

HIGHLIGHTS OF THIS ISSUE

These synopses are intended only as aids to the reader in identifying the subject matter covered. They may not be relied upon as authoritative interpretations.

INCOME TAX

Notice 2012-51, page 150.

Reallocation of section 48A credits under the qualifying advanced coal project program. This notice discloses the results of the review of the credits allocated under the section 48A Phase I program, and establishes an additional program (“the section 48A Phase III program”) to reallocate the remaining credits of section 48A Phase I program (“the section 48A Phase III credits”). The procedures in this notice apply only to section 48A Phase I credits that are available for reallocation under the section 48A Phase III program. Notice 2009-24 amplified.

ADMINISTRATIVE

Rev. Proc. 2012-30, page 165.

This procedure contains updates and changes to Publication 1220, *Specifications for Filing Forms 1097, 1098, 1099, 3921, 3922, 5498, 8935 and W-2G Electronically* (revised 8-2012). Rev. Proc. 2011-40 superseded.

Rev. Proc. 2012-31, page 256.

This procedure updates Rev. Proc. 95-15 and revises the fee prescribed under the authority of section 6110(k) of the Code for processing requests for background file documents. Rev. Proc. 95-15 and Announcements 83-196 and 85-141 superseded.

Finding Lists begin on page ii.



The IRS Mission

Provide America's taxpayers top-quality service by helping them understand and meet their tax responsibilities and en-

force the law with integrity and fairness to all.

Introduction

The Internal Revenue Bulletin is the authoritative instrument of the Commissioner of Internal Revenue for announcing official rulings and procedures of the Internal Revenue Service and for publishing Treasury Decisions, Executive Orders, Tax Conventions, legislation, court decisions, and other items of general interest. It is published weekly and may be obtained from the Superintendent of Documents on a subscription basis. Bulletin contents are compiled semiannually into Cumulative Bulletins, which are sold on a single-copy basis.

It is the policy of the Service to publish in the Bulletin all substantive rulings necessary to promote a uniform application of the tax laws, including all rulings that supersede, revoke, modify, or amend any of those previously published in the Bulletin. All published rulings apply retroactively unless otherwise indicated. Procedures relating solely to matters of internal management are not published; however, statements of internal practices and procedures that affect the rights and duties of taxpayers are published.

Revenue rulings represent the conclusions of the Service on the application of the law to the pivotal facts stated in the revenue ruling. In those based on positions taken in rulings to taxpayers or technical advice to Service field offices, identifying details and information of a confidential nature are deleted to prevent unwarranted invasions of privacy and to comply with statutory requirements.

Rulings and procedures reported in the Bulletin do not have the force and effect of Treasury Department Regulations, but they may be used as precedents. Unpublished rulings will not be relied on, used, or cited as precedents by Service personnel in the disposition of other cases. In applying published rulings and procedures, the effect of subsequent legislation, regulations,

court decisions, rulings, and procedures must be considered, and Service personnel and others concerned are cautioned against reaching the same conclusions in other cases unless the facts and circumstances are substantially the same.

The Bulletin is divided into four parts as follows:

Part I.—1986 Code.

This part includes rulings and decisions based on provisions of the Internal Revenue Code of 1986.

Part II.—Treaties and Tax Legislation.

This part is divided into two subparts as follows: Subpart A, Tax Conventions and Other Related Items, and Subpart B, Legislation and Related Committee Reports.

Part III.—Administrative, Procedural, and Miscellaneous.

To the extent practicable, pertinent cross references to these subjects are contained in the other Parts and Subparts. Also included in this part are Bank Secrecy Act Administrative Rulings. Bank Secrecy Act Administrative Rulings are issued by the Department of the Treasury's Office of the Assistant Secretary (Enforcement).

Part IV.—Items of General Interest.

This part includes notices of proposed rulemakings, disbarment and suspension lists, and announcements.

The last Bulletin for each month includes a cumulative index for the matters published during the preceding months. These monthly indexes are cumulated on a semiannual basis, and are published in the last Bulletin of each semiannual period.

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Part III. Administrative, Procedural, and Miscellaneous

Reallocation of Section 48A Credits Under the Qualifying Advanced Coal Project Program

Notice 2012-51

SECTION 1. PURPOSE

Section 48A of the Internal Revenue Code, as originally enacted, provided for the first phase of the qualifying advanced coal project program and authorized \$1.3 billion of credits (“the § 48A Phase I program” and “the § 48A Phase I credit”). Section 48A, as amended by section 111 of the Energy Improvement and Extension Act of 2008, Pub. L. 110-343, 122 Stat. 3765 (October 3, 2008), provided for a second phase of the qualifying advanced coal project program and authorized an additional \$1.25 billion of credits (“the § 48A Phase II program” and “the § 48A Phase II credit”).

This notice reports the results of the § 48A Phase I program, and as provided by § 48A(d)(4), establishes a third phase of the qualifying advanced coal project program (“the § 48A Phase III program”) to distribute the § 48A Phase I credits that are available for allocation after the conclusion of the § 48A Phase I program (“the § 48A Phase III credits”). The procedures in this notice apply only to § 48A Phase I credits that are available for reallocation after the last allocation under the § 48A Phase I program.

To be considered in the § 48A Phase III program 2012-2013 allocation round (2012-2013 round), applications must be submitted to the Department of Energy (“DOE”) on or before October 15, 2012, and to the Internal Revenue Service (“Service”) on or before February 15, 2013.

SECTION 2. BACKGROUND

.01 Section 46 provides that the amount of the investment credit for any taxable year is the sum of the credits listed in § 46. That list includes the qualifying advanced coal project credit under § 48A.

.02 Section 48A(d)(1) provides that the Secretary, in consultation with the Secretary of Energy, shall establish a qualifying

advanced coal project program for the deployment of advanced coal-based generation technologies. The Treasury Department and the Service, in consultation with the Secretary of Energy, established the § 48A Phase I program in Notice 2006-24, 2006-1 C.B. 595, as modified and updated by Notice 2007-52, 2007-1 C.B. 1456.

.03 Under the § 48A Phase I program, the qualifying advanced coal project credit for a taxable year was an amount equal to (i) 20 percent of the qualified investment for that taxable year in qualifying projects that use an integrated gasification combined cycle (“IGCC”) and (ii) 15 percent of the qualified investment for that taxable year in qualifying projects that use other advanced coal-based generation technologies.

.04 Pursuant to § 48A(d)(3)(B), the § 48A Phase I program provided for (i) \$800 million of credits to be allocated to IGCC projects and (ii) \$500 million of credits to other advanced coal projects. The Service allocated credits through annual allocation rounds in 2006, 2007-08, and 2008-09, and a special allocation round in 2008.

.05 Pursuant to § 48A(d)(3)(B)(iii), the § 48A Phase II program provides for additional \$1.25 billion of credits for advanced coal-based generation technology projects. The § 48A Phase II credit for a taxable year is 30 percent of the qualified investment for that taxable year in advanced coal-based generation technology projects.

.06 Section 48A(d)(4) requires the Secretary to review the allocation of § 48A Phase I credits as of the date that is 6 years after the date of enactment of § 48A. The Secretary has broad authority to establish an additional program to distribute the § 48A Phase I credits that are available for reallocation if the Secretary determines that: (i) there is an insufficient quantity of qualifying applications for certification pending at the time of the review, or (ii) any certification made pursuant to § 48A(d)(2) has been revoked because the project subject to the certification has been delayed as a result of third-party opposition or litigation.

.07 The Service has completed this review and has determined that § 48A

Phase I credits in the total amount of \$658,500,000 are available for reallocation under the § 48A Phase III program.

.08 The § 48A Phase III program, like the § 48A Phase II program, requires a qualifying project to include equipment that separates and sequesters a percentage of such project’s total carbon dioxide (CO₂) emissions (at least 65 percent under the Phase II program and at least 70 percent under the Phase III program). The § 48A Phase I program did not include a similar requirement. Accordingly, the qualifying advanced coal project credit under the § 48A Phase III program will be computed using the rules applicable to the § 48A Phase II program rather than those applicable to the § 48A Phase I program. Thus, the credit for a taxable year under the § 48A Phase III program is an amount equal to 30 percent of the qualified investment (as defined in § 48A(b)) for that taxable year in a qualifying advanced coal project (as defined in § 48A(c)(1) and § 48A(e)). The 30 percent credit rate will apply to both facilities that use IGCC (as defined in § 48A(c)(7)) and those that use other advanced coal-based generation technologies.

.09 Section 48A(f) prescribes the requirements that must be satisfied to qualify as an advanced coal-based generation technology. These include requirements that the unit be designed to attain specified standards for emissions or removal of certain pollutants.

.10 Section 48A(e)(3)(A) provides for credit allocation by reference to the coal used as a primary feedstock. Section 48A(e)(3)(B) establishes priority for certain projects under the § 48A Phase I and Phase II programs. Section 48A(e)(3)(B) provides that high priority must be given to projects that include (i) greenhouse gas capture capability (as defined in § 48A(c)(5)), (ii) increased by-product utilization, (iii) applicant participants that have a research partnership with an eligible educational institution (as defined in § 529(e)(5)), and (iv) other benefits. Section 48A(e)(3)(C) provides that the highest priority is given to projects with the greatest separation and sequestration percentage of total CO₂ emissions. The § 48A Phase III program adopts priorities similar

to those specified in § 48A(e)(3)(B) and (C), but does not adopt the feedstock rules of § 48A(e)(3)(A).

.11 Section 48A(d)(5) provides that the Secretary shall, upon making a certification under § 48A(d), publicly disclose the identity of the applicant and the amount of the credit certified with respect to such applicant.

.12 Section 48A(h) directs the Secretary to modify the terms of any competitive certification award to permit a change of coal project site if such change (i) is consistent with the objectives of § 48A, (ii) is requested by the recipient, and (iii) involves moving the project site to improve the potential to capture and sequester CO₂ emissions, reduce costs of transporting feedstock, and serve a broader customer base. This directive does not apply if the Secretary determines that the dollar amount of tax credits available to the taxpayer under § 48A would increase as a result of the modification or such modification would result in such project not being originally certified. In addition, the Secretary is required to consult with other relevant Federal agencies, including the Department of Energy, in considering any modification under § 48A(h).

.13 The at-risk rules in § 49 and the recapture and other special rules in § 50 apply to the qualifying advanced coal project credit.

SECTION 3. DEFINITIONS

The following definitions apply for purposes of § 48A and this notice:

.01 *Coal*. Section 48A(c)(4) defines the term “coal” as meaning anthracite, bituminous coal, subbituminous coal, lignite, and peat. Coal includes waste coal (that is, usable material that is a byproduct of the previous processing of anthracite, bituminous coal, subbituminous coal, lignite, or peat). Examples of waste coal include fine coal of any of the listed ranks, coal of any of the listed ranks obtained from a refuse bank or slurry dam, anthracite culm, bituminous gob, and lignite waste.

.02 *Total Nameplate Generating Capacity*.

(1) Except as provided in section 3.02(2) of this notice, the total nameplate generating capacity of a project under § 48A(e)(1)(C) is the aggregate of the numbers (in megawatts) stamped on the

nameplate of each generator to be used in the project.

(2) If the number stamped on the nameplate of a generator is not determined at the International Standard Organization (ISO) optimal conditions of 59 degrees Fahrenheit, 60 percent relative humidity, and 14.7 psia at sea level, the number stamped on the nameplate is disregarded and the generator’s capacity (in megawatts) determined at such optimal conditions is used in its place.

.03 *Fuel Input*.

(1) *In general*. Section 48A(e)(1)(B) provides that the fuel input for the project, when completed, must be at least 75 percent coal. The term “fuel input” means, with respect to any type of fuel, the amount of such fuel used during normal plant operations. The amounts of the fuel used are measured (i) in British thermal units (Btus) on an energy input basis, and (ii) pursuant to applicable standards prescribed by the American Society for Testing and Materials (ASTM). Thus, the requirement of § 48A(e)(1)(B) is satisfied if, after completion and during normal plant operations, coal provides at least 75-percent of the project’s fuel measured in Btus on an energy input basis and pursuant to applicable ASTM standards.

(2) *Only normal plant operations taken into account*. Only fuel used during normal plant operations is taken into account for purposes of § 48A and sections 5.02(5) and 5.02(14) of this notice. Normal plant operations are operations other than during periods of initial plant certification, plant startup, plant shutdown, integrated gasifier shutdown for gasification system maintenance, or interruption of the coal supply to the project resulting from an event of force majeure (including an act of God, war, strike, or other similar event beyond the control of the taxpayer). For example, the fuel input during the initial plant certification may consist entirely of natural gas or other non-coal fuels because fuel used during initial plant certification is disregarded in determining whether the 75 percent coal usage requirement of § 48A(e)(1)(B) is satisfied.

.04 *Placed In Service*. For purposes of § 48A, property is placed in service in the taxable year in which the property is placed in a condition or state of readiness and availability for a specifically assigned

function. See § 1.46–3(d)(1)(ii) of the Income Tax Regulations. Thus, a qualifying advanced coal project or eligible property (as defined in § 48A(c)(3)) that is a part of the project is placed in service in the taxable year in which the project is placed in a condition or state of readiness and availability for producing electricity from coal as required under § 48A(e).

.05 *Separation and Sequestration*. The term “separation and sequestration” refers to the separation and capture of a project’s CO₂ emissions and the placement of the captured CO₂ into a repository in which the CO₂ will remain permanently sequestered.

SECTION 4. SECTION 48A PHASE III PROGRAM

.01 *In General*. The Service will consider a project under the § 48A Phase III program only if DOE provides a certification (“DOE certification”) and ranking (if any) for the project. Accordingly, a taxpayer must submit, for each project: (i) an application for certification by DOE that the project is technically and economically feasible (“application for DOE certification”), and (ii) an application for certification under § 48A(d)(4) by the Service (“application for § 48A certification”).

.02 *Program Specifications*.

(1) The Service determines the amount of the § 48A Phase III credits allocated to a project at the time the Service accepts the application for § 48A certification for that project in accordance with this notice (see section 5 of this notice for the requirements applicable to the application for DOE certification and the application for § 48A certification).

(2) Section 48A Phase III credits in the amount of \$658,500,000 are available for allocation in the 2012–2013 round. The credits will not be separated into pools based on the type of projects or the type of primary feedstock.

(3) The § 48A Phase III credit for a taxable year is an amount equal to 30 percent of the qualified investment (as defined in § 48A(b)) for that taxable year in a qualifying advanced coal project (as defined in § 48A(c)(1) and § 48A(e)). This rule applies to both facilities that use an IGCC (as defined in § 48A(c)(7)) and those that use other advanced coal-based generation technologies (as defined in § 48A(f)).

(4) A taxpayer that was allocated § 48A Phase I credits or § 48A Phase II credits for a project may submit an application for § 48A Phase III credits for the same project if the project meets the additional requirement for a qualifying project under the § 48A Phase III program that the project separate and sequester at least 70 percent of the project's total CO₂ emissions.

(a) The § 48A Phase III credit will be allowed with respect to the taxpayer's qualified investment in the project only to the extent such investment exceeds the qualified investment with respect to which the § 48A Phase I credit or § 48A Phase II credit was awarded.

(b) Section 48A Phase III credits allocated to a project will be forfeited if the taxpayer fails to satisfy the certification requirements in § 48A(e)(2) within two years from the date of acceptance of the application under this notice, or fails to place the project in service within 5 years of the date of issuance of the certification (as determined under section 6.03 of this notice). The allocation of the § 48A Phase III credits to a project does not delay the taxpayer's certification and placed-in-service obligations with respect to any § 48A Phase I credits or § 48A Phase II credits previously allocated to the project. Accordingly, the § 48A Phase I credits or the § 48A Phase II credits allocated to the project will be forfeited if the taxpayer fails to satisfy the certification requirements within two years from the date of acceptance under the § 48A Phase I program or the § 48A Phase II program (whichever is applicable), or fails to place the project in service within 5 years of the date of issuance of the certification under the applicable program.

(5) For § 48A Phase III credits, DOE will rank the certified projects in descending order (that is, first, second, third, etc.) based on the Program Policy Factors specified in Appendix B, and allocate the credit as follows:

(a) If the requested allocation of credits for projects that DOE has certified does not exceed the amount available for allocation, each certified project will be allocated the full amount of credit requested.

(b) If the requested allocation of credits for projects that DOE has certified exceeds the amount available for allocation, the amount available for allocation will be allocated as follows:

(i) The project receiving the highest ranking (that is, first) will be allocated the full amount of credit requested (but not exceeding the amount available for allocation) before any credit is allocated to a lower-ranked project. The amount available for allocation is reduced by the amount of credit so allocated and only the remainder is available for allocation to a lower-ranked project.

(ii) Second and lower-ranked projects will be entitled to similar priority in the allocation of credits and allocations to such projects will similarly reduce the remainder of the amount available for allocation until the amount available for allocation is exhausted.

(6) For the 2012–2013 round under this notice, the application period for § 48A certification begins on August 13, 2012, and ends on February 15, 2013, and any completed application for § 48A certification received by the Service after August 12, 2012, and before February 16, 2013, will be deemed to be submitted by the taxpayer on February 15, 2013.

(7) For purposes of this notice, an application that is submitted by U.S. mail will be treated as received by the Service on the date of the postmark and an application submitted by a private delivery service will be treated as received by the Service on the date recorded or the date marked in accordance with § 7502(f)(2)(C).

(8) See section 5.02 of this notice and Appendix B to this notice for the information to be submitted to DOE in an application for DOE certification. Appendix B to this notice also provides the instructions and address for filing the application for DOE certification. DOE will determine the technical and economic feasibility of the project and, if the project is determined to be feasible, will provide a DOE certification for the project to the Service. If DOE certifies two or more projects, DOE also will rank each of the projects it certifies (for example, first, second, third, etc.) relative to other certified projects and credits will be allocated to projects based on DOE ranking. If an application for DOE certification is postmarked on or before October 15, 2012, DOE will determine the feasibility of the project and (for projects determined to be feasible) provide DOE certification and DOE ranking (if any) to the Service by February 15, 2013.

(9) By May 15, 2013, the Service will accept or reject the taxpayer's application for § 48A certification and will notify the taxpayer, by letter, of its decision.

(10) If the taxpayer's application for § 48A certification is accepted, the acceptance letter will state the amount of the credit allocated to the project. If a credit is allocated to a taxpayer's project, the taxpayer will be required to execute a closing agreement in the form set forth in Appendix A to this notice. By July 15, 2013, the taxpayer must execute and return the closing agreement to the Service at the appropriate address listed in section 5.04 of this notice. The Service will execute and return the closing agreement to the taxpayer by September 16, 2013. The executed closing agreement applies only to the accepted taxpayer. The taxpayer must notify the Service within 90 days of the acquisition of the project by any other person (a successor in interest). A successor in interest that plans to claim the § 48A credit allocated to the project must request permission to execute a new closing agreement with the Service. If the request is granted, the new closing agreement must be executed no later than the due date (including extensions) of the successor in interest's Federal income tax return for the taxable year in which the transfer occurs. If the successor in interest does not execute a new closing agreement, the following rules apply:

(a) In the case of an interest acquired at or before the time the qualifying advanced coal project is placed in service, any credit allocated to the project will be fully forfeited (and rules similar to the recapture rules of § 50(a) apply with respect to qualified progress expenditures); and

(b) In the case of an interest acquired after the qualifying advanced coal project is placed in service, the project ceases to be investment credit property and the recapture rules of § 50(a) (and similar rules with respect to qualified progress expenditures) apply.

(11) The site of the qualifying advanced coal project relating to a credit allocation may be changed only if the change is consistent with the objectives of the qualifying advanced coal project program, is requested by the taxpayer that received the credit allocation, and involves moving the project site to improve the potential to capture and sequester CO₂ emissions, reduce

costs of transporting feedstock, and serve a broader customer base. The Service will not agree to a project site change if the dollar amount of tax credits allocated to the taxpayer under § 48A would increase as a result of the site change or if the project would not have been originally certified had such modification been included in the taxpayer's application. In considering such modification, the Service will consult with DOE and any other relevant Federal agency.

(12) The § 48A Phase III credit allocated to the project will be forfeited if the taxpayer fails to satisfy the certification requirements in § 48A(e)(2) within 2 years from the date of acceptance of the application under this notice, or fails to place the project in service within 5 years of the date of issuance of the certification (as determined under section 6.03 of the notice).

(13) The taxpayer must notify the Service by letter of the date the project is placed in service within 90 days of that date.

SECTION 5. APPLICATIONS FOR CERTIFICATIONS

.01 In General. An application for § 48A certification and a separate application for DOE certification must be submitted for each qualifying advanced coal project. If an application for DOE certification does not include all of the information required by section 5.02 of this notice, DOE may decline to accept the application. If an application for § 48A certification does not include all of the information listed in section 5.03 of this notice, the Service may decline to accept the application.

.02 Information Required in the Application for DOE Certification. An application for DOE certification must be sent to the address specified in Section C of Appendix B. The application must include all of the information requested in Appendix B to this notice and all of the following:

(1) The name, address, and taxpayer identification number of the taxpayer. If the taxpayer is a member of an affiliated group filing consolidated returns, also provide the name, address, and taxpayer identification number of the common parent of the group.

(2) The name and telephone number of a contact person.

(3) The name and address (or other unique identifying designation) of the qualifying advanced coal project.

(4) A statement specifying whether the project is an IGCC project or a project that uses another advanced coal-based technology.

(5) A statement specifying that the fuel input for the project is at least 75 percent coal (as defined in section 3.01 of the notice).

(6) The estimated total cost of the project and the estimated total qualified investment in the eligible property that will be part of the project.

(7) The amount of the qualifying advanced coal project credit requested for the project.

