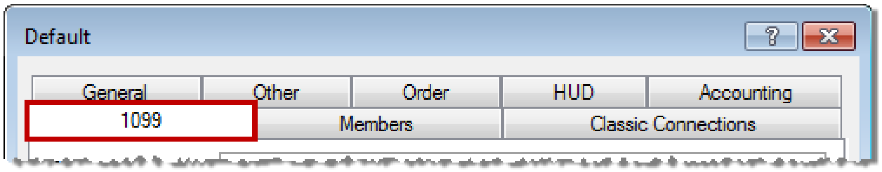
Fields & Options

See the Application Configuration help topic for complete details on transmitter/payer fields & options.

Profiles

Profiles associate preferences with a user, determine which orders they can view, and grant a user access to relevant information. View the profile general tab topic for more details.

- The **1099 tab** contains the fields/options where **Payer** and **Transmitter** information is configured:



Transmitter & Payer Information

- The **payer** is the party responsible for the payment of taxes and the filing of the applicable tax forms with the Internal Revenue Service.
- The **transmitter** is the party who completes the transmission of the required data to the Internal Revenue Service. If you are filing information for the payment of your own taxes, you are both the payer and the transmitter.
- **Transmitter** & **payer information** is required to complete A and T records. Submissions may be rejected if information about the transmitter and payer is omitted. Transmitter and Payer information should be set up as soon as possible after installation of Pro1099.

Name Control Examples

For detailed information, please refer to IRS Publication 1220, page 123, Part E. Exhibits.

Individuals	Name Control
Jane **Brow**n	BROW
John A. **Lee**	LEE*
James P. **En**, Sr.	EN*
John **O'Nei**l	ONEI
Mary **Van B**uren	VANB
Pedro **Torr**es-Lopes**	TORR
Juan **De J**esus	DEJE

Corporations	Name Control
The **Firs**t National Bank	FIRS
The Hideaway	THEH
A & B Café	A&BC
11TH Street Inc.	11TH

Partnership	Name Control
Robert **Aspe**n and Bess Willow	ASPE
Harold **Fir**, Bruce Elm, and Joyce Spruce et al Ptr	FIR*

Estate	Name Control
Estate of Sheila **Blue**	BLUE
Frank **Whit**e Estate	WHIT

Trusts and Fiduciaries	Name Control
Daisy Corporation Employee Benefit Trust	DAIS
Trust FBO The **Cher**ryblossom Society	CHER

Exempt Organization	Name Control
Laborer's Union, AFL-CIO	LABO
St. Bernard's Methodist Church Bldg. Fund	STBE

* Name controls of less than four significant characters must be left-justified and blank-filled.
** For Hispanic names, when two last names are shown for an individual, derive the name control from the first last name.

1099-S Record Listing Report

Description

This report lists all Pro1099 records as specified on the report prompt/options dialog.

1. Click **Reports/1099-S Record Listing Report**.
2. Enter the report criteria on the **1099-S Record Listing prompts/options** dialog
3. Click **OK**. The 1099-S Record Listing Report appears.

Note: Preview the report on-screen by clicking Print Preview.

Report Layout

1099-S records are sorted by order number (default setting) or name control. Records are grouped by 1099-S furnished and not furnished and seller types. The report contains:

- Order number
- Name control
- Name
- Tax ID/SSN
- Continuation of Name
- Address
- Settlement date
- City, State, ZIP code
- Gross proceeds

- Special data entries
- Buyer's part of Real Estate taxes
- Notes

Report Prompts/Options

Settlement date: Enter the settlement date range

Sort order: Select to sort your records by Order number or Name control.

Include corrected returns only: Select this checkbox to include corrected returns on the report. If this checkbox is not selected, only records with a correction status of **This is not a corrected return** will be included.

Exception Reports

Description

This report lists all non-exempt Pro1099 records that contain one or more exceptions for the tax year specified in reports criteria.

1. Click **Reports/Exception Report**.
2. Enter the report criteria on the **Exception Report prompts/options** dialog.
3. Click **Print.**

Note: Preview the report on screen by clicking Print Preview.

Report Layout

Exceptions are sorted by Order number (default setting) or Name control. The report contains Order number, Name control, and all exceptions listed for each record.

Report Prompts/Options

Reporting year: Enter the tax year for which you are reporting.

Sort order: Select to sort records by Order number or Name control.

Report comments

Duplicate Records Report

The **Duplicate Records Report** lists all Pro1099 records where 2 or more records contain the same Social Security number and order number.

Report Layout

Duplicate 1099-S records are sorted by order number (default setting) or name control. Records are grouped by 1099-S furnished and not furnished and seller types. The report contains:

- Order number
- Name control

- Name
- Tax ID/SSN
- Continuation of Name
- Address
- Settlement date
- City, State, ZIP code
- Gross proceeds
- Special data entries
- Buyer’s part of Real Estate taxes
- Notes

Report Prompts/Options

Settlement date: Enter the settlement date range

Sort order: Select to sort your records by Order number or Name control.

