Printing W2's and 1099's from BusinessWorks

The following information pertains to those who use the BusinessWorks Payroll module.

Important Notes!	Although BusinessWorks Accounting retains five years of payroll history, the Payroll module does *not* retain the totals needed for printing W-2s after closing the year. For this reason, it is essential that you verify W-2 figures *before* closing December. Since you must complete many tasks *before or in conjunction with the last payroll*, please take time now to read through any topics that may affect you.

Back Up Data
Before you close your Payroll module, it is essential that you perform a complete backup of company data. You should retain this backup indefinitely, as it provides critical data for audit purposes.
If you are using BW Gold: Please perform a backup within BusinessWorks even if another backup utility is used by navigating to File > Backup and following the on-screen instructions to complete a backup for each company database.

Processing W-2s

Verifying W-2 figures
We recommend that you first print W-2s on plain paper to verify the figures.

W-2 Form Types
Forms may be purchased from Sage Checks and Forms, the IRS, or any office supply store.
> **Laser printers:** Use two forms (arranged vertically) per page.
> **Dot matrix printers:** Forms must be one-across, continuous forms.
> **Notes:**
> - Use a standard 8.5" x 11" print driver for printing reports. (Whether you use a dot matrix or laser printer, BusinessWorks is set up to recognize two forms per 11" page.)
> - BusinessWorks does not accommodate side-by-side forms.

Using Customized W-2 Forms
W-2 forms customized in BW v12 cannot be used in BW Gold because of modifications done to the form in the current version. If you find that a custom form is still necessary after you have tested the new format, please delete the existing form and re-customize it in the current version of BW Gold.

Year End Closing Before or After Printing W-2's?
Printing W-2 forms before doing the year-end close is not mandatory. When you close the year, the system creates a file containing the year's W-2 information for all employees. When you are ready to print W-2s with the Print W-2 Forms option, the system will ask whether you want to print "current" or "previous" W-2 information. If you are already in the new year, select "previous" for all employees. **<u>Be careful: choosing "current" will generate the information only for the period elapsed in the new year, and the data you wanted for the previous year will be lost.</u>**
If you have any problems with the W-2 information from the "previous" year, your only resource for restoring it is your final end-of-year backup. Remember to make backups routinely!

Printing W-2's
Navigate to Payroll > Taxes > Print W-2 Forms, and follow on-screen instructions.

Previous or Current?
When you access the option to print W-2s, you may have a choice to print "Previous" or "Current" W-2s. When you print W-2 forms for all employees or close the year, a file is created which holds all the necessary information for printing W-2s.

> **If you do not receive a choice for "Previous" or "Current"**: There is not a file for the previous year, so you will automatically be processing W-2s for the current year.
> **When you select Previous:** BusinessWorks prints W-2s from the saved file.
> **When you select Current:** BusinessWorks prints W-2s based on information currently stored in the employee's record. Example: If the current open Payroll month is December 2006, it prints the current YTD figures. If your current open Payroll month is January, 2007 and "Current" is selected, January 2007 YTD figures print and your 2006 W-2 data may be erased.
> **Caution!** If you select "Current" and then respond "Yes" to the query to save W-2 information, previously saved information is no longer available.

W-3 Worksheet
After printing W-2s in one continuous run for all employees who had earnings in 2006, you are prompted to print the W-3 worksheet. Be sure to print the report at this time, as no menu option exists to print it later.

> **Note:** Sage BusinessWorks Gold prints a W-3 Worksheet only. These figures must be manually transferred to the actual W-3 form.
> **Note:** If you change figures for any employee, you must reprint W-2s for all employees, not just for those employees whose W-2s changed in order to print the corrected W-3.

Local Tax and Box 12 Entries
W-2 forms have space for only two local taxes and four entries in Box 12. If an employee's W-2 exceeds this limit, the IRS requires that a second W-2 be created.

- The second W-2 must include information in Boxes b, c, d, and e, and the entry in Box 12 or the local tax in Boxes 18, 19, and 20 only. No entries should be made in Boxes 1 through 8. Sage BusinessWorks does not create the second W-2. You must create it manually and manually adjust the W-3 totals to reflect the additional entry.
- To determine whether you have any employees with more than four Box 12 entries or two local taxes, print the Employee Master List to review deductions and other pays for each employee. (A warning displays when a deduction or other pay is added to the employee's record that exceeds the number allowed on the W-2. However, no warning is issued at the time the W-2 is printed.)

Processing 1099's

Before You Close A/P for December

> *Print 1099s **before** closing December.* Closing sets the Maintain Vendors 1099 payment information field to $0.00.

You must print 1099 forms before closing December. **Once you close the calendar year, you lose all 1099 information.** If you have 1099 vendors, we recommend you review the 1099 Worksheet. Once the figures have been verified print 1099 forms prior to closing December. If your fiscal year does not coincide with the calendar year, be sure to print the 1099 forms at the end of the calendar year.

1099 Form Types
1099-MISC forms may be purchased from Sage Checks and Forms, the IRS, or any office supply store. (You must use the 1099-MISC form; other forms are not compatible with Sage BusinessWorks.)
> **Laser printers:** Use two forms (arranged vertically) per page.
> **Dot matrix printers:** Forms must be one-across, continuous forms.
> **Notes:**
> - Use a standard 8.5" x 11" print driver for printing reports. (Whether you use a dot matrix or laser printer, Sage BusinessWorks is set up to recognize two forms per 11" page.)
> - BusinessWorks v12 and Gold do not accommodate 4-up forms

Using Customized 1099 Forms
1099 forms customized in BW v12 cannot be used in BW Gold because of modifications done to the form in the current version. If you find that a custom form is still necessary after you have tested the new format, please delete the existing form and re-customize it in the current version of BW Gold.

Printing 1099 Worksheet
We recommend you review the 1099 Worksheet before printing your 1099 forms by navigating to Accounts Payable > Vendors > 1099 Worksheet, and follow on-screen instructions.

Printing 1099's
Navigate to Accounts Payable > Vendors > Print 1099 Forms, and follow on-screen instructions.

Additional Assistance
Specific information regarding printing of W-2's and 1099's, year-end closing, and customizing forms can be found in the BusinessWorks Help System.
- In BW Gold, navigate to Help > Module Help > Payroll Contents

Click on the links in the Payroll Contents Help System to learn more about each listed topic

Information regarding customization of W-2 and 1099 forms can be found in the Payroll Contents Help under Utilities > Maintain Payroll Forms