(8) A statement specifying the amount of credit the taxpayer is or will be requesting under § 48B for the project, if any.

(9) A statement specifying whether the project is a new electric generation unit (as defined in § 48A(c)(6)), a retrofit of an existing electric generation unit, or a repower of an existing electric generation unit.

(10) A statement specifying whether the project is entitled to priority for increased by-product utilization or a research partnership with an eligible educational institution (as defined in § 529(e)(5)) and, if entitled to priority, a statement identifying which of these priorities apply to the project. If priority results from a research partnership with an eligible educational institution, state the name(s) of the eligible institution.

(11) A statement specifying the percentage of total CO₂ emissions that the project will separate and sequester.

(12) A statement specifying the number and types of generators to be used in the project (for example, two combustion turbine generators and one steam turbine generator).

(13) The exact total nameplate generating capacity (as defined in section 3.02 of this notice) of the project.

(14) In the case of a project that will not achieve 99-percent removal of sulfur dioxide, a statement that the project is designed for the use of a feedstock substantially all of which is subbituminous coal and will achieve an emission level of not more than 0.04 pounds of sulfur dioxide per million Btu, determined on a 30-day average. For this purpose, a project is designed for

the use of feedstock substantially all of which is subbituminous coal if at all times 80 percent or more of the cumulative total fuel input (coal and any other fuel input) used in normal plant operations (as defined in section 3.03(2) of this notice) of the project will be subbituminous coal. Such a project meets the requirements in § 48A(f)(1) by achieving either 99-percent removal of sulfur dioxide or an emission level of not more than 0.04 pounds of sulfur dioxide per million Btu, determined on a 30-day average. All other qualifying advanced coal projects must achieve 99-percent removal of sulfur dioxide.

(15) The following declaration: "Under penalties of perjury, I declare that I have examined this submission, including accompanying documents, and, to the best of my knowledge and belief, all of the facts contained herein are true, correct and complete."

(16) The taxpayer's signature. The taxpayer must sign and date the application, including the perjury declaration. A stamped, faxed or electronic signature will not be accepted. The person signing for the taxpayer must have personal knowledge of the facts. Further, the application, including the perjury declaration, must be signed by an officer on behalf of a corporation, a general partner on behalf of a state-law partnership, a member-manager on behalf of a limited liability company, a trustee on behalf of a trust, and the proprietor in the case of a sole proprietorship. If the taxpayer is a member of an affiliated group filing consolidated returns, the application, including the perjury declaration, must be signed by a duly authorized officer of the common parent of the group.

.03 Information To Be Included in the Application for § 48A Certification. An application for § 48A certification must include all of the following:

(1) The name, address, and taxpayer identification number of the taxpayer. If the taxpayer is a member of an affiliated group filing consolidated returns, also provide the name, address, and taxpayer identification number of the common parent of the group.

(2) The name and/or number of the IRS form that the taxpayer uses to file its Federal income tax return (e.g., Forms 1120, 1065, etc.) and the ending month of the taxpayer's tax year.

(3) The name, telephone number, and fax number of a contact person. For such person, attach a properly executed power of attorney, preferably on Form 2848, *Power of Attorney and Declaration of Representative*.

(4) One electronic version on a USB flash drive or a CD of the completed application for DOE certification submitted with respect to the project in accordance with section 5.02 of this notice.

(5) If § 48A Phase I credits or § 48A Phase II credits were allocated to the project, the estimated total cost and estimated total qualified investment of the project as represented in the application for the § 48A Phase I credits or § 48A Phase II credits, and the amount of the allocated § 48A Phase I credits or § 48A Phase II credits.

(6) The following declaration: “Under penalties of perjury, I declare that I have examined this submission, including accompanying documents, and, to the best of my knowledge and belief, all of the facts contained herein are true, correct and complete.”

(7) The taxpayer’s signature. The taxpayer must sign and date the application, including the perjury declaration. A stamped, faxed or electronic signature will not be accepted. The person signing for the taxpayer must have personal knowledge of the facts. Further, the application, including the perjury declaration, must be signed by an officer on behalf of a corporation, a general partner on behalf of a state-law partnership, a member-manager on behalf of a limited liability company, a trustee on behalf of a trust, and the proprietor in the case of a sole proprietorship. If the taxpayer is a member of an affiliated group filing consolidated returns, the application, including the perjury declaration, must be signed by a duly authorized officer of the common parent of the group.

.04 *Instructions and Address for Filing § 48A Application.* There is no user fee for these applications. The application for § 48A certification meeting the requirements of section 5.03 of this notice should be marked: “SECTION 48A APPLICATION FOR CERTIFICATION.” A taxpayer may submit the application by U.S. mail, private delivery service, or hand delivery service to:

Internal Revenue Service
Industry Director, Natural Resources
and Construction
Attn: Executive Assistant (Technical)
1919 Smith Street, Floor P2
Stop 1000-HOU
Houston, TX 77002

The application may be hand delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. central time.

SECTION 6. ISSUANCE OF CERTIFICATION

.01 *In General.* A taxpayer shall have 2 years from the date of acceptance of the § 48A application during which to provide evidence to the Service that the criteria set forth in § 48A(e)(2) have been met. If such evidence is not timely received, the allocated Phase III credits are forfeited. A project shall be eligible for certification only if (i) the taxpayer has received all Federal and State environmental authorizations or reviews necessary to commence construction of the project, and (ii) the taxpayer, except in the case of a retrofit or repower of an existing generation unit, has purchased or entered into a binding contract for the purchase of the main steam turbine or turbines for the project, except that this contract may be contingent upon receipt of a certification under § 48A(d)(2). Section 48A(d)(2)(E) provides that a taxpayer that receives a certification has 5 years from the date of issuance of the certification to place the project in service and that the certification is void if the project is not placed in service by the end of that 5-year period. If evidence that the project was placed in service is not timely received, the allocated Phase III credits are forfeited.

.02 *Requirements for Certification.* Within 2 years from the date that the Service accepts the taxpayer’s application for § 48A certification under this notice, the taxpayer must submit to the Service an electronic version on a USB flash drive or a CD of the documentation establishing that the certification requirements of section 6.01 of this notice are satisfied. The documentation must be formatted in one of the following software applications: Microsoft Word[™] 2007 or later edition; Microsoft Excel[™] 2007 or later edition; or Adobe Acrobat[™] PDF 7.0 or later edition.

The taxpayer should mark the package “SECTION 48A CERTIFICATION REQUIREMENTS” and send it to the address listed in section 5.04 of this notice.

(1) The documentation establishing that the certification requirements of section 6.01 of this notice are satisfied must be accompanied by the following written declaration: “Under penalties of perjury, I declare that I have examined this submission, including accompanying documents, and, to the best of my knowledge and belief, all of the facts contained herein are true, correct and complete.”

(2) The taxpayer’s submission (the documentation and the perjury declaration) must be signed and dated by the taxpayer. A stamped, faxed or electronic signature will not be accepted. The person signing for the taxpayer must have personal knowledge of the facts. Further, the submission must be signed by an officer on behalf of a corporation, a person authorized under state law to bind the entity on behalf of an entity treated as a partnership for federal tax purposes (for example, a general partner in a state-law partnership), a trustee on behalf of a trust, and the proprietor in the case of a sole proprietorship. If the taxpayer is a member of an affiliated group filing consolidated returns, the submission also must be signed by a duly authorized officer of the common parent of the group.

.03 *Service’s Action on Certification.* After receiving the material described in section 6.02 of this notice, the Service will decide whether or not to certify the project and will notify the taxpayer, by letter, of that decision. If the Service certifies the project, the date of this letter is the date of issuance of the certification.

SECTION 7. OTHER REQUIREMENTS

.01 *Significant Change in Plans.* The Service must be informed if the plans for the project change in any significant respect from the plans set forth in the applications for § 48A and DOE certification. Except as otherwise provided under § 48A(h), any significant change to the plans set forth in the applications will have the following effects if the Service is informed of the change after the date on which the applications for DOE certification were due for the allocation round under section 4.02(8) of this notice:

(1) The Service will give no further consideration to the project; and

(2) Any acceptance provided by the Service and any allocation or certification based on that acceptance will be void.

.02 *Recapture of the § 48A Phase III credits.* Section 48A Phase III credits are subject to the recapture rules of § 50. Section 50(a)(1) provides, generally, for recapture of the investment credit if, during any taxable year, investment tax credit property is disposed of or otherwise ceases to be investment credit property with respect to the taxpayer before the close of the recapture period. The recapture period under § 50(a) is the 5-year period beginning on the date the property is placed in service.

(1) The recapture rules under § 50 will apply for all events that trigger recapture of the credits allowed under § 48A, including a failure to attain or maintain the separation and sequestration requirements of § 48A(e)(1)(G).

(2) For purposes of determining whether a project meets the requirements of § 48A(e)(1)(G), the amount of the project's total CO₂ emissions and the amount of CO₂ separated and sequestered will be measured on an annual basis during normal plant operations (as defined in section 3.03(2) of this notice). An annual period other than the taxpayer's taxable year may be used for these purposes if the same period is consistently used. If a period other than the taxable year is used, any failure to meet the requirements of § 48A(e)(1)(G) will be treated as occurring in the taxable year that includes the last day of the annual period in which the failure occurs.

.03 *Effect of an Acceptance, Allocation, or Certification.* An acceptance, allocation, or certification by the Service under this notice is not a determination that a project qualifies for the qualifying advanced coal project credit under § 48A. The Service may, upon examination, determine that the project does not qualify for this credit.

.04 *No Right to a Conference or Appeal.* A taxpayer does not have a right to a conference relating to, or a right of appeal with respect to, any decision made under this notice (including the acceptance or rejection of the application for DOE or § 48A certification, the amount of credit allocated

to a project, or whether or not to certify a project) to any official of the Service.

.05 *DOE Debriefings.* Although a taxpayer does not have a right to a conference relating to any matters under this notice, DOE will offer debriefings to all applicants that submitted an application for DOE certification. This debriefing will be held by DOE after the Service has accepted the applications for § 48A certification (as determined under this notice). The sole purpose of the debriefing is to enable applicants to develop better proposals in future allocation rounds, if any, by providing DOE's review of the strengths and weaknesses of their applications for DOE certification. All requests for debriefings must be submitted to DOE within 30 days of receipt of the Service's decision to accept or reject the application.

SECTION 8. REDUCTION OR FORFEITURE OF ALLOCATED CREDITS

Under the provisions of this notice and the closing agreement set forth in Appendix A to this notice, the § 48A Phase III credits allocated in the 2012–2013 round under section 4 of this notice will be reduced or forfeited in certain situations. A taxpayer must notify the Service of the amount of any required reduction or forfeiture required under the closing agreement. This notification must be sent to the appropriate address listed in section 5.04 of this notice.

SECTION 9. QUALIFIED PROGRESS EXPENDITURES

.01 Section 48A(b)(3) provides that rules similar to the rules of § 46(c)(4) and (d) (as in effect on the day before the enactment of the Revenue Reconciliation Act of 1990) shall apply for purposes of § 48A. Former §§ 46(c)(4) and 46(d) provided the rules for claiming the investment credit on qualified progress expenditures (as defined in former § 46(d)(3)) made by a taxpayer during the taxable year for the construction of progress expenditure property (as defined in former § 46(d)(2)).

.02 In the case of self-constructed property (as defined in former § 46(d)(5)(A)), former § 46(d)(3)(A) defined qualified progress expenditures to mean the amount that is properly chargeable (during the

taxable year) to capital account with respect to that property. With respect to a qualifying advanced coal project that is self-constructed property, amounts paid or incurred are chargeable to capital account at the time and to the extent they are properly includible in computing basis under the taxpayer's method of accounting (for example, after applying the requirements of § 461, including the economic performance requirement of § 461(h)).

.03 To claim the qualifying advanced coal project credit on the qualified progress expenditures paid or incurred by a taxpayer during the taxable year for construction of a qualifying advanced coal project, the taxpayer must make an election under the rules set forth in § 1.46–5(o) of the Income Tax Regulations. A taxpayer may not make the qualified progress expenditures election for a qualifying advanced coal project until the taxpayer has received an acceptance letter for the project under this notice.

.04 If a taxpayer makes the qualified progress expenditures election pursuant to section 9.03 of this notice, rules similar to the recapture rules in § 50(a)(2)(A)–(D) apply. In addition to the cessation events listed in § 50(a)(2)(A), examples of other events that will cause the project to cease being a qualifying advanced coal project are:

(1) Failure to satisfy any of the certification requirements in § 48A(e)(2) within 2 years from the date that the Service accepted the taxpayer's application for § 48A certification for the project under this notice;

(2) Failure to receive a certification for the project in accordance with section 6.03 of this notice;

(3) Failure to place the project in service within 5 years from the date of issuance of the certification under section 6.03 of this notice;

(4) A significant change to the plans for the project as set forth in the applications for § 48A and DOE certification if, under section 7.01 of this notice, the Service's acceptance of the project is void as a result of the change; or

(5) Failure of the project, at any time during the recapture period (as provided in § 50(a)), to attain or maintain the separation and sequestration of CO₂ emissions required by § 48A(e)(1)(G).

SECTION 10. DISCLOSURE OF INFORMATION

.01 *Announcement.* Section 48A(d)(5) provides that the Secretary shall, upon making a certification under § 48A(d), publicly disclose the identity of the applicant and the amount of the credit certified with respect to such applicant. Accordingly, the Service intends to publish the results of the allocation process, and disclose the following information in the event a qualifying advanced coal project credit is allocated to the taxpayer's project: (i) the name of the taxpayer and (ii) the amount of the qualifying advanced coal project credit allocated to the project.

.02 *In general.* An application for DOE certification, an application for § 48A certification, any other documentation submitted by the taxpayer pursuant to section 6.02 of this notice, and any documentation generated by the Service or DOE as part of this process are return information subject to § 6103. Except for the items of information that § 48A(d)(5) requires the Service to make available to the public, the other material remains the applicant's confidential return information, which is exempt under 5 USC § 552(b)(3) and Code § 6103 from disclosure under the Freedom of Information Act ("FOIA"). Other FOIA exemptions may also apply. For example, FOIA includes exemptions for trade secrets and commercial or financial information (5 USC § 552(b)(4)), as well as personal information (5 USC § 552(b)(6)).

.03 *FOIA requests.* Anyone interested in submitting a request for records under

the FOIA with respect to the qualifying advanced coal project program under § 48A should direct a request that conforms to the Service's FOIA regulations, found at 26 C.F.R. § 601.702, to the following address:

IRS FOIA Request
Baltimore Disclosure Office
Room 940
31 Hopkins Plaza
Baltimore, MD 21201

SECTION 11. EFFECT ON OTHER DOCUMENTS

Notice 2009–24, 2009–16 I.R.B. 817, is amplified.

SECTION 12. EFFECTIVE DATE

This notice is effective upon publication in the Internal Revenue Bulletin.

SECTION 13. PAPERWORK REDUCTION ACT

The collection of information contained in this notice has been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act (44 U.S.C. § 3507) under control number 1545–2003.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number.

The collections of information in this notice are in sections 4, 5, 6, 7, 8, and Ap-

pendix B of this notice. This information is required to obtain an allocation of qualifying advanced coal project credits. This information will be used by the Service to verify that the taxpayer is eligible for the qualifying advanced coal project credits. The collection of information is required to obtain a benefit. The likely respondents are business or other for-profit institutions.

The estimated total annual reporting burden is 550 hours.

The estimated annual burden per respondent varies from 70 to 150 hours, depending on individual circumstances, with an estimated average of 110 hours. The estimated number of respondents is 5.

The estimated annual frequency of responses is on occasion.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. § 6103.

SECTION 14. DRAFTING INFORMATION

The principal author of this notice is Jennifer Bernardini of the Office of Associate Chief Counsel (Passthroughs & Special Industries). For further information regarding this notice, contact Ms. Bernardini at (202) 622–3110 (not a toll-free call).

APPENDIX A
CLOSING AGREEMENT

Under § 7121 of the Internal Revenue Code, [insert taxpayer's name, address, and identifying number] ("Taxpayer") and the Commissioner of Internal Revenue ("Commissioner") make the following closing agreement:

WHEREAS:

1. On or before February 15, 2013, Taxpayer submitted to the Internal Revenue Service ("Service"), an application for certification under the § 48A Phase III program 2012–2013 allocation round (2012–2013 round) described in Notice 2012–51 ("Application for § 48A Certification").

2. Taxpayer's Application for § 48A Certification in the 2012–2013 round is for the project described below (the "Project"):

(a) The Project will use an advanced coal-based generation technology (as defined in § 48A(c)(2) and (f)).

(b) The Project will be located at [insert address or other identifying designation].

(c) The Project site in subsection (b) above may be changed only if the change is consistent with the objectives of the qualifying advanced coal project program, is requested by the taxpayer that received the credit allocation, and involves moving the Project site to improve the potential to capture and sequester CO₂ emissions, reduce costs of transporting feedstock, and serve a broader customer base. The Service will not agree to a project site change if the dollar amount of tax credits allocated to the taxpayer under § 48A would increase as a result of the site change or if the Project would not have been originally certified had such modification been included in the taxpayer's application.

(d) The Project is [insert either: "a new electric generation unit (as defined in § 48A(c)(6))"; "a retrofit of an existing electric generation unit (as defined in § 48A(c)(6))"; or "a repower of an existing electric generation unit (as defined in § 48A(c)(6))."]

(e) The Project will have a total nameplate generating capacity (as defined in section 3.02 of Notice 2012–51) of at least [insert number] megawatts.

(f) At all times at least 75 percent of the cumulative total fuel input (as defined in section 3.03(1) of Notice 2012–51) used during normal plant operations (as defined in section 3.03(2) of Notice 2012–51) for the Project will be coal (as defined in section 3.01 of Notice 2012–51).

3. On [insert date of acceptance letter issued under Notice 2012–51], the Service accepted Taxpayer's Application for § 48A Certification for the Project and allocated qualifying advanced coal project credit under § 48A in the amount of \$[insert number] to the Project.

4. Taxpayer understands that if Taxpayer fails to satisfy any of the certification requirements in § 48A(e)(2) within the time specified in § 48A(d)(2)(D) (2 years from [insert the date in WHEREAS clause #3]), or if the Service does not issue a certification for the Project under Notice 2012–51, the § 48A Phase III credit in the amount of \$[insert the number in WHEREAS clause #3] allocated to the Project in the 2012–2013 round is fully forfeited.

5. Taxpayer understands that if the Project fails to attain or maintain the separation and sequestration of CO₂ emissions required by § 48A(e)(1)(G), the § 48A Phase III credit in the amount of \$[insert the number in WHEREAS clause #3] allocated to the Project in the 2012–2013 round will be recaptured pursuant to § 50.

6. Taxpayer understands that if the Project is not placed in service by Taxpayer within 5 years of the date of issuance of the certification as determined under section 6.03 of Notice 2012–51, the § 48A Phase III credit in the amount of \$[insert the number in WHEREAS clause #3] allocated to the Project in the 2012–2013 round is fully forfeited. Taxpayer must provide evidence to the Service that the Project has been timely placed in service.

7. Taxpayer understands that if the plans for the Project change in any significant respect from the plans set forth in the application for DOE certification (as defined in section 5.02 of Notice 2012–51) and the Application for § 48A Certification (as defined in section 5.03 of Notice 2012–51) and, under section 7.01 of Notice 2012–51, the acceptance of Taxpayer's Application for § 48A Certification on [insert the date in WHEREAS clause #3] is void, the § 48A Phase III credit in the amount of \$[insert the number in WHEREAS clause #3] allocated to the Project in the 2012–2013 round is fully forfeited.

8. Taxpayer understands that if the Project fails to satisfy any of the requirements in § 48A(e)(1)(A), (C), (D), (E), and (F) for a qualifying advanced coal project or, during normal plant operations (as defined in section 3.03(2) of Notice 2012–51), fails to satisfy the requirement in § 48A(e)(1)(B) for a qualifying advanced coal project—

(a) at the time the Project is placed in service, § 48A Phase III credit in the amount of \$[insert the number in WHEREAS clause #3] allocated to the Project in the 2012–2013 round is fully forfeited; and

(b) after the Project is placed in service (and after satisfying all such requirements at the time the Project is placed in service), the Project ceases to be investment credit property and the recapture rules of § 50(a) apply.

9. Taxpayer understands that if at any time more than 25 percent of the cumulative total fuel input (as defined in section 3.03(1) of Notice 2012-51) used during normal plant operations (as defined in section 3.03(2) of Notice 2012-51) is not coal (as defined in section 3.01 of Notice 2012-51), the Project ceases to be investment credit property and the recapture rules of § 50(a) apply.

10. Taxpayer cannot claim the qualifying gasification project credit under § 48B for any qualified investment for which the qualifying advanced coal project credit is allowed under §48A.

11. Taxpayer understands that if Taxpayer elects to claim the qualifying advanced coal project credit on the qualified progress expenditures paid or incurred by Taxpayer during the taxable year(s) during which the Project is under construction and the Project ceases to be a qualifying advanced coal project (whether before, at the time, or after the Project is placed in service), rules similar to the recapture rules in § 50(a)(2)(A) through (D) apply.

12. This agreement applies only to Taxpayer. Taxpayer must notify the Service within 90 days of the acquisition of the Project by any other person (a successor in interest). A successor in interest that plans to claim the § 48A credit allocated to the Project must request permission to execute a new closing agreement with the Service. If the request is granted, the new closing agreement must be executed no later than the due date (including extensions) of the successor in interest's Federal income tax return for the taxable year in which the transfer occurs. If the interest is acquired at or before the time the Project is placed in service and the successor in interest fails to execute a new closing agreement, the § 48A Phase III credit in the amount of \$[insert the number in WHEREAS clause #3] allocated to the Project in the 2012-2013 round is fully forfeited. If the interest is acquired after the time the Project is placed in service and the successor in interest fails to execute a new closing agreement, the Project ceases to be investment credit property and the recapture rules of § 50(a) apply.