Note: If running the report without filters on the Tax ID and/or TCC code, the report could miss duplicate orders or records if those records were created or modified under a different profile.

Licensing

Upon opening and successfully logging on to SoftPro Select for the first time, the application checks for a license key. If a key has not been entered, a prompt appears to call SoftPro to request a key. SoftPro will e-mail a license key file with the extension **.SPK**. To install the license key, double-click the **.SPK** file from any client workstation.

A license is acquired the first time action is taken within a module (ProForm, ProTrust, SPImage, etc.). Simply navigating to the module’s tab will not acquire a license. Likewise, opening the application will not acquire a ProForm license – action must be taken in ProForm.

Licenses for all modules are released when SoftPro Select is closed. Module licenses are also released when all module screens are closed and the user navigates to another module tab. For example, open SoftPro Select, view the ProForm start page, and click the ProTrust tab - no licenses are acquired.

However, open the Reconciliation screen in ProTrust, and a ProTrust license is acquired. Leave the Reconciliation screen open and click the ProForm tab, the ProTrust license is still acquired and will not be released until the Reconciliation screen is closed. This process takes approximately 3 minutes.
Exception: ProClear and Positive Pay are licensed separately from ProTrust.

SoftPro Sales

SoftPro's dedicated sales staff is ready to answer your questions.
Contact your account representative for information about the latest SoftPro products, the SoftPro Annual Maintenance Service Plan, Platinum Level Support Plan, upgrade options and prices, and more.
Contact the SoftPro Solution Center with any technical questions or problems.

Contacting your SoftPro sales representative

Sales phone:	1 (800) 848-0143
Local calling area:	1 (919) 829-1122
Fax:	1-919-755-8350
Web:	www.softprocorp.com
Sales e-mail:	sales@softprocorp.com
Sales hours:	Monday to Friday from 8:30 A.M. to 5:30 P.M. EST.

Note: When sending e-mail, please include your company name, city, and state to ensure prompt handling of your request.

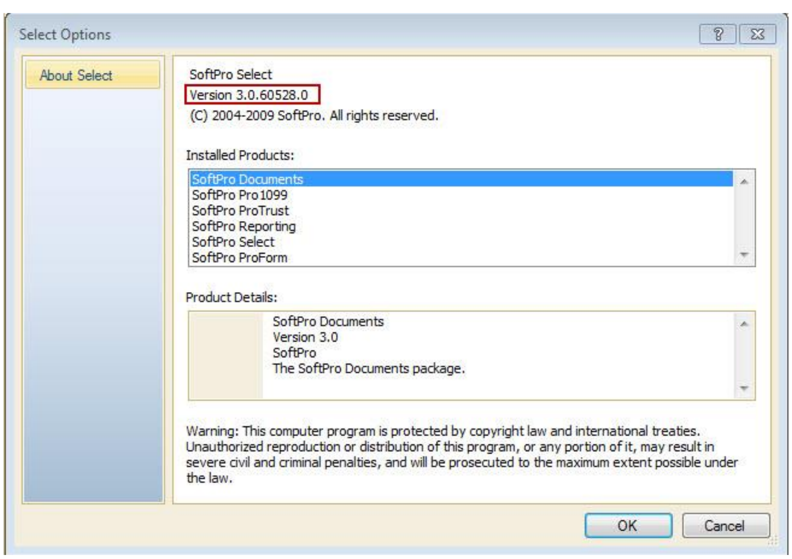
SoftPro Solution Center

SoftPro's technical support staff is the best in the industry. Use the information below to contact them.

SoftPro Solution Center phone:	1 (800) 848-0143
Local calling area:	(919) 829-1122
Fax:	(919) 755-8350
Web:	www.softprocorp.com
mySoftPro:	www.softprocorp.com/mySoftPro/mySoftProLogin.asp (Register with mySoftPro to access the Support Knowledge Base, Document Downloads, and more).
Solution Center hours	Monday to Friday, 8:00 A.M. to 5:30 P.M. EST.
Platinum Level Support hours	Monday to Friday, 8:00 A.M. to 10:00 P.M. EST. Saturday, 11:00 A.M. – 2:00 P.M. EST.

Before calling technical support, please have the following information ready:

- Program version number - select the **File Menu** button, then **Select Options** of SoftPro Select to find this information.



- Text of any error message you have encountered.
- Name and version number of your operating system.

Subscribing to SoftPro's annual maintenance service program can extend technical support service. Subscribing to platinum maintenance service gives you access to technical support for longer hours during the week and on Saturday. For more information, call SoftPro Sales at 800-848-0143. You can e-mail SoftPro Sales at sales@softprocorp.com.