NOW IT IS HEREBY DETERMINED AND AGREED FOR FEDERAL INCOME TAX PURPOSES THAT:

1. The total amount of the § 48A Phase III credit that Taxpayer will claim for the Project under this agreement on account of the acceptance of Taxpayer's Application for § 48A Certification in the 2012-2013 round cannot exceed \$[insert the number in WHEREAS clause #3].

2. This Agreement does not express whether the Taxpayer has met the certification requirements under § 48A(e)(2) or other future requirements to receive tax credits under § 48A.

3. This agreement is limited and applies only to Taxpayer. A successor in interest that plans to claim the § 48A credit allocated to the Project must request permission to execute a new closing agreement with the Service.

THIS AGREEMENT IS FINAL AND CONCLUSIVE EXCEPT:

1. The matter it relates to may be reopened in the event of fraud, malfeasance, or misrepresentation of a material fact;
2. It is subject to the Internal Revenue Code sections that expressly provide that effect be given to their provisions (including any stated exception for § 7122) notwithstanding any law or rule of law; and
3. If it relates to a tax period ending after the date of this Closing Agreement, it is subject to any law enacted after such date, which applies to the tax period.

By signing, the parties certify that they have read and agreed to the terms of this Closing Agreement.

Taxpayer: [insert name and identifying number]

By: _____ **Date Signed:** _____
[insert name]

Title: [insert title]
[insert taxpayer's name]

Commissioner of Internal Revenue

By: _____ **Date Signed:** _____
[insert name]

Title: [insert title]

APPENDIX B
APPLICATION FOR DOE CERTIFICATION
REQUEST FOR SUPPLEMENTAL APPLICATION INFORMATION FOR DOE

The Internal Revenue Service (“Service”) and the Department of Energy (“DOE”) seek to certify applications that demonstrate a high likelihood of being successfully implemented by the applicants. To qualify, projects must be technically and economically feasible and use the appropriate clean coal technology.

This request for submission of supplemental application information:

- Describes the information to be provided by the applicant seeking a certification of feasibility from DOE, and
- Lists the evaluation criteria and Program Policy Factors to be used by DOE in the evaluation of applications.

If after review by DOE a project is determined to be feasible, DOE will provide a DOE certification of feasibility to the Service. The Service will then accept or reject the taxpayer’s application for certification of tax credit.

In conducting this evaluation DOE may utilize assistance and advice from qualified personnel from other Federal agencies and/or non-conflicted contractors. DOE will obtain assurances in advance from all evaluators that application information shall be kept confidential and used only for evaluation purposes. DOE reserves the right to request clarifications and/or supplemental information from some or all applicants through written submissions and/or oral presentations.

Notice is given that DOE may determine whether or not to provide a certification to the Service at any time after the application has been received, without further exchanges or discussions. Therefore, all applicants are advised to submit their most complete and responsive application.

Applications will not be returned.

A. General

This request, together with the information in relevant sections of Notice 2012–51 includes all the information needed to complete an application for DOE certification. All applications shall be prepared in accordance with this request in order to provide a standard basis for evaluation and to ensure that each application will be uniform as to format and sequence.

Each application should clearly demonstrate the applicant’s capability, knowledge, and experience regarding the requirements described herein.

Applicants should fully address the requirements of Notice 2012–51 and this request and *not* rely on the presumed background knowledge of reviewers. DOE may reject an application that does not follow the instructions regarding the organization and content of the application when the nature of the deviation and/or omission precludes meaningful review of the application.

B. Unnecessarily Elaborate Applications

Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective application are not desired. Elaborate art work, graphics and pictures are neither required nor encouraged.

C. Application Submission for DOE Certification

The application submission to DOE must include the information and documentation required by relevant sections of Notice 2012–51.

An application to DOE will not be considered in the 2012–2013 allocation round unless it is postmarked by October 15, 2012. One electronic version on a USB flash drive or a CD of the application must be submitted to:

Cheri Hall
National Energy Technology Laboratory
3610 Collins Ferry Road
Morgantown, WV 26507

Note that under section 5.03(4) of Notice 2012–51, one electronic version of the application for DOE certification must be sent to the Service as part of the application for §48A certification. The application for §48A certification will not be considered in the 2012–2013 allocation round under this notice unless it is submitted to the Service by February 15, 2013.

THE INFORMATION REQUIRED BY THIS REQUEST MUST BE SUBMITTED USING THE FORMAT AND THE HEADINGS OF THE “PROJECT INFORMATION MEMORANDUM” AS DESCRIBED BELOW.

To aid in evaluation, applications shall be clearly and concisely written and logically assembled. All pages of each part shall be appropriately numbered and identified with the name of the applicant and the date.

The application, including the Project Information Memorandum, MUST be formatted in one of the following software applications:

- Microsoft Word™ 2007 or later edition
- Microsoft Excel™ 2007 or later edition
- Adobe Acrobat™ PDF 7.0 or later edition

Financial models should be submitted using the Excel™ spreadsheet and must include calculation formulas and assumptions.

The applicant is responsible for the integrity and structure of the electronic files. DOE will not be responsible for reformatting, restructuring or converting any files submitted in response to this request.

The Project Information Memorandum, *excluding Appendices*, shall not exceed seventy-five (75) pages. Pages in excess of the page limitation will not be considered for evaluation. All text shall be typed, single spaced, using 12 point font, 1 inch margins, and unreduced 8-1/2-inch by 11-inch pages. Illustrations and charts shall be legible with all text in legible font. Pages shall be sequentially numbered. Except as otherwise noted herein the page guidelines previously set forth constitute a limitation on the total amount of material that may be submitted for evaluation. No material may be incorporated in any application by reference as a means to circumvent the page limitation.

D. Project Information Memorandum

1. Summary and Introduction

- a. Description of the Project
- b. Financing and Ownership Structure
- c. Description of the main parties to the project, including background, ownership and related experience
- d. Current Project Status and Schedule to Beginning of Construction

2. Technology and Technical Information

Provide a description of the proposed technology, including sufficient supporting information (such as vendor guarantees, process flow diagrams, equipment descriptions, information on each major process unit and the total plant, compositions of major streams, and the technical plan for achieving the goals proposed for the project) as would be needed to allow DOE to confirm that the technical requirements of § 48A are met. Specifically the applicant should:

- Provide evidence sufficient to demonstrate that the proposed technology meets the definition of “Advanced Coal-Based Generation Technology,” either as integrated gasification combined cycle (“IGCC”) technology, or other advanced coal-based electric generation technology meeting the heat rate requirement of 8530 Btu/kWh.
- For advanced coal-based electric generation:
 - The applicant must provide evidence sufficient to justify the actual heat rate and heat rate corrected to conditions specified in § 48A(f)(2).
 - For projects including existing units, the applicant must provide evidence sufficient to justify that the proposed technology meets heat rate requirements specified in § 48A(f)(3).
- Provide evidence sufficient to justify that the proposed project is designed to meet the following performance requirements:
 - SO₂ (subbituminous coal is 80 percent or more of fuel input).....99 percent removal or emissions not more than 0.04 lbs/MMBTU
 - SO₂ (subbituminous coal is not more than 80 percent of fuel input).....99 percent removal
 - SO₂ (for all projects other than subbituminous coal projects).....99 percent removal
 - NO_x emissions.....0.07 lbs / MMBTU
 - PM emissions.....0.015 lbs / MMBTU
 - Hg percent removal.....90 percent
- Provide evidence sufficient to demonstrate that the project meets the requirements for qualifying advanced coal projects as specified under § 48A(e)(1) including:
 - The project will power a new electric generation unit or retrofit/repower an existing electric generation unit. At least 50% of the useful output of the project is electrical power.
 - The fuel for the project is at least 75% coal (as defined in § 48A(c)(4) and section 3.01 of Notice 2012–51), on an energy input basis.

- The project is located at one site and has a total nameplate electric power generating capacity (as defined in section 3.02 of Notice 2012–51) of at least 400 MW.
- The project includes equipment that separates and sequesters at least 70 percent of such project’s total carbon dioxide (“CO₂”) emissions. The CO₂ separation, capture, sequestration, and emission values shall be reported on metric tons per hour and metric tons per year basis under normal plant operating conditions. The CO₂ separation and sequestration percentages shall be calculated based on the total CO₂ that would otherwise be released into the atmosphere as industrial emission of greenhouse gas.

3. Applicant’s Capability to Accomplish the Technical Objectives

Provide a narrative supporting the Applicant’s capability to accomplish the technical objectives of the proposed project, including supporting documentation demonstrating that the applicant has assembled a team that is formally committed to participate in the proposed project.

Provide information to support that the applicant has assembled a team with the skills and resources needed to implement the project as proposed. Provide signed agreements or letters from team members demonstrating that the proposed team members are fully committed to the project.

Provide information, including examples of prior similar projects completed by applicant, engineering-procurement-construction (“EPC”) contractor, and suppliers of major subsystems or equipment, which support the capabilities of the applicant and its team members to design, construct, permit, and operate the facility. The applicant should demonstrate that the team members have a corporate history of successful completion of similar projects.

Provide information to support that key personnel of the applicant and its team members have knowledge, experience, and adequate degree of involvement to successfully implement the project.

Include the project status and relevant information from ongoing engineering activities. Also include in an appendix any engineering report or reports used by the applicant to develop the project and to estimate costs and operating performance. Include copies of any signed agreements to support project status claims regarding preliminary design studies, front-end engineering design (“FEED”), and EPC-type agreements.

4. Priority for Qualifying Advanced Coal Projects

The applicant must submit information sufficient for categorization and prioritization of projects for certification, including documentation pertaining to the following:

- High priority project factors:
 - Increased by-product utilization, if applicable.
 - Research partnership with an eligible educational institution as defined in §48A(e)(3)(B)(iii), if applicable.
- Highest priority factor: Separation and sequestration percentage of total CO₂ emissions.

5. Site Control and Ownership

Provide evidence that demonstrates the overall feasibility of implementing the project at the proposed site.

Provide evidence that the applicant owns or controls a site in the United States of sufficient size to allow the proposed project to be constructed and operated on a long-term basis. Documentation such as a deed demonstrating the applicant owns the project site, a signed option to purchase the site from the site owner, or a letter of intent signed by the site owner and stating the site owner’s intent to sell the site to the applicant should be provided.

Describe the current infrastructure at the site available to meet the needs of the project.

Provide documentation supporting applicant’s conclusion that the proposed site can fully meet all environmental, coal supply, water supply, transmission interconnect, and public policy requirements. Such documentation may include signed agreements, letters of intent, or term sheets relating to coal supply, water supply, and product (*e.g.* CO₂) transportation etc., and regulatory approvals supporting the key claims.

Provide detailed plans, schedules and status updates, particularly for sites with pre-existing conditions that could impact the proposed project. Pre-existing conditions may include, but are not limited to, sites with mandated environmental remediation efforts; brown-field sites that will require building demolition; or sites requiring substantial rerouting of existing roads, railroads, transmission lines or pipelines prior to the start of the project.

Applicants must select one “proposed site.” However, projects with key physical or logistical elements that require close integration with another system for the project to succeed should provide information on all integrated systems regardless of where they are located. Example 1: a power plant designed to operate exclusively on coal from a to-be-opened mine should provide supporting documentation for the new mine. Example 2: an oxygen-blown IGCC plant planning to purchase oxygen from a third party who will construct a plant exclusively for this project should provide documentation for the oxygen supplier. Example 3: an IGCC plant planning to sell CO₂ for enhanced oil recovery (“EOR”) should provide an agreement for such a transaction indicating the annual CO₂ purchase quantity, expected project lifetime sales, CO₂ capacity of the site for EOR, and EOR site ownership.

6. Utilization of Project Output

Provide evidence that demonstrates that a majority of the project output is reasonably expected to be acquired or utilized.

Provide a projection of the anticipated costs of electricity and other marketable by-products produced by the plant.

Provide documentation establishing that a majority of the output of the plant is reasonably expected to be acquired or utilized. Such documentation should be signed by authorizing officials of both the buyer and seller, and may include: Sales Agreements, Letters of Intent, Memoranda of Understanding, Option Agreements, and Power Purchase Agreements.

Describe any energy sales arrangements that exist or that may be contemplated (*e.g.*, a Power Purchase Agreement or Energy Sales Agreement) and summarize their key terms and conditions.

Include as an appendix any independent Energy Price Market Study that has been done in connection with this project, or if no independent market study has been completed, provide a copy of the applicant-prepared market study.

Identify and describe any firm arrangements to sell non-power output, such as CO₂, and provide any evidence of such arrangements. If the project produces a product in addition to power, include as an appendix any related market study of price and volume of sales expected for that product.

7. Project Economics

Describe the project economics and provide satisfactory evidence of economic feasibility as demonstrated through the financial forecast and the underlying project assumptions. The project economic and financial assumptions should be clearly stated and explained.

Show calculation of the amount of tax credit applied for based on allowable cost.

8. Project Development and Financial Plan

Provide the total project budget and major plant costs (*e.g.*, development, operating, capital, construction, and financing costs). Provide the estimated annual budget for and source of project development costs from the time of the application until the beginning of construction, including legal, engineering, financial, environmental, overhead, and other development costs. Describe the overall approach to project development and financing sufficient to demonstrate project viability. Provide a complete explanation of the source and amount of project equity. Provide a complete explanation of the source and amount of project debt. Provide the audited financial statements for the most recently ended three fiscal years and quarterly interim financial statements for the current fiscal year (a) for the applicant, (b) for any of the project parties providing funding, and (c) for any third party funding source. If the applicant or another party does not have audited financial statements, the applicant or the party should provide equivalent financial statements prepared by the applicant or the party, in accordance with Generally Accepted Accounting Principles, and certified as to accuracy and completeness by the Chief Financial Officer of the party providing the statements.

For internally financed projects, provide evidence that the applicant has sufficient assets to fund the project with its own resources. Identify any internal approvals required to commit such assets. Include in an appendix copies of any board resolution or other approval authorizing the applicant to commit funds and proceed with the project.

For projects financed through debt instruments either unsecured or secured by assets other than the project, provide evidence that the applicant has sufficient creditworthiness to obtain such financing along with a discussion of the status of such instruments. Identify any internal approvals required to commit the applicant to pursue such financing. Include in an appendix copies of any board resolution or other approval authorizing the applicant to commit to such financing.

For projects financed through investor equity contributions, describe the source and status of each contribution. Discuss each investor’s financial capability to meet its commitments. Include in an appendix, copies of any executed investment agreements.

If financing through a public offering or private placement of either debt or equity is planned for the project, provide the expected debt rating for the issue and an explanation of applicant’s justification for the rating. Describe the status of any discussions with prospective investment bankers or other financial advisors.

Include as an appendix copies of any existing funding commitments or expressions of interest from funding sources for the project.

For projects employing nonrecourse or limited recourse debt financing, provide a complete discussion of the approach to, and status of, such financing. In an appendix: (1) provide an Excel based financial model of the project, with formulas, so that review of the model calculations and assumptions may be facilitated; and (2) provide pro-forma project financial, economic, capital cost, and operating assumptions, including detail of all project capital costs, development costs, interest during construction, transmission interconnection costs, other operating expenses, and all other costs and expenses.

9. Project Contract Structure

Describe the current status of each of the agreements set forth below. Include as an appendix copies of the contracts or summaries of the key provisions of each of the following agreements:

- Power Purchase Agreement (if not fully explained in section 6 above)
- Coal Supply: describe the source and price of coal supply for the project. Include as an appendix any studies of coal supply price and amount that have been prepared. Include a summary of the coal supply contract and a signed copy of the contract.
- Coal Transportation: explain the arrangements for transporting coal, including costs.
- Operations & Maintenance Agreement: include a summary of the terms and conditions of the contract and a copy of the contract.
- Shareholders Agreement: summarize key terms and include the agreement as an appendix.
- Engineering, Procurement and Construction Agreement: describe the key terms of the existing or expected EPC contract arrangement, including firm price, liquidated damages, hold-backs, performance guarantees, etc.
- Water Supply Agreement: confirm the amount, source, and cost of water supply.
- Transmission Interconnection Agreement: explain the requirements to connect to the system and the current status of negotiations in this respect.
- If CO₂ is to be sold to a third party for sequestration, provide a Sales Agreement and provide specifics, such as CO₂ sales (metric tons per year), expected project lifetime sales (metric tons), potential CO₂ capacity of the site for sequestration (metric tons), technology and site suitability for sequestration, and sequestration site ownership and operation.

10. Permits Including Environmental Authorizations

Provide a complete list of all Federal, State, and local permits, including environmental authorizations or reviews, necessary to commence construction of the project.

Explain what actions have been taken to date to satisfy the required authorizations and reviews, and the status of each.

Provide a description of the applicant's plan to obtain and complete all necessary permits, and environmental authorizations and reviews.

11. Steam Turbine Purchase

If applicant plans to purchase a steam turbine or turbines for the project, indicate the prospective vendors for the turbine and explain the current status of purchase negotiations, and provide a timeline for negotiation and purchase with expected purchase date.

12. Project Schedule

Provide an overall project schedule which includes technical, business, financial, permitting and other factors to substantiate that the project will meet the 2-year project certification and 5-year placed-in-service requirement.

The project schedule should be comprehensive and provide sufficient detail to demonstrate how applicant will meet the certification and placed-in-service requirements. The schedule should demonstrate that the applicant understands the required tasks, and has allowed realistic times for accomplishing the technical and financial tasks. The schedule should include the milestone accomplishments needed to obtain the financing for the project.

Applicants should document their progress toward meeting the 2-year completion of permitting deadline. Existing permits and permit applications must be specific to the project proposed. If existing permits are not specific for the proposed coal-based project (e.g. the permits are for oil-fired or natural-gas-based units), specific plans, procedures and schedules for reapplying, modifying and/or renegotiating permits should be provided. Any local, State or Federal permitting schedules that may impact the overall project schedule should be included.

Applicant should document their progress toward obtaining engineering design information (i.e., FEED) to initiate permitting activities and to finalize the turbine generator purchase specification within the 2-year window. Most often, this requires final site, technology, and process selection. Signed FEED and/or EPC-type agreements, if available, should be provided.

13. Appendices

- a. Copy of internal or external engineering reports.
- b. Copy of site plan, together with evidence that applicant owns or controls a site. Examples of evidence would include a deed, or an executed contract to purchase or lease the site.

- c. Information supporting applicant's conclusion that the site is fully acceptable as the project site with respect to environment, coal supply, water supply, transmission interconnect, and public policy reasons.
- d. Power Purchase or Energy Sales Agreement.
- e. Energy Market Study.
- f. Market Study for non-power output.
- g. Financial Model of project.
- h. Financial statements for the applicant and other project funding sources for the most recently ended three fiscal years, and the unaudited quarterly interim financial statements for the current fiscal year.
- i. Expressions of interest or commitment letters from funding sources.
- j. For each project contract, if no contract currently exists, provide a summary of the expected terms and conditions.
- k. List of all Federal, State, and local permits, including environmental authorizations or reviews, necessary to commence construction.

E. Evaluation Criteria

Advanced coal projects will be evaluated on whether they meet all the requirements of § 48A.

Technical: will be evaluated on whether the applicant has demonstrated the capability to accomplish the technical objectives.

Site: will be evaluated on the basis that the site requirement for ownership or control has been met, and that the site is suitable for the proposed project.

Economic: will be evaluated on whether the project has demonstrated economic feasibility, taking into consideration the submitted financial and project development and structural information and financial plan.

Schedule: will be evaluated on the applicant's ability to meet the 2-year project certification and the 5-year placed-in-service requirement.

F. Program Policy Factors To Be Used by DOE in the Evaluation of Applications

Section 48A identifies minimum requirements for consideration for the qualifying advanced coal project credit, including the project's technical feasibility, cost, and applicant's ability. In the event that there are more qualified (certifiable) applications than there are available amount of tax credit, DOE will apply additional factors to rank eligible Advanced Coal Projects based on their ability to advance coal technology beyond its current state.

If there are more certified applications than available amount of § 48A Phase III credits in the 2012–2013 allocation round, DOE will rank the certified projects based on evaluation of the following Program Policy Factors. In ranking certified projects, highest priority will be given to the Primary Ranking Factor. Secondary and Tertiary Ranking Factors will be taken into account to rank projects that are not clearly differentiated on the basis of the Primary Ranking Factor, with higher priority given to Secondary Ranking Factors than to Tertiary Ranking Factors.

Primary Ranking Factor:

- Capture and sequestration of more than 70 percent CO₂ emissions. Only projects that capture and sequester 70 percent or more of the plant's CO₂ emissions will be considered for DOE certification. Among the certified projects, highest rankings will be given to projects with the greatest separation and sequestration percentages of total CO₂ emissions.

Secondary Ranking Factors:

- Increased by-product utilization.
- Research partnership with an eligible educational institution as defined in §48A(e)(3)(B)(iii).

Tertiary Ranking Factors:

- Presentation of other environmental, economic, or performance benefits
- Higher plant efficiency.
- Geographic distribution of potential markets.
- The ratio of total nameplate generating capacity (as defined in section 3.02 of Notice 2012–51) to requested tax credit.
- Diversity of technology approaches and methods.

G. Supplemental Technical and Financial Guidance for Project Information Memorandum

Technology and Technical Information

It is important that the applicant select a specific gasification system for the project. Without that decision, it is difficult to provide the necessary specific design information needed for DOE to evaluate the project feasibility with respect to performance, emissions, outputs of major streams as well as capital and operating costs.

The Applicant's capability to meet the legislated heat rate and/or environmental targets should be supported with design information, and/or vendor guarantees that are project, site and coal specific.

Project Economics

Applicants should demonstrate the project's economic feasibility and financial viability by providing a clear statement and explanation of the economic and financial assumptions made by the applicant, and a financial forecast for the project. The financial forecast should flow logically from the applicant's assumptions and be consistent with them. Applicants should include assumptions regarding financial and economic issues that may not be included in the project costs but have a direct impact on the project. The examples given in the "Site Control and Ownership" section are relevant here and their impact on the project economics should be discussed here.

Project Development and Financial Plan

The information provided by the applicant in this section should demonstrate that the applicant's financial plan for developing the project is feasible and that the applicant will have access to necessary financing. The applicant should explain the source and timing for obtaining all financing, including the project development costs. It is important that the applicant explain and provide evidence that it has the capacity to fund the pre-construction project development costs, together with a budget for and description of those costs. Note that financial information is required for the applicant and for any other funding source.

Project Contract Structure

This section requires that the applicant demonstrate an understanding of the commercial contracting process and show progress in establishing the framework of contracts and agreements that a project typically requires. Applicants should show that their intended contract structure is reasonable and that their assumptions relative to price, terms, and conditions are consistent with current market conditions. Evidence of final agreements, agreements in principle, or summaries of terms and conditions between the applicant and contract counterparties should be provided, if available.

Use this Revenue Procedure to prepare Tax Year 2012 and prior year information returns for submission to Internal Revenue Service (IRS) using electronic filing.

Caution to filers:

Please read this publication carefully. Persons or businesses required to file information returns electronically may be subject to penalties for failure to file or include correct information if the instructions in this Revenue Procedure are not followed.

Important notes:

The IRS internet connections for filing information returns electronically is <http://fire.irs.gov> and <http://fire.test.irs.gov>. The Filing Information Returns Electronically (FIRE) system and the test system will be down from 6 p.m. ET Dec. 14, 2012, through Jan. 02, 2013 for yearly updates. In addition, the FIRE system may be down every Wednesday from 2:00 a.m. to 5:00 a.m. ET for programming updates. The FIRE system will not be available for submissions during these times.

Form 4419, *Application for Filing Information Returns Electronically (FIRE)*, is subject to review before the approval to transmit electronically is granted. IRS may require additional documentation. If a determination is made concerning the validity of the documents transmitted electronically, IRS has the authority to revoke the Transmitter Control Code (TCC) and terminate the release of the files.

The FIRE system does not provide fill-in forms for filing information returns.

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Part A. General

Revenue Procedures are generally revised annually to reflect legislative and form changes. Comments concerning this Revenue Procedure, or suggestions for making it more helpful, can be addressed to:

Internal Revenue Service
Attn: Information Returns Branch
230 Murall Drive, Mail Stop 4360
Kearneysville, WV 25430

Sec. 1. Purpose

.01 This Revenue Procedure supersedes *Rev. Proc. 2011-40* published as Publication 1220 (Rev. 09/2011), *Specifications for Filing Forms 1097, 1098, 1099, 3921, 3922, 5498, 8935 and W-2G Electronically*.

.02 The purpose of this Revenue Procedure is to provide the specifications for filing Forms 1097, 1098, 1099, 3921, 3922, 5498, 8935, and W-2G with IRS electronically through the IRS FIRE system. This Revenue Procedure must be used for the preparation of Tax Year 2012 information returns and information returns for tax years prior to 2012 filed *beginning January 1, 2013*. Specifications for filing the following forms are contained in this Revenue Procedure.

- (1) Form 1097-BTC, *Bond Tax Credit*
- (2) Form 1098, *Mortgage Interest Statement*
- (3) Form 1098-C, *Contributions of Motor Vehicles, Boats, and Airplanes*
- (4) Form 1098-E, *Student Loan Interest Statement*
- (5) Form 1098-T, *Tuition Statement*
- (6) Form 1099-A, *Acquisition or Abandonment of Secured Property*
- (7) Form 1099-B, *Proceeds From Broker and Barter Exchange Transactions*
- (8) Form 1099-C, *Cancellation of Debt*
- (9) Form 1099-CAP, *Changes in Corporate Control and Capital Structure*
- (10) Form 1099-DIV, *Dividends and Distributions*
- (11) Form 1099-G, *Certain Government Payments*
- (12) Form 1099-H, *Health Coverage Tax Credit (HCTC) Advance Payments*
- (13) Form 1099-INT, *Interest Income*
- (14) Form 1099-K, *Payment Card and Third Party Network Transactions*
- (15) Form 1099-LTC, *Long-Term Care and Accelerated Death Benefits*
- (16) Form 1099-MISC, *Miscellaneous Income*
- (17) Form 1099-OID, *Original Issue Discount*
- (18) Form 1099-PATR, *Taxable Distributions Received From Cooperatives*
- (19) Form 1099-Q, *Payments from Qualified Education Programs (Under Sections 529 & 530)*
- (20) Form 1099-R, *Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.*
- (21) Form 1099-S, *Proceeds From Real Estate Transactions*
- (22) Form 1099-SA, *Distributions from an HSA, Archer MSA, or Medicare Advantage MSA*
- (23) Form 3921, *Exercise of a Qualified Incentive Stock Option under Section 422(b)*
- (24) Form 3922, *Transfer of Stock Acquired Through an Employee Stock Purchase Plan under Section 423(c)*
- (25) Form 5498, *IRA Contribution Information*
- (26) Form 5498-ESA, *Coverdell ESA Contribution Information*
- (27) Form 5498-SA, *HSA, Archer MSA, or Medicare Advantage MSA Information*
- (28) Form 8935, *Airline Payments Report*
- (29) Form W-2G, *Certain Gambling Winnings*

.03 All data received for processing will be given the same protection as individual income tax returns (Form 1040). IRS will process the data and determine if the records are formatted and coded according to this Revenue Procedure.

.04 Generally, the box numbers on the paper forms correspond with the amount codes used to file electronically; however, if discrepancies occur, the instructions in this Revenue Procedure must be followed when filing electronically.

.05 This Revenue Procedure also provides the requirements and specifications for electronic filing under the Combined Federal/State Filing Program.

.06 The following Revenue Procedures and publications provide more detailed filing procedures for certain information returns:

- (a) *2012 General Instructions for Certain Information Returns* and the specific form instructions
- (b) Publication 1179, *General Rules and Specifications for Substitute Forms 1096, 1098, 1099, 5498, and Certain Other Information Returns*
- (c) Publication 1239, *Specifications for Filing Form 8027, Employer's Annual Information Return of Tip Income and Allocated Tips*, Electronically
- (d) Publication 1187, *Specifications for Filing Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding*, Electronically
- (e) Publication 4810, *Specifications for Filing Form 8955-SSA, Annual Registration Statement Identifying Separated Participants With Deferred Vested Benefits*, Electronically

.07 IRS does not process Forms W-2. Paper or electronic filing of Forms W-2 must be sent to SSA. IRS does, however, process Form 8508, *Request for Waiver From Filing Information Returns Electronically (Forms W-2, W-2G, 1042-S, 1097-BTC, 1098 Series, 1099 Series, 3921, 3922, 5498 Series, and 8027)* and Form 8809, *Application for Extension of Time to File Information Returns* for Forms W-2 as well as requests for an extension of time to provide the employee copies of Forms W-2.

.08 Specifications for filing Forms W 2, *Wage and Tax Statements*, electronically are available from the Social Security Administration (SSA). Filers can call 1-800-772-6270 to obtain the telephone number of the SSA Employer Service Liaison Officer for their area.

Sec. 2. What's New for Tax Year 2012

.01 "Nature of Changes-Current Year" has been changed to "What's New for Tax Year 2012".

.02 For all Forms, Payment Year, Field Positions 2-5, for the Transmitter "T" Record, Payer "A" Record and Payee "B" Record must be updated with the four-digit reporting year (2011 to 2012), unless reporting prior year data.

.03 The Due Date Table 2, Part A, Sec. 7, has been redesigned and updated.

.04 Form 4419, *Application for Filing Information Returns Electronically (FIRE)*, must be submitted at least 45 days before the due date of the return(s) to allow IRS to process and respond to applications.

.05 A User Note area has been added between Part A and Part B and Part C and Part D.

.06 Form 1097-BTC, *Bond Tax Credit*, has been changed:

- from 5 Amount Codes to 13 Amount Codes in the Payer "A" Record.
- "Other Allowance Date" in field position 556 of the Payee "B" Record was renamed to "Code" and reduced to a one character field. Specific Codes have been established for use in this field.
- a 39 character alphanumeric field, "Unique Identifier," field positions 560-598 in the Payee "B" Record was added.
- "Bond Type" in field positions 599-601 in the Payee "B" Record was added. This allows for the bond to be coded as either a "Clean Renewable Energy Bond" or "Other".
- the following previously reported information has been deleted:
 - Other Allowance ID Number
 - March Allowance ID Number
 - June Allowance ID Number
 - Sept Allowance ID Number
 - Dec Allowance ID Number

.07 Form 1098, *Mortgage Interest Statement*, the Mortgage Insurance Premium, Amount Code 4, in the Payer "A" Record has been deleted.

.08 Form 1098-C, *Contributions of Motor Vehicles, Boats, and Airplanes*, the Year, Make, and Model in the Payee "B" Record have been separated into 3 fields.

.09 Form 1099-B, *Proceeds From Broker and Barter Exchange Transactions*, the Amount Codes in the Payer "A" Record have been renamed and repositioned.

.10 Form 1099-B, *Proceeds From Broker and Barter Exchange Transactions*, a second indicator in the Non-covered Security Indicator Field of the Payee "B" Record has been added.

.11 Form 1099-B, *Proceeds From Broker and Barter Exchange Transactions*, "Quantity Sold" was added in field positions 617-629 of the Payee "B" Record.

.12 Form 1099-B, *Proceeds From Broker and Barter Exchange Transactions*, "Stock or other Symbol" was added in field positions 630-642 of the Payee "B" Record.

.13 Form 1099-C, *Cancellation of Debt*, "Amount of debt canceled" has been renamed to "Amount of Debt Discharged" in the Payer "A" Record.

.14 Form 1099-C, *Cancellation of Debt*, the "Bankruptcy Indicator" has been renamed to "Identifiable Event Code" in the Payee "B" Record. Specific Codes have been established for use in the field.

.15 Form 1099-C, *Cancellation of Debt*, "Date Cancelled" has been renamed to "Date of Identifiable Event" in the Payee "B" Record.

.16 Form 1099-DIV, *Dividends and Distributions*, two new amount codes, "F, Exempt Interest Dividends," and "G, Specified Private Activity Bond Interest Dividends," were added in the Payer "A" Record.

.17 Form 1099-K has been renamed from *Merchant Card and Third Party Network Payments* to *Payment Card and Third Party Network Transactions*.

.18 Form 1099-K, *Payment Card and Third Party Network Transactions*, a "Type of Payment Indicator" was added in field position 548 of the Payee "B" Record, which allows for the payment to be coded as either a "Merchant Card Payment" or a "Third Party Network Payment".

.19 Form 1099-K, *Payment Card and Third Party Network Transactions*, "Number of Transactions" was added in field positions 549-561 of the Payee "B" Record.

.20 Form 1099-K, *Payment Card and Third Party network Transactions*, has been added to the Combined Federal/State Filing program.

.21 Form 5498, *IRA Contribution Information*, the "Postponed Contribution Code" in field positions 556–563 of the Payee "B" record was expanded from 2 field positions to 8 field positions. The Armed Forces no longer designate combat zones. Contributions will be defined by either a Public Law or an Executive Order.

.22 The name control information in field positions 7–10 of the Payee "B" Record has been updated for all form types.

Reminders

In this publication, all titles of forms and publications and pertinent changes for Tax Year 2012 are emphasized by the use of *italics*. Portions of text that require special attention are in boldface text.

Filers are encouraged to read the publication in its entirety.

Sec. 3. Where to File and How to Contact the IRS, Information Returns Branch (IRB)

.01 All information returns filed through the FIRE system are processed at IRS. General inquiries concerning the filing of information returns should be sent to the following address:

Internal Revenue Service
Information Returns Branch
230 Murall Drive, Mail Stop 4360
Kearneysville, WV 25430

.02 All requests for an extension of time to file information returns with IRS filed on Form 8809 or requests for an extension to provide recipient copies, and requests for undue hardship waivers filed on Form 8508 should be sent to the following address:

Internal Revenue Service
Information Returns Branch
Attn: Extension of Time Coordinator
240 Murall Drive, Mail Stop 4360
Kearneysville, WV 25430

.03 The telephone numbers and web addresses for questions about specifications for electronic submissions are:

Internal Revenue Service
1-866-455-7438
Outside the U.S. 1-304-263-8700

Telecommunication Device for the Deaf (TDD)
1-304-579-4827

Fax
Within the U.S. — 1-877-477-0572
Outside the U.S. — 304-579-4105

Electronic Filing – FIRE system
Production URL — <http://fire.irs.gov>
Test URL — <http://fire.test.irs.gov>

To Obtain Forms:
By phone — 1-800-TAX-FORM (1-800-829-3676)
[IRS.gov](http://www.irs.gov) — Online Ordering for Information Returns and Employer Returns
<http://www.irs.gov/businesses/page/0,,id=23108,00.html>

Note: Because paper forms are scanned during processing, filers cannot use Form 1096 and Copy A of Forms 1097, 1098, 1099, 3921, 3922, or 5498 printed from the IRS website to file with the IRS.

.04 The *2012 General Instructions for Certain Information Returns* are included in Publication 1220 for the convenience of filers.

.05 Form 4419, *Application for Filing Information Returns Electronically (FIRE)*, Form 8809, *Application for Extension of Time to File Information Returns*, and Form 8508, *Request for Waiver From Filing Information Returns Electronically*, may be faxed to 1-877-477-0572.

.06 Electronic Products and Services Support, Information Returns Branch (IRB), answers electronic, paper filing, and tax law questions from the payer community relating to the correct preparation and filing of information returns (Forms 1096, 1097, 1098, 1099, 3921, 3922, 5498, 8027, 8935 and W-2G). IRB also answers questions about the electronic filing of Forms 1042-S, 8027, and 8955-SSA. In addition, IRB answers questions about tax law and paper filing instructions for Forms W-2 and W-3. Inquiries pertaining to Notices CP2100 and 972CG, backup withholding, and reasonable cause requirements due to missing and incorrect Taxpayer Identification Numbers (TINs) are also addressed by IRB. Assistance is available year-round to payers, transmitters, and employers nationwide, Monday through Friday, 8:30 a.m. to 4:30 p.m. Eastern Time (ET), by calling 1-866-455-7438.

Call as soon as questions arise to avoid the busy filing seasons at the end of January, February, and March. Recipients of information returns (payees) should continue to contact 1-800-829-1040 with any questions on how to report the information returns data on their individual tax returns.

IRB also offers an email address for transmitters and electronic filers of information returns. The address is mccirp@irs.gov. When sending emails concerning specific file information, include the company name and the electronic filename or transmitter control code. Do not submit TINs or attachments, because electronic mail is not secure and the information may be compromised.

.07 IRB does not answer questions on penalty notices or requests for abatement of the penalty, refer to the Penalties section of the *2012 General Instructions for Certain Information Returns*. Penalty notices contain an IRS representative's name and/or telephone number for contact purposes or a response may be required in writing sent to the address provided.

.08 IRB assistors cannot advise filers where to send state copies of paper forms. Filers must contact the tax department in the state where the recipient resides to obtain the correct address and filing requirements.

.09 Form 1096 is used to transmit Copy A of paper Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G to the IRS. If filing paper returns, follow the mailing instructions on Form 1096 and submit the paper returns to the appropriate IRS Service Center.

.10 Requests for paper Forms 1096, 1097, 1098, 1099, 3921, 3922, 5498, and W-2G, by calling the IRS at 1-800-TAX-FORM (1-800-829-3676) or ordering online from the IRS website at IRS.gov.

.11 Questions pertaining to electronic filing of Forms W-2 must be directed to the Social Security Administration (SSA). Filers can call 1-800-772-6270 to obtain the telephone number of the SSA Employer Service Liaison Officer for their area.

.12 A taxpayer or authorized representative may request a copy of a tax return, and income documents by submitting Form 4506, *Request for Copy of Tax Return*, to IRS. This form may be obtained by calling 1-800-TAX-FORM (1-800-829-3676).

Sec. 4. Filing Requirements

.01 The regulations under section 6011(e)(2)(A) of the Internal Revenue Code provide that any person, including a corporation, partnership, individual, estate, and trust, who is required to file 250 or more information returns must file such returns electronically. The 250* or more requirement applies separately for each type of return and separately to each type of corrected return.

Note: Filers are encouraged to file information returns electronically even if they do not meet the required 250 information returns.

.02 All filing requirements that follow apply individually to each reporting entity as defined by its separate Taxpayer Identification Number (TIN). For example, if a corporation with several branches or locations uses the same EIN, the corporation must aggregate the total volume of returns to be filed for that EIN and apply the filing requirements to each type of return accordingly.

.03 The following requirements apply separately to both originals and corrections filed electronically:

Table 1: Electronic Filing Requirements

1097-BTC	*250 or more of any of these forms requires electronic filing with IRS. These are stand-alone documents and are not to be aggregated for purposes of determining the 250 threshold. For example, if a payer must file 100 Forms 1099-B and 300 Forms 1099-INT, Forms 1099-B need not be filed electronically since they do not meet the threshold of 250. However, Forms 1099-INT must be filed electronically because they meet the threshold of 250.
1098	
1098-C	
1098-E	
1098-T	
1099-A	
1099-B	
1099-C	
1099-CAP	
1099-DIV	
1099-G	
1099-H	
1099-INT	
1099-K	
1099-LTC	
1099-MISC	
1099-OID	
1099-PATR	
1099-Q	
1099-R	
1099-S	
1099-SA	
3921	
3922	
5498	
5498-ESA	
5498-SA	
W-2G	

.04 The above requirements do not apply if the payer establishes undue hardship (See Part D, Sec. 5).

Sec. 5. Vendor List

.01 IRS maintains a list of vendors who support electronic filing, the list is available in Publication 1582, *Information Returns Vendor List*. This publication contains the names of service bureaus that will produce or submit files for electronic filing. It also contains the names of vendors who provide software packages for payers who wish to produce electronic files on their own computer systems. This list is compiled as a courtesy and in no way implies IRS approval or endorsement.

.02 If filers engage a service bureau to prepare files on their behalf, the filers must not also report this data, as it will create a duplicate filing situation which may cause penalty notices to be generated.

.03 Publication 1582 is updated periodically. The most recent revision is available on the IRS website at IRS.gov. For an additional list of software providers, log on to IRS.gov and type “Business e-file Providers” in the Search box.

.04 If you are a new vendor and would like to be listed in the online Publication 1582 or if you are listed and the information is incorrect or incomplete, submit a letter to the following address:

Internal Revenue Service
Information Returns Branch
230 Murall Drive, Mail Stop 4360
Kearneysville, WV 25430-5201

The request should include:

- (a) Company name
- (b) Address (include city, state, and ZIP code)
- (c) Telephone and FAX number (include area code)
- (d) Email address
- (e) Contact person
- (f) Website
- (g) Type(s) of service provided (for example, service bureau and/or software)
- (h) Method of filing (only electronic filing is acceptable)
- (i) Type(s) of return(s)

Sec. 6. Form 4419, Application for Filing Information Returns Electronically (FIRE)

.01 Transmitters are required to submit Form 4419, *Application for Filing Information Returns Electronically (FIRE)*, to request authorization to file information returns with IRS. A single Form 4419 should be filed no matter how many types of returns the transmitter will be submitting electronically. For example, if a transmitter plans to file Forms 1099-INT, one Form 4419 should be submitted. If, at a later date, another type of form (Forms 1097, 1098, 1099, 3921, 3922, 5498, 8935 and W-2G) will be filed, the transmitter should not submit a new Form 4419. Form 4419 is subject to review before approval to transmit electronically is granted. IRS may require additional documentation. If a determination is made concerning the validity of the documents transmitted electronically, IRS has the authority to revoke the Transmitter Control Code (TCC) and terminate the release of the files.

Note: An additional Form 4419 is required for filing each of the following types of returns: Form 1042-S, *Foreign Person's U.S. Source Income Subject to Withholding*, Form 8027, *Employer's Annual Information Return of Tip Income and Allocated Tips*, and Form 8955-SSA, *Annual Registration Statement Identifying Separated Participants with Deferred Vested Benefits*. See the back of Form 4419 for detailed instructions.

.02 Electronically filed returns may not be submitted to IRS until the application has been approved. Please read the instructions on the back of Form 4419 carefully. Form 4419 is included in Publication 1220 for the filer's use. This form may be photocopied. Additional forms may be obtained by calling 1-800-TAX-FORM (1-800-829-3676). The form is also available on the IRS website at IRS.gov.

.03 Upon approval, a five-character alphanumeric Transmitter Control Code (TCC) will be assigned and included in an approval letter. The TCC must be coded in the Transmitter "T" Record. IRS uses the TCC to identify payers/transmitters and to track files through the processing system.

.04 IRS encourages transmitters who file for multiple payers to submit one application and to use the assigned TCC for all payers. While not encouraged, multiple TCCs can be issued to payers with multiple TINs. Transmitters cannot use more than one TCC in a file. Each TCC must be reported in separate transmissions.

.05 If a payer's files are prepared by a service bureau, the payer may not need to submit an application to obtain a TCC. Some service bureaus will produce files, code their own TCC in the file, and send it to IRS for the payer. Other service bureaus will prepare the file and return the file to the payer for submission to IRS. These service bureaus may require the payer to obtain a TCC, which is coded in the Transmitter "T" Record. Payers should contact their service bureau for further information.

.06 Form 4419 may be submitted anytime during the year; however, it must be submitted to IRS at least *45 days* before the due date of the return(s) for current year processing. This allows IRS the time necessary to process and respond to applications. Form 4419 may be faxed to IRS at 877-477-0572. In the event that computer equipment or software is not compatible with IRS, a waiver may be requested to file returns on paper documents (See Part D, Sec. 5).

.07 Once a transmitter is approved to file electronically, it is not necessary to reapply unless:

- (a) The payer has discontinued filing electronically for two consecutive years. The payer's TCC may have been reassigned by IRS. Payers who know that the assigned TCC will no longer be used are requested to notify IRS so these numbers may be reassigned.
- (b) The payer's files were transmitted in the past by a service bureau using the service bureau's TCC, but now the payer has computer equipment compatible with that of IRS and wishes to prepare the files. The payer must request a TCC by filing Form 4419.

.08 In accordance with Regulations section 1.6041-7(b), payments by separate departments of a health care carrier to providers of medical and health care services may be reported on separate returns filed electronically. In this case, the headquarters will be considered the transmitter, and the individual departments of the company filing reports will be considered payers. A single Form 4419 covering all departments filing electronically should be submitted. One TCC should be used for all departments.

.09 Copies of Publication 1220 can be obtained by downloading from the IRS website at IRS.gov.

.10 If any of the information on Form 4419 changes, notify IRS in writing by fax or mail to update the IRS database. Include the TCC in all correspondence.

.11 Approval to file does not imply endorsement by IRS of any computer software or of the quality of tax preparation services provided by a service bureau or software vendor.

Sec. 7. Retention Requirements and Due Dates

.01 Payers should retain a copy of the information returns filed with IRS or have the ability to reconstruct the data for at least three years from the reporting due date, except:

(a) Retain for four years all information returns when backup withholding is imposed.

(b) Retain a copy of Form 1099-C, *Cancellation of Debt*, or have the ability to reconstruct the data required to be included on the return, for at least four years from the date such return is required to be filed.

.02 Filing of information returns is on a calendar year basis, except for Forms 5498 and 5498-ESA, which are used to report amounts contributed during or after the calendar year (but no later than April 15). The following due dates apply:

Form	IRS Paper Filing	IRS Electronic Filing	Recipient/Participant Copy
1097	February 28	March 31	<i>On or before the 15th day of the 2nd calendar month after the close of the calendar quarter (on or before May 15; August 15; November 15; February 15 of the following year)</i>
1098	February 28	March 31	January 31
1099	February 28	March 31	January 31*
3921	February 28	March 31	January 31
3922	February 28	March 31	January 31
5498	May 31	May 31	Jan. 31/May 31**
5498-SA	May 31	May 31	May 31
5498-ESA	May 31	May 31	April 30
8935	Due 90 days from date of payment		
W-2G	February 28	March 31	January 31

Note: If any due date falls on a Saturday, Sunday, or legal holiday, the return or statement is considered timely if filed or furnished on the next day that is not a Saturday, Sunday, or legal holiday.

* February 15 — for Forms 1099-B, 1099-S, and 1099-MISC (if amounts are reported in boxes 8 or 14)

** January 31 — for FMV/RMD / May 31 — for contributions

Sec. 8. Corrected Returns

- A correction is an information return submitted by the transmitter to correct an information return that was previously submitted to and successfully processed by IRS, but contained erroneous information.

Note: While IRS encourages electronic filing of corrections, filers may file up to 249 paper corrections even though the originals were filed electronically.

- Do not send the entire original file again. Only correct the information returns that were erroneous.
- Be sure to use the same payee account number that was used on the original submission. The account number is used to match a correction record to the original information return.

- Before creating a correction file, review the correction guidelines chart carefully.
- Information returns omitted from the original file must not be coded as corrections. Submit these returns under a separate Payer “A” Record as original returns.

.01 The electronic filing requirement of information returns of 250 or more applies separately to both original and corrected returns.

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If a payer has 100 Forms 1099-A to be corrected, they can be filed on paper because they fall under the 250 threshold. However, if the payer has 300 Forms 1099-B to be corrected, they must be filed electronically because they meet the 250 threshold. If for some reason a payer cannot file the 300 corrections electronically, to avoid penalties, a request for a waiver must be submitted before filing on paper. If a waiver is approved for original documents, any corrections for the same type of return will be covered under that waiver.

.02 Corrections should be filed as soon as possible. Corrections filed after August 1 may be subject to the maximum penalty of \$100 per return. Corrections filed by August 1 may be subject to a lesser penalty. (For information on penalties, refer to the Penalties section of the *2012 General Instructions for Certain Information Returns*) However, if payers discover errors after August 1, they should file corrections. A timely filed correction is a factor considered in determining whether the intentional disregard penalty should be assessed or whether a waiver of the penalty for reasonable cause may be granted. All fields must be completed with the correct information, not just the data fields needing correction. Submit corrections only for the returns filed in error, not the entire file. Furnish corrected statements to recipients as soon as possible.

Note: Do not resubmit the entire original file as corrections. This may result in duplicate filing and erroneous notices may be sent to payees. Submit only those returns which require correction.

.03 There are numerous types of errors, and in some cases, more than one transaction may be required to correct the initial error. If the original return was filed as an aggregate, the filer must consider this in filing corrected returns.

.04 The payee’s account number should be included on all correction records. This is especially important when more than one information return of the same type is reported for a payee. The account number is used by IRS to determine which return is being corrected. It is vital that each information return reported for a payee has a unique account number. See Part C, Sec. 7, Payer’s Account Number For Payee.

.05 Corrected returns may be included on the same transmission as original returns; however, separate “A” Records are required. If filers discover that certain information returns were omitted on the original file, they must not code these documents as corrections. The file must be coded and submitted as original.

.06 If a payer realizes duplicate reporting has occurred, IRS should be contacted immediately for instructions on how to avoid notices. The standard correction process will not resolve duplicate reporting.

.07 If a payer discovers errors that affect a large number of payees, in addition to sending IRS the corrected returns and notifying the payees, the IRS underreporter section should be contacted at 1–866–455–7438 for additional requirements.

.08 Prior year data, original and corrected, must be filed according to the requirements of this revenue procedure. When submitting prior year data, use the record format for the current year. Use the actual year designation of the data in field positions 2–5 of the “T”, “A”, and “B” Records. Field position 6, Prior Year Data Indicator, in the Transmitter “T” Record must contain a “P.” A separate transmission must be made for each tax year.

.09 In general, filers should submit corrections for returns filed within the last three calendar years (four years if backup withholding under section 3406 of the Code was imposed and also for Form 1099-C, *Cancellation of Debt*).

.10 All paper returns, whether original or corrected, must be filed with the appropriate IRS service center.

.11 If a payer discovers an error(s) in reporting the payer (not recipient) name and/or TIN, the payer should write a letter to IRS (See Part A, Sec. 3 for mailing information) containing the following information:

- (a) Name and address of payer
- (b) Type of error (include the incorrect payer name/TIN that was reported)
- (c) Tax year
- (d) Correct Payer TIN
- (e) TCC
- (f) Type of return
- (g) Number of payees
- (h) Filing method, paper or electronic
- (i) Was Federal income tax withheld?

.12 The “B” Record provides a 20-character field for a unique Payer’s Account Number for payees. The account number is required if there are multiple accounts for a recipient for whom more than one information return of the same type is being filed. This number will identify the appropriate incorrect return if more than one return is filed for a particular payee. Do not enter a TIN in this field. A payer’s account number for the payee may be a checking account number, savings account number, serial number, or any other number assigned to the payee by the payer that will distinguish the specific account. This number must appear on the initial return and on the corrected return for IRS to identify and process the correction properly.

.13 The record sequence for filing corrections is the same as for original returns.

.14 Review the chart that follows. Errors normally fall under one of the two categories listed. Next to each type of error is a list of instructions on how to file the corrected return.

Guidelines for Filing Corrected Returns Electronically

One transaction is required to make the following corrections properly. (See Note 4.)

Error Made on the Original Return	How To File the Corrected Return
<p><u>ERROR TYPE 1</u></p> <p>1. Original return was filed with one or more of the following errors:</p> <p style="padding-left: 20px;">(a) Incorrect payment amount codes in the Payer “A” Record</p> <p style="padding-left: 20px;">(b) Incorrect payment amounts in the Payee “B” Record</p> <p style="padding-left: 20px;">(c) Incorrect code in the distribution code field in the Payee “B” Record</p> <p style="padding-left: 20px;">(d) Incorrect payee indicator (See Note 1)</p> <p style="padding-left: 20px;">(e) Return should not have been filed</p> <p>Note 1: Payee indicators are non-money amount indicator fields located in the specific form record layouts of the Payee “B” Record between field positions 544–748.</p> <p>Note 2: To correct a TIN, and/or payee name follow the instructions under Error Type 2.</p>	<p><u>CORRECTION</u></p> <p>A. Prepare a new file. The first record on the file will be the Transmitter “T” Record.</p> <p>B. Make a separate “A” Record for each type of return and each payer being reported. Payer information in the “A” Record must be the same as it was in the original submission.</p> <p>C. The Payee “B” Records must show the correct record information as well as a Corrected Return Indicator Code of “G” in field position 6.</p> <p>D. Corrected returns using “G” coded “B” Records may be on the same file as those returns submitted without the “G” coded “B” Records; however, separate “A” Records are required.</p> <p>E. Prepare a separate “C” Record for each type of return and each payer being reported.</p> <p>F. The last record on the file must be the End of Transmission “F” Record.</p>

File layout for one step corrections

Transmitter “T” Record	Payer “A” Record	“G” coded Payee “B” Record	“G” coded Payee “B” Record	End of Payer “C” Record	End of Transmission “F” Record
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Guidelines for Filing Corrected Returns Electronically (Continued)

Two (2) separate transactions are required to make the following corrections properly. Follow the directions for both Transactions 1 and 2. (See Note 4.) Do not use the two step correction process to correct money amounts.

Error Made on the Original Return

How To File the Corrected Return

ERROR TYPE 2

CORRECTION

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

Transaction 1: Identify incorrect returns.

- (a) No payee TIN (SSN, EIN, ITIN, QI-EIN)
- (b) Incorrect payee TIN
- (c) Incorrect payee name
- (d) Wrong type of return indicator

- A. Prepare a new file. The first record on the file will be the Transmitter "T" Record.
- B. Make a separate "A" Record for each type of return and each payer being reported. The information in the "A" Record will be exactly the same as it was in the original submission. (See Note 3).
- C. The Payee "B" Records must contain exactly the same information as submitted previously, except, insert a Corrected Return indicator Code of "G" in field position 6 of the "B" Records, and enter "0" (zeros) in all payment amounts. (See Note 3).
- D. Corrected returns using "G" coded "B" Records may be on the same file as those returns submitted with a "C" code; however, separate "A" Records are required.
- E. Prepare a separate "C" Record for each type of return and each payer being reported.
- F. Continue with Transaction 2 to complete the correction.

Note 3: The Record Sequence Number will be different since this is a counter number and is unique to each file. For Form 1099-R corrections, if the corrected amounts are zeros, certain indicators will not be used.

Transaction 2: Report the correct information.

- A. Make a separate "A" Record for each type of return and each payer being reported.
- B. The Payee "B" Records must show the correct information as well as a Corrected Return Indicator Code of "C" in field position 6. Corrected returns submitted to IRS using "C" coded "B" Records may be on the same file as those returns submitted with "G" codes; however, separate "A" Records are required.
- C. Prepare a separate "C" Record for each type of return and each payer being reported.
- D. The last record on the file must be the End of Transmission "F" Record.

Note 4: See the 2012 *General Instructions for Certain Information Returns* for additional information on regulations affecting corrections and related penalties.

File layout for two step corrections

Transmitter "T" Record	Payer "A" Record	"G" coded Payee "B" Record	"G" coded Payee "B" Record	End of Payer "C" Record	Payer "A" Record
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"C" coded Payee "B" Record	"C" coded Payee "B" Record	End of Payer "C" Record	End of Transmission "F" Record
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Note 5: If a filer is reporting "G" coded, "C" coded, and/or "Non-coded" (original) returns on the same file, each category must be reported under separate "A" Records.

Sec. 9. Effect on Paper Returns and Statements to Recipients

.01 Electronic reporting of information returns eliminates the need to submit paper documents to the IRS.

CAUTION: Do not send Copy A of the paper forms to IRS for any forms filed electronically. This may result in duplicate filing and erroneous notices could be generated.

.02 Payers are responsible for providing statements to the payees as outlined in the *2012 General Instructions for Certain Information Returns*. Refer to those instructions for filing information returns on paper with the IRS and furnishing statements to recipients.

.03 Statements to recipients should be clear and legible. If the official IRS form is not used, the filer must adhere to the specifications and guidelines in Publication 1179, *General Rules and Specifications for Substitute Forms 1096, 1098, 1099, 5498, and Certain Other Information Returns*.

Sec. 10. Combined Federal/State Filing Program

- Through the Combined Federal/State Filing (CF/SF) Program, IRS will forward original and corrected information returns filed electronically to participating states for approved filers.
- For approval, the filer must submit a test file coded for this program. See Part B, Sec. 3, Test Files.

.01 The Combined Federal/State Filing (CF/SF) Program was established to simplify information returns filing for payers. IRS will forward this information to participating states free of charge for approved filers. Separate reporting to those states is not required. The following information returns may be filed under the Combined Federal/State Filing Program:

Form 1099-DIV	<i>Dividends and Distributions</i>
Form 1099-G	<i>Certain Government Payments</i>
Form 1099-INT	<i>Interest Income</i>
<i>Form 1099-K</i>	<i>Payment Card and Third Party Network Transactions</i>
Form 1099-MISC	<i>Miscellaneous Income</i>
Form 1099-OID	<i>Original Issue Discount</i>
Form 1099-PATR	<i>Taxable Distributions Received From Cooperatives</i>
Form 1099-R	<i>Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.</i>
Form 5498	<i>IRA Contribution Information</i>

.02 To request approval to participate, an electronic test file coded for this program must be submitted to IRS between November 1, 2012, and February 15, 2013.

.03 If the test file is coded for the Combined Federal/State Filing Program and is acceptable, an approval letter will be sent.

.04 A test file is only required for the first year a filer applies to participate in the program; however, it is highly recommended that a test file be submitted every year. Each record, both in the test and the actual data file, must conform to the current Revenue Procedure.

.05 After one or two business days, the results of the electronic transmission(s) will be sent to the email address that was provided on the “Verify Your Filing Information” screen. If using email filtering software, configure the software to accept email from fire@irs.gov and irs.e-helpmail@irs.gov. If the file is bad, the filer must return to <http://fire.test.irs.gov> to determine what errors are in the file by clicking on CHECK FILE STATUS. If the test file was unacceptable a new test file can be transmitted no later than February 15, 2013.

.06 Only code the records for participating states.

.07 If a payee has a reporting requirement for more than one state, separate “B” Records must be created for each state. Payers must prorate the amounts to determine what should be reported to each state. Do not report the total amount to each state.

.08 Some participating states require separate notification that the payer is filing in this manner. IRS acts as a forwarding agent only. It is the payer’s responsibility to contact the appropriate states for further information.

.09 All corrections properly coded for the Combined Federal/State Filing Program will be forwarded to the participating states. Only send corrections which affect the federal reporting or affect federal and state reporting. Errors which apply only to a state filing requirement should be sent directly to the state.

.10 Participating states and corresponding valid state codes are listed in Table 3 of this section. The appropriate state code must be entered for those documents that meet the state filing requirements, do not use state abbreviations.

.11 Each state’s filing requirements are subject to change by the state. It is the payer’s responsibility to contact the participating states to verify their criteria.

.12 Upon submission of the files, the transmitter must be sure of the following:

- (a) All records are coded exactly as required by this Revenue Procedure.
- (b) A State Total “K” Record(s) for each state(s) being reported follows the “C” Record.
- (c) Payment amount totals and the valid participating state code are included in the State Totals “K” Record(s).
- (d) The last “K” Record is followed by an “A” Record or an End of Transmission “F” Record (if this is the last record of the entire file).

Table 3. Participating States and Their Codes *

State	Code	State	Code	State	Code
Alabama	01	Indiana	18	Nebraska	31
Arizona	04	Iowa	19	New Jersey	34
Arkansas	05	Kansas	20	New Mexico	35
California	06	Louisiana	22	North Carolina	37
Colorado	07	Maine	23	North Dakota	38
Connecticut	08	Maryland	24	Ohio	39
Delaware	10	Massachusetts	25	South Carolina	45
District of Columbia	11	Minnesota	27	Utah	49
Georgia	13	Mississippi	28	Virginia	51
Hawaii	15	Missouri	29	Wisconsin	55
Idaho	16	Montana	30		

*The codes listed above are correct for the IRS Combined Federal/State Filing Program and may not correspond to the state codes of other agencies or programs.

Sample File Layout for Combined Federal/State Filer

Transmitter “T” Record	Payer “A” Record coded with 1 in position 6	Payee “B” Record with state code 24 in positions 747-748	Payee “B” Record with state code 06 in positions 747-748	Payee “B” Record, no state code	End of Payer “C” Record
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State Total “K” Record for “B” records coded 24. “K” record coded 24 in positions 747–748.	State Total “K” Record for “B” records coded 06. “K” record coded 06 in positions 747–748.	End of Transmission “F” Record
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Sec. 11. Penalties Associated With Information Returns

.01 The following penalties generally apply to the person required to file information returns. The penalties apply to electronic filers as well as to paper filers.

.02 Failure to File Correct Information Returns by the Due Date (Section 6721). If you fail to file a correct information return by the due date and you cannot show reasonable cause, you may be subject to a penalty. The penalty applies if you fail to file timely, you fail to include all information required to be shown on a return, or you include incorrect information on a return. The penalty also applies if you file on paper when you were required to file electronically, you report an incorrect TIN or fail to report a TIN, or you fail to file paper forms that are machine readable.

The amount of the penalty is based on when you file the correct information return. The penalty amounts are:

- **\$30** per information return if you correctly file within 30 days of the due date of the return (See Part A, Sec. 7 .02); maximum penalty \$250,000 per year (\$75,000 for small businesses).
- **\$60** per information return if you correctly file more than 30 days after the due date but by August 1; maximum penalty \$500,000 per year (\$200,000 for small businesses).
- **\$100** per information return if you file after August 1 or you do not file required information returns; maximum penalty \$1.5 million per year (\$500,000 for small businesses).

.03 A late filing penalty may be assessed for a replacement file which is not transmitted by the required date. See Part B, Sec. 4.06, for more information on replacement files.

.04 Intentional disregard of filing requirements. If failure to file a correct information return is due to intentional disregard of the filing or correct information requirements, the penalty is at least \$250 per information return with no maximum penalty.

.05 Failure to Furnish Correct Payee Statements (Section 6722). For information regarding penalties which may apply to failure to furnish correct payee statements, see the *2012 General Instructions for Certain Information Returns*.

Sec. 12. State Abbreviations

.01 The following state and U.S. territory abbreviations are to be used when developing the state code portion of address fields. This table provides state and territory abbreviations only, and does not represent those states participating in the Combined Federal/State Filing Program.

Table 4: State & U.S. Territory Abbreviations

State	Code	State	Code	State	Code
Alabama	AL	Kentucky	KY	Ohio	OH
Alaska	AK	Louisiana	LA	Oklahoma	OK
American Samoa	AS	Maine	ME	Oregon	OR
Arizona	AZ	Maryland	MD	Pennsylvania	PA
Arkansas	AR	Massachusetts	MA	Puerto Rico	PR
California	CA	Michigan	MI	Rhode Island	RI
Colorado	CO	Minnesota	MN	South Carolina	SC
Connecticut	CT	Mississippi	MS	South Dakota	SD
Delaware	DE	Missouri	MO	Tennessee	TN
District of Columbia	DC	Montana	MT	Texas	TX
Florida	FL	Nebraska	NE	Utah	UT
Georgia	GA	Nevada	NV	Vermont	VT
Guam	GU	New Hampshire	NH	Virginia	VA
Hawaii	HI	New Jersey	NJ	(U.S.) Virgin Islands	VI
Idaho	ID	New Mexico	NM	Washington	WA
Illinois	IL	New York	NY	West Virginia	WV
Indiana	IN	North Carolina	NC	Wisconsin	WI
Iowa	IA	North Dakota	ND	Wyoming	WY
Kansas	KS	No. Mariana Islands	MP		

.02 Filers must adhere to the city, state, and ZIP Code format for U.S. addresses in the “B” Record. This also includes American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the U. S. Virgin Islands.

.03 For foreign country addresses, filers may use a 51 position free format which should include city, province or state, postal code, and name of country in this order. This is allowable only if a “1” (one) appears in the Foreign Country Indicator, Field Position 247, of the “B” Record.

.04 When reporting APO/FPO addresses, use the following format:

EXAMPLE:

Payee Name	PVT Willard J. Doe
Mailing Address	Company F, PSC Box 100 167 Infantry REGT
Payee City	APO (or FPO)
Payee State	AE, AA, or AP*
Payee ZIP Code	098010100

*AE is the designation for ZIP Codes beginning with 090–098, AA for ZIP 340, and AP for ZIP Codes 962–966.

Part B. Electronic Filing Specifications

Note 1: The Filing Information Returns Electronically (FIRE) system does not provide fill-in forms, except for Form 8809, *Application for Extension of Time to File Information Returns*. Filers must program files according to the Record Layout Specifications contained in this publication. For a list of software providers, log on to [IRS.gov](http://irs.gov) and type “Business e-file Providers” in the Search box. Also, see Part A, Sec. 5.03.

Note 2: The FIRE and FIRE test systems may be down every Wednesday from 2:00 a.m. to 5:00 a.m. ET for programming updates and for two weeks at the end of the year for yearly updates. The FIRE and FIRE test systems will not be available for submissions during these times.

Sec. 1. General

.01 Electronic filing of Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G information returns, originals, corrections, and replacements is the method of filing for payers who meet the 250 returns filing requirement. Payers who are under the filing threshold requirement are encouraged to file electronically. Form 8935, *Airline Payments Report*, originals, corrections, and replacements may also be filed electronically.

.02 All electronic filing of information returns are received at IRS through the FIRE system. To connect to the FIRE system, point the browser to <http://fire.irs.gov>. The system is designed to support the electronic filing of information returns only.

.03 The electronic filing of information returns is not affiliated with any other IRS electronic filing programs. Filers must obtain separate approval to participate in each program.

.04 Files submitted to IRS electronically must be in standard ASCII code. Do not send paper forms with the same information as electronically submitted files. This creates duplicate reporting resulting in penalty notices.

.05 See Part C, Record Format Specifications and Record Layouts, for the proper record format.

.06 Form 8809, *Application for Extension of Time to File Information Returns*, is available as a fill-in form on the FIRE system. Filers that do not already have a User ID and password should refer to Section 7. At the Main Menu, click "Extension of Time Request" and then click "Fill-in Extension Form". This option is only used to request an automatic 30-day extension and must be completed by the due date of the return for each payer requesting an extension. Filers should print the approval page for their records. Refer to Part D for additional details.

Sec. 2. Electronic Filing Approval Procedure

.01 Filers must obtain a Transmitter Control Code (TCC) prior to submitting files electronically. Refer to Part A, Sec. 6, for information on how to obtain a TCC.

.02 Once a TCC is obtained, electronic filers must create their own User ID, password and PIN (Personal Identification Number). See Part B, Sec. 5, for more information about PIN requirements.

.03 If a filer is submitting files for more than one TCC, it is not necessary to create a separate User ID and password for each TCC.

.04 For all passwords, it is the user's responsibility to remember the password and not allow the password to be compromised. Passwords are user created at first logon and must be eight alphanumeric characters containing at least one uppercase, one lowercase, and one numeric. Filers who forget their password or PIN, can call 1-866-455-7438 for assistance. The FIRE system requires users to change passwords every 90 days or at the first logon attempt after that time period. Users can change passwords at any time from the Main Menu. The previous 24 passwords cannot be used.

Sec. 3. Test Files

.01 Filers are not required to submit a test file; however, the submission of a test file is encouraged for all new electronic filers to test hardware and software. If filers wish to submit an electronic test file for Tax Year 2012 (returns to be filed in 2013), it must be submitted to IRS no earlier than *November 1, 2012*, and no later than *February 15, 2013*. To connect to the FIRE test system, point the browser to <http://fire.test.irs.gov>.

.02 IRS encourages first time electronic filers to submit a test. Test files are required for filers wishing to participate in the Combined Federal/State Filing Program. See Part A, Sec.10, for further information about the Combined Federal/State Filing Program.

.03 The test file must consist of a sample of each type of record:

- (a) Transmitter "T" Record (all fields marked required must include transmitter information)
- (b) Payer "A" Record
- (c) Multiple Payee "B" Records (at least eleven "B" Records per each "A" Record)
- (d) End of Payer "C" Record
- (e) State Totals "K" Record, if participating in the Combined Federal/State Filing Program
- (f) End of Transmission "F" Record (See Part C for record formats.)

.04 Use the Test Indicator "T" in Field Position 28 of the "T" Record to show this is a test file.

.05 IRS will check the file to ensure it meets the specifications of this Revenue Procedure. For current filers, sending a test file will provide the opportunity to ensure software reflects any programming changes.

.06 Filers who encounter problems while transmitting the electronic test file can contact IRS at 1-866-455-7438 for assistance.

.07 Within two days after a file has been submitted, filers will be notified by email as to the acceptability of the file, if a valid email address was provided on the "Verify Your Filing Information" screen. If using email filtering software, configure software to accept email from fire@irs.gov and irs.e-helpmail@irs.gov. If the file is bad, the filer must return to <http://fire.test.irs.gov> to determine what errors are in the file by clicking on CHECK FILE STATUS. If the results indicate:

- (a) "Good, Federal Reporting" — The test file is good for federal reporting only.
- (b) "Good, Federal/State Reporting" — The file is good for the Combined Federal and State Filing Program (see Part A, Section 10, for further details).
- (c) "Bad" — The test file contains errors. Click on the filename for a list of the errors.

(d) “Not Yet Processed” — The file has been received, but results are not available. Please check back in a few days.

Sec. 4. Electronic Submissions

.01 Electronically filed information may be submitted to IRS 24 hours a day, seven days a week. Technical assistance is available Monday through Friday between 8:30 a.m. and 4:30 p.m. ET by calling 1-866-455-7438.

.02 The FIRE and *FIRE test* systems will be down from 6 p.m. ET *December 14, 2012, through January 2, 2013*. This allows IRS to make yearly updates to reflect current year changes. In addition, the *FIRE and FIRE test* systems may be down every Wednesday from 2:00 a.m. to 5:00 a.m. ET for programming updates. The FIRE system will not be available for submissions during these times.

.03 A file may not exceed 2.5 million records. When sending files larger than 10,000 records electronically, data compression is encouraged. WinZip and PKZIP are the only acceptable compression packages. IRS cannot accept self-extracting zip files or compressed files containing multiple files. The time required to transmit information returns electronically will vary depending upon the type of connection to the internet and if data compression is used. The time required to transmit a file can be reduced up to 95 percent by using compression. *If you are having trouble transmitting files with a scripting process, please contact IRS at 1-866-455-7438 for assistance.*

.04 The FIRE system can accept multiple files for the same type of return. For example, if a company has several branches issuing Forms 1099-INT, it is not necessary to consolidate all the forms into one transmission. Each file may be sent separately. Do not transmit duplicate data.

.05 Transmitters may create files using self assigned filename(s). Files submitted electronically will be assigned a new unique filename by the FIRE system. The filename assigned by the FIRE system will consist of the submission type, the filer’s TCC and a four-digit sequence number. The sequence number will be incremental for every file sent. For example, if this is the first original file for the calendar year and the TCC is 44444, the IRS assigned filename would be ORIG.44444.0001. Record the filename. This information will be needed by IRS to identify the file, if assistance is required.

.06 If a file submitted timely is bad, the filer will have up to 60 days from the day the file was transmitted to submit an acceptable replacement file. If an acceptable replacement file is not received within 60 days, the payer could be subject to late filing penalties. This only applies to files originally submitted electronically.

.07 The following definitions have been provided to help distinguish between a correction and a replacement:

- A **correction** is an information return submitted by the transmitter to correct an information return that was previously submitted to and processed by IRS, but contained erroneous information. (See Note)

Note: Corrections should only be made to records that have been submitted incorrectly, not the entire file.

- A **replacement** is an information return file sent by the filer because the CHECK FILE STATUS option on the FIRE system indicated the original/correction file was bad. After the necessary changes have been made, the file must be transmitted through the FIRE system. (See Note)

Note: Filers should never transmit anything to IRS as a “Replacement” file unless the CHECK FILE STATUS option on the FIRE system indicates a previous file is bad.

Sec. 5. PIN Requirements

.01 The user will be prompted to create a PIN consisting of ten (10) numeric characters when establishing an initial User ID name and password.

.02 The PIN is required each time an ORIGINAL, CORRECTION, or REPLACEMENT file is sent electronically and is permission to release the file. It is not needed for a TEST file. Authorized agents may enter their PIN; however, the payer is responsible for the accuracy of the returns. The payer will be liable for penalties for failure to comply with filing requirements. If there is a problem with a PIN, filers should call 1-866-455-7438 for assistance.

.03 If the file is good, it is released for mainline processing after ten (10) calendar days from receipt. Contact IRS at 1-866-455-7438 within this ten (10) day period if there is a reason the file should not be released for further processing. If the file is bad, follow normal replacement procedures.

Sec. 6. Electronic Filing Specifications

.01 The FIRE system is designed exclusively for the filing of Forms 1042-S, 1097, 1098, 1099, 3921, 3922, 5498, 8027, 8935, 8955-SSA and W-2G.

.02 A transmitter must have a TCC (see Part A, Sec. 6) before a file can be transmitted.

.03 After one or two business days, the results of the electronic transmission(s) will be sent to the email address that was provided on the “Verify Your Filing Information” screen. If using email filtering software, configure the software to accept email from fire@irs.gov and irs.e-helpmail@irs.gov. If the file is bad, the filer must return to <http://fire.irs.gov> (or <http://fire.test.irs.gov> if a test file) to determine what errors are in the file by clicking on CHECK FILE STATUS.

Sec. 7. Connecting to the FIRE system

.01 Have the TCC and TIN available before connecting.

.02 Turn off pop-up blocking software before transmitting files.

.03 Make sure the browser supports the security standards listed below.

.04 Set the browser to receive “cookies.” Cookies are used to preserve the User ID status.

.05 Point the browser to <http://fire.irs.gov> to connect to the FIRE system or <http://fire.test.irs.gov> to connect to the FIRE test system (Nov 1 through Feb. 15).

.06 FIRE Internet Security Technical Standards are:

HTTP 1.1 Specification (<http://www.w3.org/Protocols/rfc2616/rfc2616.txt>)

SSL 3.0 or TLS 1.0. SSL and TLS are implemented using SHA and RSA 1024 bits during the asymmetric handshake.

The filer can use one of the following encryption algorithms, listed in order of priority, using SSL or TLS:

AES 256-bit (FIPS-197)

AES 128-bit (FIPS-197)

TDES 168-bit (FIPS-46-3)

.07 First time connection to the FIRE system (If there has been a previous logon, skip to “Subsequent Connections to the FIRE system.”)

Click “**Create New Account**”

Fill out the registration form and click “**Submit**”

Create **User ID**

Create and verify **password**. (The password is user created and must be eight alphanumeric characters, containing at least one uppercase, one lowercase, one numeric and cannot contain the User ID. The FIRE system requires passwords to be changed every 90 days or at the first logon attempt after 90 days. The previous 24 passwords cannot be used.)

Click “**Create**”

If the message “Account Created” is received, click “**OK**”

Create and verify the 10-digit self-assigned PIN (Personal Identification Number).

Click “**Submit**”

If the message “Your PIN has been successfully created!” is received, click “**OK**”

Read the bulletin(s) and/or “**Click here to continue**”

.08 Subsequent connections to the FIRE System

Click “**Log On**”

Enter the **User ID**

Enter the **Password** (the password is case sensitive).

Read the bulletin(s) and/or “**Click here to continue**”.

.09 Uploading a file to the FIRE System

At the Menu Options:

Click “**Send Information Returns**”

Enter the **TCC**

Enter the **TIN**

Click “**Submit**”

The system will display the company name, address, city, state, ZIP code, telephone number, contact and email address. This information will be used to email the transmitter regarding the transmission. Update as appropriate and/or click **“Accept”**.

Note: Please provide an accurate email address for the correct person to receive the email and to avoid having the email returned to IRS as undeliverable. If SPAM filtering software is being used, configure it to allow an email from fire@irs.gov and irs.e-helpmail@irs.gov.

Click one of the following:

Original File

Replacement File

Correction File

Test File (This option will only be available from November 1 through February 15 at <http://fire.test.irs.gov>)

- Enter the ten-digit PIN (If sending a test file, there is no prompt for this.)
- Click **“Submit”**
- Click **“Browse”** to locate the file and open it
- Click **“Upload”**

When the upload is complete, the screen will display the total bytes received and the IRS assigned filename for the file.

Note: If this information is not displayed on the screen, IRB may not have received the file.

To verify, go to the **“CHECK FILE STATUS”** option on the Main Menu. If the filename is displayed, the count is equal to **“0,”** and the results indicate **“not yet processed,”** IRB received the file. If the filename is not displayed, send the file again.

If there are more files to upload for that TCC:

Click **“File Another?”** otherwise,

Click **“Main Menu”**

It is the filer’s responsibility to check the acceptability of submitted files. If an email is not received within two business days or an email is received and it indicates the file is bad, log back into the FIRE system and click on **“CHECK FILE STATUS” to view the results of the file(s).**

.10 Checking the FILE STATUS

If the correct email address was provided on the **“Verify Your Filing Information”** screen when the file was sent, an email will be sent regarding the FILE STATUS. If the results in the email indicate **“Good, not Released”** and the **“Count of Payees”** is correct, the filer is finished with this file. If the email indicates any other results, follow the instructions below.

At the Main Menu:

Click **“Check File Status”**

Enter the **TCC**

Enter the **TIN**

Click **“Search”**

If the results on <http://fire.irs.gov> indicate:

“Good, Not Released” – If the “Count of Payees” is correct, the filer is finished with this file. The file will automatically be released after ten calendar days unless the filer contacts IRB within this timeframe.

“Good, Released” – The file has been released to our mainline processing.

“Bad” – The file has errors. Click on the filename to view the error message(s), fix the errors, and resubmit the file timely as a “replacement”.

“Not yet processed” – The file has been received, but results are not available. Please check back in a few days.

When finished:

Click **“Log Out”**

Click **“Close Web Browser”**

Sec. 8. Common Problems and Questions

IRS encourages filers to verify the format and content of each type of record to ensure the accuracy of the data. This may eliminate the need for IRS to request replacement files. This may be important for those payers who have either had their files prepared by a service bureau or who have purchased software packages.

Note: Filers who engage a service bureau to transmit files on their behalf should be careful not to report duplicate data.

This section lists some of the problems most frequently encountered with electronic files submitted to IRS. These problems may result in IRS requesting replacement files.

1. Discrepancy between IRS Totals and Totals in Payer “C” Records.

The “C” Record is a summary record for a type of return for a given payer. IRS compares the total number of payees and payment amounts in the “B” Records with totals in the “C” Records. The two totals must agree. Do not enter negative amounts except when reporting Forms 1099-B or 1099-Q. Money amounts must be numeric and right-justified. Unused positions must be zero (0) filled. Do not use blanks in money amount fields.

2. Missing Correction Indicator in Payee “B” Record.

When a file is submitted as a correction file, there must be a correction indicator, “G” or “C” in position 6 of the Payee “B” record. See Part A, Sec. 8.

3. Incorrect TIN in Payer “A” Record.

The Payer’s TIN reported in positions 12–20 of the “A” Record must be a nine-digit number. Do Not Enter Hyphens. The TIN and the First Payer Name Line provided in the “A” Record must correspond.

4. Incorrect Tax Year in the Transmitter “T” Record, Payer “A” Record, and the Payee “B” Records.

The tax year in the transmitter, payer, and payee records must reflect the tax year of the information return being reported. For prior tax year data, there must be a “P” in position six (6) of the Transmitter “T” Record. This position must be blank for current year data.

5. Incorrect use of Test Indicator.

When sending a test file, position 28 of the Transmitter “T” Record must contain a “T”, otherwise the position should be blank filled. Do not populate this field with a “T” if sending an original, replacement, or correction file.

6. Incorrect Format for TINs in the Payee “B” Record.

TINs entered in positions 12–20 of the Payee “B” records must consist of nine numeric characters only. Do Not Enter Hyphens. Incorrect formatting of TINs may result in a penalty.

7. Distribution Codes for Form 1099-R reported incorrectly.

For Form 1099-R, there must be a valid Distribution Code(s) in positions 545–546 of the Payee “B” Record. For valid codes (and combinations), refer to the chart in Part C. If only one distribution code is required, it must be entered in position 545 and position 546 must be blank. A blank in position 545 is not acceptable.

8. The Payment Amount Fields in the “B” Record Do Not Correspond to the Amount Codes in the “A” Record.

The Amount Codes used in the “A” Record must correspond with the payment amount fields used in the “B” Records. The amount codes must be left-justified and in ascending order. Unused positions must be blank filled. For Example: If the “B” Records show payment amounts in Payment Amount fields 2, 4, and 7, then the “A” Record must correspond with 2, 4, and 7 in the Amount Code field.

COMMON NON-FORMAT ERRORS

1. SPAM filters are not set to receive email from fire@irs.gov and irs.e-helpmail@irs.gov.

To receive emails concerning files, processing results, reminders, and notices, set the SPAM filter to receive email from fire@irs.gov and irs.e-helpmail@irs.gov.

2. Incorrect email address provided.

When the “Verify Your Filing Information” screen is displayed, make sure the correct email address is listed. If not, update with the correct email address.

3. Transmitter does not check the FIRE system to determine why the file is bad.

Generally, the results of a file transfer are posted to the FIRE system within two business days. If the correct email address was provided on the “Verify Your Filing Information” screen when the file was sent, an email will be sent regarding the FILE STATUS. If the results in the email indicate “Good, Not Released” and the “Count of Payees” is correct, the filer is finished with this file. If any other results are received, follow the instructions in the “Check File Status” option. If the file contains errors, get an online listing of the errors. If the file is good, but the file should not be processed, contact IRS within ten calendar days of the transmission of the file.

4. Incorrect file is not replaced timely.

If a file is bad, fix the file, and resubmit timely as a replacement.

5. Transmitter sends an original file that is good, and then sends a correction file for the entire file even though there are only a few changes.

The correction file, containing the proper coding, should only contain the records needing correction, not the entire file. Improper submission can result in duplicate reporting of payee information.

6. Transmitter sends a file and “CHECK FILE STATUS” indicates that the file is good, but the transmitter wants to send another file containing the same information.

Once a file has been transmitted, a replacement file cannot be sent unless the “CHECK FILE STATUS” indicates the file is bad (one to two business days after the file was transmitted). If a file should not be processed, contact IRS at 1-866-455-7438 within ten calendar days to see if this is a possibility.

7. Transmitter compresses several files into one.

Only compress one file at a time. For example, if there are ten uncompressed files to send, compress each file separately and send ten separate compressed files.

8. File is formatted as EBCDIC.

All files submitted electronically must be in standard ASCII code.

9. Transmitter has one TCC, but is filing for multiple companies. Which TIN should be used when logging into the FIRE system to send a file?

When logging into the FIRE system to send a file electronically, enter the TIN of the company assigned to the TCC.

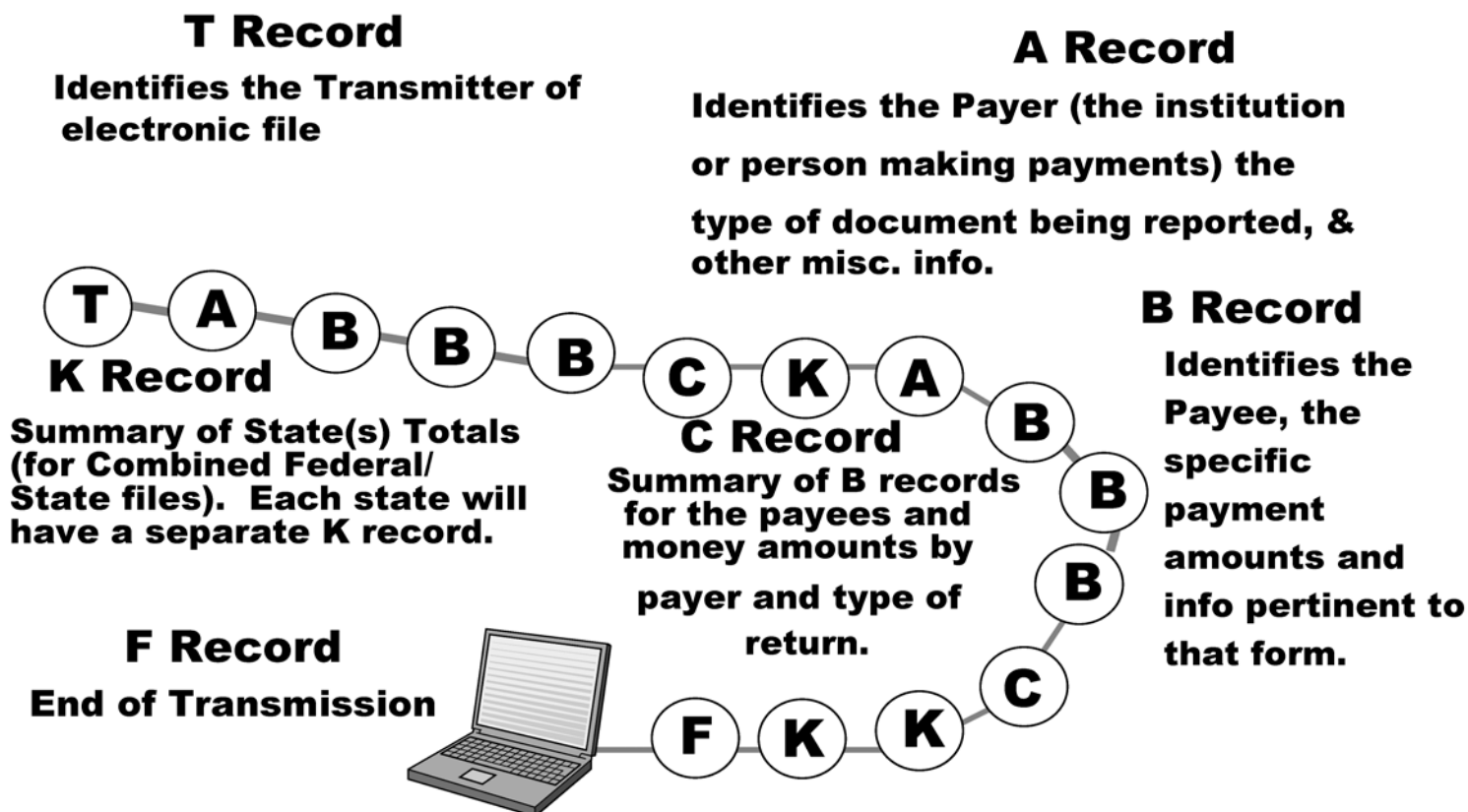
10. Transmitter sent the wrong file. What should be done?

Call IRS at 1-866-455-7438. IRBS may be able to stop the file before it has been processed.

Sec. 1. File Layout Diagram

File Format

Each record must be 750 positions.



Sec. 2. General

.01 The specifications contained in this part of the Revenue Procedure define the required formation and contents of the records to be included in the electronic files.

.02 A provision is made in the “B” Records for entries which are optional. If the field is not used, enter blanks to maintain a fixed record length of 750 positions. Each field description explains the intended use of specific field positions.

Sec. 3. Transmitter “T” Record — General Field Descriptions

.01 The Transmitter “T” Record identifies the entity transmitting the electronic file and contains information which is critical if it is necessary for IRS to contact the filer.

.02 The Transmitter “T” Record is the first record on each file and is followed by a Payer “A” Record. A file format diagram is located at the beginning of Part C. A replacement file will be requested by IRS if the “T” Record is not present.

.03 For all fields marked “**Required**,” the transmitter must provide the information described under Description and Remarks. For those fields not marked “Required,” a transmitter must allow for the field but may be instructed to enter blanks or zeros in the indicated field positions and for the indicated length.

.04 All records must be a fixed length of 750 positions.

.05 All alpha characters entered in the “T” Record must be upper-case, except email addresses which may be case sensitive. Do not use punctuation in the name and address fields.

Record Name: Transmitter "T" Record

Field Position	Field Title	Length	Description and Remarks
1	Record Type	1	Required. Enter "T."
2–5	Payment Year	4	Required. Enter "2012." If reporting prior year data report the year which applies (2011, 2010, etc.) and set the Prior Year Data Indicator in field position 6.
6	Prior Year Data Indicator	1	Required. Enter "P" only if reporting prior year data; otherwise, enter blank. Do not enter a "P" if the tax year is 2012.
7–15	Transmitter's TIN	9	Required. Enter the transmitter's nine-digit Taxpayer Identification Number (TIN).
16–20	Transmitter Control Code	5	Required. Enter the five-character alphanumeric Transmitter Control Code (TCC) assigned by IRS. A TCC must be obtained to file data with this program.
21–27	Blank	7	Enter blanks.
28	Test File Indicator	1	Required for test files only. Enter a "T" if this is a test file; otherwise, enter a blank.
29	Foreign Entity Indicator	1	Enter a "1" (one) if the transmitter is a foreign entity. If the transmitter is not a foreign entity, enter a blank.
30–69	Transmitter Name	40	Required. Enter the name of the transmitter in the manner in which it is used in normal business. Left-justify the information and fill unused positions with blanks.
70–109	Transmitter Name (Continuation)	40	Required. Enter any additional information that may be part of the name. Left-justify the information and fill unused positions with blanks.
110–149	Company Name	40	Required. Enter the name of the company associated with the address where correspondence should be sent.
150–189	Company Name (Continuation)	40	Enter any additional information that may be part of the name of the company where correspondence should be sent.
190–229	Company Mailing Address	40	Required. Enter the mailing address where correspondence should be sent. Any correspondence relating to problem electronic files will be sent to this address.
<p>For U.S. addresses, the payer city, state, and ZIP Code must be reported as a 40, 2, and 9-position field, respectively. Filers must adhere to the correct format for the payer city, state, and ZIP Code.</p>			
<p>For foreign addresses, filers may use the payer city, state, and ZIP Code as a continuous 51-position field. Enter information in the following order: city, province or state, postal code, and the name of the country. When reporting a foreign address, the Foreign Entity Indicator in position 29 must contain a "1" (one).</p>			
230–269	Company City	40	Required. Enter the city, town, or post office where correspondence should be sent.
270–271	Company State	2	Required. Enter the valid U.S. Postal Service state abbreviation. Refer to the chart for valid state codes in Part A, Sec. 12.
272–280	Company ZIP Code	9	Required. Enter the valid nine-digit ZIP Code assigned by the U.S. Postal Service. If only the first five-digits are known, left-justify the information and fill unused positions with blanks.
281–295	Blank	15	Enter blanks.
296–303	Total Number of Payees	8	Enter the total number of Payee "B" Records reported in the file. Right-justify the information and fill unused positions with zeros.
304–343	Contact Name	40	Required. Enter the name of the person to be contacted if IRS encounters problems with the file or transmission.

Record Name: Transmitter "T" Record (Continued)

Field Position	Field Title	Length	Description and Remarks						
344–358	Contact Phone Number & Extension	15	Required. Enter the telephone number of the person to contact regarding electronic files. Omit hyphens. If no extension is available, left-justify the information and fill unused positions with blanks. For example, the IRS telephone number of 866–455–7438 with an extension of 52345 would be 866455743852345.						
359–408	Contact Email Address	50	Required if available. Enter the email address of the person to contact regarding electronic files. Left-justify the information. If no email address is available, enter blanks.						
409–499	Blank	91	Enter blanks.						
500–507	Record Sequence Number	8	Required. Enter the number of the record as it appears within the file. The record sequence number for the "T" Record will always be one (1), since it is the first record on the file and the file can have only one "T" Record. Each record, thereafter, must be incremental by one in ascending numerical sequence, that is, 2, 3, 4, etc. Right-justify numbers with leading zeros in the field. For example, the "T" Record sequence number would appear as "00000001" in the field, the first "A" Record would be "00000002," the first "B" Record, "00000003," the second "B" Record, "00000004" and so on until the final record of the file, the "F" Record.						
508–517	Blank	10	Enter blanks.						
518	Vendor Indicator	1	Required. Enter the appropriate code from the table below to indicate if the software used to produce this file was provided by a vendor or produced in-house. <table border="0"> <thead> <tr> <th align="left"><u>Indicator</u></th> <th align="left"><u>Usage</u></th> </tr> </thead> <tbody> <tr> <td>V</td> <td>The software was purchased from a vendor or other source.</td> </tr> <tr> <td>I</td> <td>The software was produced by in-house programmers.</td> </tr> </tbody> </table>	<u>Indicator</u>	<u>Usage</u>	V	The software was purchased from a vendor or other source.	I	The software was produced by in-house programmers.
<u>Indicator</u>	<u>Usage</u>								
V	The software was purchased from a vendor or other source.								
I	The software was produced by in-house programmers.								
Note: An in-house programmer is defined as an employee or a hired contract programmer. If the software is produced in-house, the following vendor information fields are not required.									
519–558	Vendor Name	40	Required. Enter the name of the company from whom the software was purchased.						
559–598	Vendor Mailing Address	40	Required. Enter the mailing address.						
For U.S. addresses, the vendor city, state, and ZIP Code must be reported as 40, 2, and 9–position fields, respectively. Filers must adhere to the correct format for the payer city, state, and ZIP Code.									
For foreign addresses, filers may use the payer city, state, and ZIP Code as a continuous 51–position field. Enter information in the following order: city, province or state, postal code, and the name of the country.									
599–638	Vendor City	40	Required. Enter the city, town, or post office.						
639–640	Vendor State	2	Required. Enter the valid U.S. Postal Service state abbreviation. Refer to the chart of valid state codes in Part A, Sec. 12.						
641–649	Vendor ZIP Code	9	Required. Enter the valid nine-digit ZIP Code assigned by the U.S. Postal Service. If only the first five-digits are known, left-justify the information and fill unused positions with blanks.						
650–689	Vendor Contact Name	40	Required. Enter the name of the person to be contacted concerning any software questions.						

Record Name: Transmitter "T" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
690-704	Vendor Contact Phone Number & Extension	15	Required. Enter the telephone number of the person to contact concerning software questions. Omit hyphens. If no extension is available, left-justify the information and fill unused positions with blanks.
705-739	Blank	35	Enter Blanks.
740	Vendor Foreign Entity Indicator	1	Enter a "1" (one) if the vendor is a foreign entity. Otherwise, enter a blank.
741-748	Blank	8	Enter blanks.
749-750	Blank	2	Enter blanks or carriage return/line feed characters (CR/LF).

Sec. 4. Transmitter "T" Record — Record Layout

Record Type	Payment Year	Prior Year Data Indicator	Transmitter's TIN	Transmitter Control Code	Blank
1	2-5	6	7-15	16-20	21-27

Test File Indicator	Foreign Entity Indicator	Transmitter Name	Transmitter Name Continuation	Company Name	Company Name Continuation
28	29	30-69	70-109	110-149	150-189

Company Mailing Address	Company City	Company State	Company ZIP Code	Blank	Total Number of Payees
190-229	230-269	270-271	272-280	281-295	296-303

Contact Name	Contact Telephone Number & Extension	Contact Email Address	Blank	Record Sequence Number	Blank
304-343	344-358	359-408	409-499	500-507	508-517

Vendor Indicator	Vendor Name	Vendor Mailing Address	Vendor City	Vendor State	Vendor ZIP Code
518	519-558	559-598	599-638	639-640	641-649

Vendor Contact Name	Vendor Contact Telephone Number & Extension	Blank	Vendor Foreign Entity Indicator	Blank	Blank or CR/LF
650-689	690-704	705-739	740	741-748	749-750

Sec. 5. Payer “A” Record — General Field Descriptions

.01 The Payer “A” Record identifies the person making payments, a recipient of mortgage or student loan interest payments, an educational institution, a broker, a person reporting a real estate transaction, a barter exchange, a creditor, a trustee or issuer of any IRA or MSA plan, and a lender who acquires an interest in secured property or who has a reason to know that the property has been abandoned. The payer will be held responsible for the completeness, accuracy, and timely submission of electronic files.

.02 The second record on the file must be an “A” Record. A transmitter may include Payee “B” Records for more than one payer in a file. However, each group of “B” Records must be preceded by an “A” Record and followed by an End of Payer “C” Record. A single file may contain different types of returns but the types of returns must not be intermingled. A separate “A” Record is required for each payer and each type of return being reported.

.03 The number of “A” Records depends on the number of payers and the different types of returns being reported. Do not submit separate “A” Records for each payment amount being reported. For example, if a payer is filing Form 1099-DIV to report Amount Codes 1, 2, and 3, all three amount codes should be reported under one “A” Record, not three separate “A” Records.

.04 The maximum number of “A” Records allowed on a file is 99,000.

.05 All records must be a fixed length of 750 positions.

.06 All alpha characters entered in the “A” Record must be upper case.

.07 For all fields marked “**Required**,” the transmitter must provide the information described under Description and Remarks. For those fields not marked “Required,” a transmitter must allow for the field, but may be instructed to enter blanks or zeros in the indicated field position(s) and for the indicated length.

Record Name: Payer “A” Record

Field Position	Field Title	Length	Description and Remarks
1	Record Type	1	Required. Enter an “A.”
2–5	Payment Year	4	Required. Enter “2012.” If reporting prior year data report the year which applies (2011, 2010, etc.).
6	Combined Federal/State Filer	1	Required for the Combined Federal/State Filing Program (CF/SF): Enter “1” (one) if approved and <i>submitting information as part of the CF/SF program or if submitting a test file in order to obtain approval for the CF/SF program</i> ; otherwise, enter a blank.
Note 1: If the Payer “A” Record is coded for the Combined Federal/State Filing Program there must be coding in the Payee “B” Records and the State Totals “K” Records.			
Note 2: If “1” (one) is entered in this field position, be sure to code the Payee “B” Records with the appropriate state code. Refer to Part A, Sec. 10, for further information.			
7–11	Blank	5	Enter blanks.
12–20	Payer’s Taxpayer Identification Number (TIN)	9	Required. Enter the valid nine-digit Taxpayer Identification Number assigned to the payer. Do not enter blanks, hyphens, or alpha characters. All zeros, ones, twos, etc., will have the effect of an incorrect TIN.
Note: For foreign entities that are not required to have a TIN, this field must be blank. However, the Foreign Entity Indicator, position 52 of the “A” Record, must be set to one (1).			
21–24	Payer Name Control	4	To determine the name control use the rules outlined in Section 7, Payee “B” Record or leave the field blank.
25	Last Filing Indicator	1	Enter a “1” (one) if this is the last year this payer name and TIN will file information returns electronically or on paper; otherwise, enter a blank.

Record Name: Payer "A" Record (Continued)

Field Position	Field Title	Length	Description and Remarks																																																												
26-27	Type of Return	2	<p>Required. Enter the appropriate code from the table below. Left-justify the information and fill unused positions with blanks.</p> <table style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;"><u>Type of Return</u></th> <th style="text-align: left;"><u>Code</u></th> </tr> </thead> <tbody> <tr><td>1097-BTC</td><td>BT</td></tr> <tr><td>1098</td><td>3</td></tr> <tr><td>1098-C</td><td>X</td></tr> <tr><td>1098-E</td><td>2</td></tr> <tr><td>1098-T</td><td>8</td></tr> <tr><td>1099-A</td><td>4</td></tr> <tr><td>1099-B</td><td>B</td></tr> <tr><td>1099-C</td><td>5</td></tr> <tr><td>1099-CAP</td><td>P</td></tr> <tr><td>1099-DIV</td><td>1</td></tr> <tr><td>1099-G</td><td>F</td></tr> <tr><td>1099-H</td><td>J</td></tr> <tr><td>1099-INT</td><td>6</td></tr> <tr><td>1099-K</td><td>MC</td></tr> <tr><td>1099-LTC</td><td>T</td></tr> <tr><td>1099-MISC</td><td>A</td></tr> <tr><td>1099-OID</td><td>D</td></tr> <tr><td>1099-PATR</td><td>7</td></tr> <tr><td>1099-Q</td><td>Q</td></tr> <tr><td>1099-R</td><td>9</td></tr> <tr><td>1099-S</td><td>S</td></tr> <tr><td>1099-SA</td><td>M</td></tr> <tr><td>3921</td><td>N</td></tr> <tr><td>3922</td><td>Z</td></tr> <tr><td>5498</td><td>L</td></tr> <tr><td>5498-ESA</td><td>V</td></tr> <tr><td>5498-SA</td><td>K</td></tr> <tr><td>8935</td><td>U</td></tr> <tr><td>W-2G</td><td>W</td></tr> </tbody> </table>	<u>Type of Return</u>	<u>Code</u>	1097-BTC	BT	1098	3	1098-C	X	1098-E	2	1098-T	8	1099-A	4	1099-B	B	1099-C	5	1099-CAP	P	1099-DIV	1	1099-G	F	1099-H	J	1099-INT	6	1099-K	MC	1099-LTC	T	1099-MISC	A	1099-OID	D	1099-PATR	7	1099-Q	Q	1099-R	9	1099-S	S	1099-SA	M	3921	N	3922	Z	5498	L	5498-ESA	V	5498-SA	K	8935	U	W-2G	W
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28-43	Amount Codes (See Note)	16	<p>Required. Enter the appropriate amount code(s) for the type of return being reported. In most cases, the box numbers on paper information returns correspond with the amount codes used to file electronically. However, if discrepancies occur, this Revenue Procedure governs for filing electronically. Enter the amount codes in ascending sequence; numeric characters followed by alphas. Left-justify the information and fill unused positions with blanks.</p>																																																												

Note: A type of return and an amount code must be present in every Payer "A" Record even if no money amounts are being reported. For a detailed explanation of the information to be reported in each amount code, refer to the appropriate paper instructions for each form.

Record Name: Payer "A" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
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Amount Codes Form 1097-BTC — Bond Tax Credit			For Reporting Payments on Form 1097-BTC:
--	--	--	--

<u>Amount Code</u>	<u>Amount Type</u>
1	Total Aggregate
2	January
3	February
4	March
5	April
6	May
7	June
8	July
9	August
A	September
B	October
C	November
D	December

Amount Codes Form 1098 — Mortgage Interest Statement			For Reporting Payments on Form 1098:
--	--	--	--------------------------------------

<u>Amount Code</u>	<u>Amount Type</u>
1	Mortgage interest received from payer(s)/borrower(s)
2	Points paid on the purchase of a principal residence
3	Refund (or credit) of overpaid interest
5	Blank (Filer's use)

Amount Codes Form 1098-C — Contributions of Motor Vehicles, Boats, and Airplanes			For Reporting Payments on Form 1098-C:
--	--	--	--

<u>Amount Code</u>	<u>Amount Type</u>
4	Gross proceeds from sales
6	Value of goods or services in exchange for a vehicle

Amount Code Form 1098-E — Student Loan Interest			For Reporting Payments on Form 1098-E:
---	--	--	--

<u>Amount Code</u>	<u>Amount Type</u>
1	Student loan interest received by the lender

Record Name: Payer "A" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
Amount Codes Form 1098-T — Tuition Statement			For Reporting Payments on Form 1098-T:
		<u>Amount Code</u>	<u>Amount Type</u>
		1	Payments received for qualified tuition and related expenses
		2	Amounts billed for qualified tuition and related expenses
		3	Adjustments made for prior year
		4	Scholarships or grants
		5	Adjustments to scholarships or grants for a prior year
		7	Reimbursements or refunds of qualified tuition and related expenses from an insurance contract

Note 1: For Amount Codes 1 and 2, enter either payments received or amounts billed. Do not report both.

Note 2: Amount Codes 3 and 5 are assumed to be negative. It is not necessary to code with an over punch or dash to indicate a negative reporting.

Amount Codes Form 1099-A — Acquisition or Abandonment of Secured Property			For Reporting Payments on Form 1099-A:
		<u>Amount Code</u>	<u>Amount Type</u>
		2	Balance of principal outstanding
		4	Fair market value of the property

Amount Codes Form 1099-B — Proceeds From Broker and Barter Exchange Transactions			For Reporting Payments on Form 1099-B:
		<u>Amount Code</u>	<u>Amount Type</u>
		2	Stocks, bonds, etc. (For forward contracts, See Note 1)
		3	<i>Cost or other basis</i>
		4	Federal income tax withheld (backup withholding) (Do not report negative amounts.)
		5	<i>Wash sale loss disallowed</i>
		7	<i>Bartering</i>
		9	<i>Profit (or loss) realized in 2012 (See Note 2)</i>
		A	<i>Unrealized profit (or loss) on open contracts — 12/31/2011 (See Note 2)</i>
		B	<i>Unrealized profit (or loss) on open contracts — 12/31/2012 (See Note 2)</i>
		C	<i>Aggregate profit (or loss) (See Note 2)</i>

Note 1: The payment amount field associated with Amount Code 2 may be used to report a loss from a closing transaction on a forward contract. Refer to the "B" Record – General Field Descriptions and Record Layouts, Payment Amount Fields, for instructions on reporting negative amounts.

Note 2: Payment Amount Fields 9, A, B, and C are to be used for the reporting of regulated futures or foreign currency contracts.

Record Name: Payer "A" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
Amount Codes			For Reporting Payments on Form 1099-C:
Form 1099-C	— Cancellation of Debt		
		<u>Amount Code</u>	<u>Amount Type</u>
		2	<i>Amount of debt discharged</i>
		3	Interest, if included in Amount Code 2
		7	Fair market value of property (See Note)
Note: Use Amount Code 7 only if a combined Form 1099-A and 1099-C is being filed.			
Amount Code			For Reporting Payments on Form 1099-CAP:
Form 1099-CAP	— Changes in Corporate Control and Capital Structure		
		<u>Amount Code</u>	<u>Amount Type</u>
		2	Aggregate amount received
Amount Codes			For Reporting Payments on Form 1099-DIV:
Form 1099-DIV	— Dividends and Distributions		
		<u>Amount Code</u>	<u>Amount Type</u>
		1	Total ordinary dividends
		2	Qualified dividends
		3	Total capital gain distribution
		6	Unrecaptured Section 1250 gain
		7	Section 1202 gain
		8	Collectibles (28%) rate gain
		9	Nondividend distributions
		A	Federal income tax withheld
		B	Investment expenses
		C	Foreign tax paid
		D	Cash liquidation distributions
		E	Non-cash liquidation distributions
		F	<i>Exempt Interest Dividends</i>
		G	<i>Specified Private Activity Bond Interest Dividend</i>
Amount Codes			For Reporting Payments on Form 1099-G:
Form 1099-G	— Certain Government Payments		
		<u>Amount Code</u>	<u>Amount Type</u>
		1	Unemployment compensation
		2	State or local income tax refunds, credits, or offsets
		4	Federal income tax withheld (backup withholding or voluntary withholding on unemployment compensation or Commodity Credit Corporation Loans, or certain crop disaster payments)
		5	Alternative Trade Adjustment Assistance (ATAA) Payments
		6	Taxable grants
		7	Agriculture payments
		9	Market Gain

Record Name: Payer "A" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
			For Reporting Payments on Form 1099-H:
Amount Codes	Form 1099-H — Health Coverage Tax Credit (HCTC) Advance Payments		
		<u>Amount Code</u>	<u>Amount Type</u>
		1	Gross amount of health insurance advance payments
		2	Amount of advance payment for January
		3	Amount of advance payment for February
		4	Amount of advance payment for March
		5	Amount of advance payment for April
		6	Amount of advance payment for May
		7	Amount of advance payment for June
		8	Amount of advance payment for July
		9	Amount of advance payment for August
		A	Amount of advance payment for September
		B	Amount of advance payment for October
		C	Amount of advance payment for November
		D	Amount of advance payment for December
			For Reporting Payments on Form 1099-INT:
Amount Codes	Form 1099-INT — Interest Income		
		<u>Amount Code</u>	<u>Amount Type</u>
		1	Interest income not included in Amount Code 3
		2	Early withdrawal penalty
		3	Interest on U.S. Savings Bonds and Treasury obligations
		4	Federal income tax withheld (backup withholding)
		5	Investment expenses
		6	Foreign tax paid
		8	Tax-exempt interest
		9	Specified Private Activity Bond
			For Reporting Payments on Form 1099-K:
Amount Codes	Form 1099-K — <i>Payment Card and Third Party Network Transactions</i>		
		<u>Amount Code</u>	<u>Amount Type</u>
		1	Gross amount of merchant card/third party network payments
		5	January payments
		6	February payments
		7	March payments
		8	April payments
		9	May payments
		A	June payments
		B	July payments
		C	August payments
		D	September payments
		E	October payments
		F	November payments
		G	December payments

Record Name: Payer “A” Record (Continued)

Field Position	Field Title	Length	Description and Remarks
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Amount Codes For Reporting Payments on Form 1099-LTC:

Form 1099-LTC — Long-Term Care and Accelerated Death Benefits

<u>Amount Code</u>	<u>Amount Type</u>
1	Gross long-term care benefits paid
2	Accelerated death benefits paid

Amount Codes For Reporting Payments on Form 1099-MISC:

Form 1099-MISC — Miscellaneous Income
(See Note 1)

<u>Amount Code</u>	<u>Amount Type</u>
1	Rents
2	Royalties (See Note 2)
3	Other income
4	Federal income tax withheld (backup withholding or withholding on Indian gaming profits)
5	Fishing boat proceeds
6	Medical and health care payments
7	Nonemployee compensation
8	Substitute payments in lieu of dividends or interest
A	Crop insurance proceeds
B	Excess golden parachute payment
C	Gross proceeds paid to an attorney in connection with legal services
D	Section 409A Deferrals
E	Section 409A Income

Note 1: If only reporting a direct sales indicator (see “B” record field position 547), use Type of Return “A” in Field Positions 26–27, and Amount Code 1 in Field Position 28 of the Payer “A” Record. All payment amount fields in the Payee “B” Record will contain zeros.

Note 2: Do not report timber royalties under a “pay-as-cut” contract; these must be reported on Form 1099-S.

Amount Codes For Reporting Payments on Form 1099-OID:

Form 1099-OID — Original Issue Discount

<u>Amount Code</u>	<u>Amount Type</u>
1	Original issue discount for 2012
2	Other periodic interest
3	Early withdrawal penalty
4	Federal income tax withheld (backup withholding)
6	Original issue discount on U.S. Treasury Obligations
7	Investment expenses

Record Name: Payer "A" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
Amount Codes Form 1099-PATR — Taxable			
For Reporting Payments on Form 1099-PATR:			
	Distributions Received From Cooperatives		
		<u>Amount Code</u>	<u>Amount Type</u>
		1	Patronage dividends
		2	Nonpatronage distributions
		3	Per-unit retain allocations
		4	Federal income tax withheld (backup withholding)
		5	Redemption of nonqualified notices and retain allocations
		6	Deduction for qualified production activities income.
			Pass-Through Credits
		7	Investment credit
		8	Work opportunity credit
		9	Patron's alternative minimum tax (AMT) adjustment
		A	For filer's use for pass-through credits and deduction
Amount Codes Form 1099-Q — Payments From Qualified Education Programs (Under Sections 529 and 530)			
For Reporting Payments on Form 1099-Q:			
		<u>Amount Code</u>	<u>Amount Type</u>
		1	Gross distribution
		2	Earnings (<i>or loss</i>)
		3	Basis
Amount Codes Form 1099-R — Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.			
For Reporting Payments on Form 1099-R:			
		<u>Amount Code</u>	<u>Amount Type</u>
		1	Gross distribution
		2	Taxable amount (See Note 1.)
		3	Capital gain (included in Amount Code 2)
		4	Federal income tax withheld
		5	Employee contributions or insurance premiums
		6	Net unrealized appreciation in employer's securities
		8	Other
		9	Total employee contributions
		A	Traditional IRA/SEP/SIMPLE distribution or Roth conversion (See Note 2)
		B	Amount allocable to IRR within 5 years

Note 1: If the taxable amount cannot be determined, enter a "1" (one) in position 547 of the "B" Record. Payment Amount 2 must contain zeros.

Record Name: Payer "A" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
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Note 2: For Form 1099-R, report the Roth conversion or total amount distributed from an IRA, SEP, or SIMPLE in Payment Amount Field A (IRA/SEP/SIMPLE distribution or Roth conversion) of the Payee "B" Record, and generally, the same amount in Payment Amount Field 1 (Gross Distribution). The IRA/SEP/SIMPLE indicator should be set to "1" (one) in Field Position 548 of the Payee "B" Record.

Amount Codes For Reporting Payments on Form 1099-S:

Form 1099-S — Proceeds From Real Estate Transactions

<u>Amount Code</u>	<u>Amount Type</u>
2	Gross proceeds (See Note.)
5	Buyer's part of real estate tax

Note: Include payments of timber royalties made under a "pay-as-cut" contract, reportable under IRC section 6050N. If timber royalties are being reported, enter "TIMBER" in the description field of the "B" Record. If lump-sum timber payments are being reported, enter "LUMP-SUM TIMBER PAYMENT" in the description field of the "B" record.

Amount Codes For Reporting Distributions on Form 1099-SA:

Form 1099-SA — Distributions From an HSA, Archer MSA, or Medicare Advantage MSA

<u>Amount Code</u>	<u>Amount Type</u>
1	Gross distribution
2	Earnings on excess contributions
4	Fair market value of the account on date of death

Amount Codes For Reporting Information on Form 3921:

Form 3921 — Exercise of a Qualified Incentive Stock Option Under Section 422(b)

<u>Amount Code</u>	<u>Amount Type</u>
3	Exercise price per share
4	Fair market value of share on exercise date

Amount Codes For Reporting Information on Form 3922:

Form 3922 — Transfer of Stock Acquired Through an Employee Stock Purchase

<u>Amount Code</u>	<u>Amount Type</u>
3	Fair market value per share on grant date
4	Fair market value on exercise date
5	Exercise price per share
8	Exercise price per share determined as if the option was exercised on the date the option was granted

Record Name: Payer "A" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
Amount Codes			For Reporting Information on Form 5498:
Form 5498	— IRA Contribution Information		
		<u>Amount Code</u>	<u>Amount Type</u>
		1	IRA contributions (other than amounts in Amount Codes 2, 3, 4, 8, 9, and A) (See Notes 1 and 2)
		2	Rollover contributions
		3	Roth conversion amount
		4	Recharacterized contributions
		5	Fair market value of account
		6	Life insurance cost included in Amount Code 1
		8	SEP contributions
		9	SIMPLE contributions
		A	Roth IRA contributions
		B	RMD amount
		C	Postponed Contribution
		D	Repayments

Note 1: If reporting IRA contributions for a participant in a military operation, see the *2012 Instructions for Forms 1099-R and 5498*.

Note 2: Also include employee contributions to an IRA under a SEP plan but not salary reduction contributions. Do not include employer contributions; these are included in Amount Code 8.

Amount Codes
Form 5498-ESA — Coverdell ESA
Contribution Information

For Reporting Information on Form 5498-ESA:

<u>Amount Code</u>	<u>Amount Type</u>
1	Coverdell ESA contributions
2	Rollover contributions

Amount Codes
Form 5498-SA — HSA, Archer MSA or
Medicare Advantage MSA Information

For Reporting Information on Form 5498-SA:

<u>Amount Code</u>	<u>Amount Type</u>
1	Employee or self-employed person's Archer MSA contributions made in 2012 and 2013 for 2012
2	Total contributions made in 2012 (See the 2012 Instructions.)
3	Total HSA/MSA contributions made in 2013 for 2012
4	Rollover contributions (See Note)
5	Fair market value of HSA, Archer MSA or Medicare Advantage MSA

Note: This is the amount of any rollover made to this MSA in 2012 after a distribution from another MSA. For detailed information on reporting, see the *2012 Instructions for Forms 1099-SA and 5498-SA*.

Record Name: Payer "A" Record (Continued)

Field Position	Field Title	Length	Description and Remarks														
Amount Codes Form 8935 — Airline Payments Report																	
For Reporting Information on Form 8935:																	
			<table border="0"> <thead> <tr> <th><u>Amount Code</u></th> <th><u>Amount Type</u></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Total amount reported</td> </tr> <tr> <td>2</td> <td>First year of reported payments</td> </tr> <tr> <td>3</td> <td>Second year of reported payments</td> </tr> <tr> <td>4</td> <td>Third year of reported payments</td> </tr> <tr> <td>5</td> <td>Fourth year of reported payments</td> </tr> <tr> <td>6</td> <td>Fifth year of reported payments</td> </tr> </tbody> </table>	<u>Amount Code</u>	<u>Amount Type</u>	1	Total amount reported	2	First year of reported payments	3	Second year of reported payments	4	Third year of reported payments	5	Fourth year of reported payments	6	Fifth year of reported payments
<u>Amount Code</u>	<u>Amount Type</u>																
1	Total amount reported																
2	First year of reported payments																
3	Second year of reported payments																
4	Third year of reported payments																
5	Fourth year of reported payments																
6	Fifth year of reported payments																
Amount Codes Form W-2G — Certain Gambling Winnings																	
For Reporting Payments on Form W-2G:																	
			<table border="0"> <thead> <tr> <th><u>Amount Code</u></th> <th><u>Amount Type</u></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Gross winnings</td> </tr> <tr> <td>2</td> <td>Federal income tax withheld</td> </tr> <tr> <td>7</td> <td>Winnings from identical wagers</td> </tr> </tbody> </table>	<u>Amount Code</u>	<u>Amount Type</u>	1	Gross winnings	2	Federal income tax withheld	7	Winnings from identical wagers						
<u>Amount Code</u>	<u>Amount Type</u>																
1	Gross winnings																
2	Federal income tax withheld																
7	Winnings from identical wagers																
44–51	Blank	8	Enter blanks														
52	Foreign Entity Indicator	1	Enter a "1" (one) if the payer is a foreign entity and income is paid by the foreign entity to a U.S. resident. Otherwise, enter a blank.														
53–92	First Payer Name Line	40	Required. Enter the name of the payer whose TIN appears in positions 12–20 of the "A" Record. Any extraneous information must be deleted. Left-justify the information and fill unused positions with blanks. (Filers should not enter a transfer agent's name in this field. Any transfer agent's name should appear in the Second Payer Name Line Field.)														
93–132	Second Payer Name Line	40	If the Transfer (or Paying) Agent Indicator (position 133) contains a one (1), this field must contain the name of the transfer (or paying) agent. If the indicator contains a "0" (zero), this field may contain either a continuation of the First Payer Name Line or blanks. Left-justify the information and fill unused positions with blanks.														
133	Transfer Agent Indicator	1	Required. Identifies the entity in the Second Payer Name Line Field.														
			<table border="0"> <thead> <tr> <th><u>Code</u></th> <th><u>Meaning</u></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>The entity in the Second Payer Name Line Field is the transfer (or paying) agent.</td> </tr> <tr> <td>0 (zero)</td> <td>The entity shown is not the transfer (or paying) agent (that is, the Second Payer Name Line Field contains either a continuation of the First Payer Name Line Field or blanks).</td> </tr> </tbody> </table>	<u>Code</u>	<u>Meaning</u>	1	The entity in the Second Payer Name Line Field is the transfer (or paying) agent.	0 (zero)	The entity shown is not the transfer (or paying) agent (that is, the Second Payer Name Line Field contains either a continuation of the First Payer Name Line Field or blanks).								
<u>Code</u>	<u>Meaning</u>																
1	The entity in the Second Payer Name Line Field is the transfer (or paying) agent.																
0 (zero)	The entity shown is not the transfer (or paying) agent (that is, the Second Payer Name Line Field contains either a continuation of the First Payer Name Line Field or blanks).																

Record Name: Payer "A" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
134-173	Payer Shipping Address	40	Required. If the Transfer Agent Indicator in position 133 is a one (1), enter the shipping address of the transfer (or paying) agent. Otherwise, enter the actual shipping address of the payer. The street address should include number, street, apartment or suite number, or PO box if mail is not delivered to a street address. Left-justify the information, and fill unused positions with blanks. For U.S. addresses, the payer city, state, and ZIP Code must be reported as 40, 2, and 9-position fields, respectively. Filers must adhere to the correct format for the payer city, state, and ZIP Code. For foreign addresses, filers may use the payer city, state, and ZIP Code as a continuous 51-position field. Enter information in the following order: city, province or state, postal code, and the name of the country. When reporting a foreign address, the Foreign Entity Indicator in position 52 must contain a one (1).
174-213	Payer City	40	Required. If the Transfer Agent Indicator in position 133 is a one (1), enter the city, town, or post office of the transfer agent. Otherwise, enter the city, town, or post office of the payer. Left-justify the information and fill unused positions with blanks. Do not enter state and ZIP Code information in this field.
214-215	Payer State	2	Required. Enter the valid U.S. Postal Service state abbreviations. Refer to the chart of valid state abbreviations in Part A, Sec.12.
216-224	Payer ZIP Code	9	Required. Enter the valid nine-digit ZIP Code assigned by the U.S. Postal Service. If only the first five-digits are known, left-justify the information and fill unused positions with blanks. For foreign countries, alpha characters are acceptable as long as the filer has entered a one (1) in the Foreign Entity Indicator, located in Field Position 52 of the "A" Record.
225-239	Payer's Telephone Number & Extension	15	Enter the payer's telephone number and extension. Omit hyphens. Left-justify the information and fill unused positions with blanks.
240-499	Blank	260	Enter blanks.
500-507	Record Sequence Number	8	Required. Enter the number of the record as it appears within the file. The record sequence number for the "T" Record will always be "1" (one), since it is the first record on the file and the file can have only one "T" Record. Each record, thereafter, must be incremental by one in ascending numerical sequence, that is, 2, 3, 4, etc. Right-justify numbers with leading zeros in the field. For example, the "T" Record sequence number would appear as "00000001" in the field, the first "A" Record would be "00000002," the first "B" Record, "00000003," the second "B" Record, "00000004" and so on until the final record of the file, the "F" Record.
508-748	Blank	241	Enter blanks.
749-750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Sec. 6. Payer "A" Record — Record Layout

Record Type	Payment Year	Combined Federal/State Filer	Blank	Payer TIN	Payer Name Control
1	2-5	6	7-11	12-20	21-24
Last Filing Indicator	Type of Return	Amount Codes	Blank	Foreign Entity Indicator	First Payer Name Line
25	26-27	28-43	44-51	52	53-92

Second Payer Name Line	Transfer Agent Indicator	Payer Shipping Address	Payer City	Payer State	Payer ZIP Code
93-132	133	134-173	174-213	214-215	216-224

Payer's Telephone Number & Extension	Blank	Record Sequence Number	Blank	Blank or CR/LF
225-239	240-499	500-507	508-748	749-750

Sec. 7. Payee "B" Record — General Field Descriptions and Record Layouts

.01 The "B" Record contains the payment information from the information returns. The record layout for field positions 1 through 543 is the same for all types of returns. Field positions 544 through 750 vary for each type of return to accommodate special fields for individual forms. In the "B" Record, the filer must allow for all sixteen Payment Amount Fields. For those fields not used, enter "0" (zeros).

.02 The following specifications include a field in the payee records called "Name Control" in which the first four characters of the payee's last name are to be entered by the filer. If filers are unable to determine the first four characters of the last name, the Name Control Field may be left blank. Compliance with the following will facilitate IRS computer programs in identifying the correct name control:

- (a) *A name control for an individual is generally the first four characters of the last name on the information return.*
 - (1) *The name control consists of four alpha and/or numeric characters.*
 - (2) *The hyphen (-) or a blank space are the only special characters allowed in the name control. These characters cannot be in the first position of the name control.*
 - (3) *The name control can have less, but no more than four characters. Blanks may be present only as the last three positions of the name control.*
 - (4) *If an individual has a hyphenated last name, the name control is the first four characters from the first of the two last names.*
 - (5) *For joint returns, regardless of whether the payees use the same or different last names, the name control is the first four characters of the primary payee's last name.*
- (b) *A sole proprietor must always use his/her individual name as the legal name of the business for IRS purposes.*
 - (1) *The name control consists of four alpha and/or numeric characters.*
 - (2) *The hyphen (-) or a blank space are the only special characters allowed in the name control. These characters cannot be in the first position of the name control.*
 - (3) *The name control can have less, but no more than four characters. Blanks may be present only as the last three positions of the name control.*
 - (4) *The name control for a sole proprietor's name is the first four significant characters of the last name.*
 - (5) *When the taxpayer has a true name and a trade name, the name control is the first four characters of the individual's last name.*
 - (6) *When two last names are used but are not hyphenated, the name control is the first four characters of the second last name.*
 - (7) *When an individual's two last names are hyphenated, the name control is the first four characters of the first last name.*
 - (8) *For Spanish names, when an individual has two last names, the name control is the first four characters of the first last name.*
 - (9) *The Spanish phrases "de", "De" "del" and "de la" are part of the name control.*
 - (10) *For last names that have only two letters, the last two spaces will be "blank."*
 - (11) *Vietnamese names will often have a middle name of Van (male) or Thi (female) but are generally not part of the name control.*
- (c) *The name control for a corporation is the first four significant characters of the corporate name.*
 - (1) *Omit the word "The" when followed by more than one word.*
 - (2) *Include the word "The" in the name control when followed by only one word.*
 - (3) *Corporate name control rules apply if an individual name contains the abbreviations PC (Professional Corporation), SC (Small Corporation), PA (Professional Association), PS (Professional Service), or PSC (Personal Service Corporation).*
 - (4) *When the organization name contains the words "Fund" or "Foundation", corporate name control rules apply.*

- (5) *When an individual name and a corporate name appear, the name control is the first four characters of the corporation name.*
- (d) *The name control for a partnership will usually result in the following order of selection:*
- (1) *For businesses “doing business as” (dba) or with a trade name, use the first four characters of the dba or trade name.*
 - (2) *If there is no business or trade name, use the first four characters of the partnership name (even if it is an individual’s name, such as in a law firm partnership).*
 - (3) *On-line receipt of EINS generate separate rules for the name control of partnerships.*
 - (4) *Whether received on-line or by paper, if the first word is “The,” disregard it unless it is followed by only one other word.*
 - (5) *If the EIN was assigned online (the EIN will begin with one of the following two digits: 20, 26, 27, or 45), then the name control for a partnership is developed using the first four characters of the primary name line.*
 - (6) *If the first two digits of the EIN are other than 20, 26, 27, or 45, the name control for a partnership results from the trade or business name of the partnership. If there is no trade or business name, a name control results from the first four letters of a partnership name, in the case of a list of partners followed by the word partnership or an abbreviation thereof, or the last name of the first partner on the original Form SS-4, Application for Employer Identification Number.*
- (e) *The name control for estates is the first four characters of the last name of the decedent. The last name of the decedent must have the word “Estate” after the first four characters in the primary name line.*
- (f) *The name control for trusts and fiduciaries results in the following:*
- (1) *Name controls for individual trusts are created from the first four characters of the individual’s last name.*
 - (2) *For corporations set up as trusts, use the first four characters of the corporate name.*
 - (3) *There are separate rules for the name control of trusts, depending on whether the EIN is an on-line assignment.*
 - (4) *If the EIN is assigned online (the EIN will begin with one of the following two digits: 20, 26, 27, or 45), then the name control is developed using the first four characters of the first name on the primary name line. (Note: The online EIN application will begin assigning the first two digits of 46 and 47 in the future.) Ignore leading phrases such as “Trust for” or “Irrevocable Trust”.*
 - (5) *If the first two digits of the EIN are other than 20, 26, 27, or 45, (46 and 47, in the future) then the name control for a trust or fiduciary account results from the name of the person in whose name the trust fiduciary account is established.*
- (g) *The only organization, which you will always abbreviate, is Parent Teachers Association (PTA). The name control will be “PTA” plus the first letter of the name of the state in which the PTA is located.*
- (h) *The name control for a local or post number is the first four characters of the national title.*
- (i) *Use the name control of the national organization name if there is a Group Exemption Number (GEN).*
- (j) *For churches and their subordinates (for example nursing homes, hospitals), the name control consists of the first four characters of the legal name of the church (or subordinate).*
- (k) *If the organization’s name indicates a political organization, use the individual’s name as the name control.*
- (l) *The words Kabushiki Kaisha or Geisha are the Japanese translation of the words “stock company” or “corporation.” Therefore, if these words appear in a name line, these words move to the end of the name where the word “corporation” would normally appear.*

.03 For all fields marked **“Required,”** the transmitter must provide the information described under “Description and Remarks.” For those fields not marked “Required,” the transmitter must allow for the field, but may be instructed to enter blanks or zeros in the indicated field position(s) and for the indicated length.

.04 All records must be a fixed length of 750 positions.

.05 A field is also provided in these specifications for Special Data Entries. This field may be used to record information required by state or local governments, or for the personal use of the filer. IRS does not use the data provided in the Special Data Entries Field; therefore, the IRS program does not check the content or format of the data entered in this field. It is the filer’s option to use the Special Data Entry Field.

.06 Following the Special Data Entries Field in the “B” Record, payment fields have been allocated for State Income Tax Withheld and Local Income Tax Withheld. These fields are for the convenience of filers. The information will not be used by IRS.

.07 Those payers participating in the Combined Federal/State Filing Program must adhere to all of the specifications in Part A, Sec. 10, to participate in this program.

.08 All alpha characters in the “B” Record must be uppercase.

.09 Do not use decimal points (.) to indicate dollars and cents. Payment Amount Fields must be all numeric characters.

Record Name: Payee “B” Record

Field Position	Field Title	Length	Description and Remarks								
1	Record Type	1	Required. Enter “B.”								
2–5	Payment Year	4	Required. Enter “2012.” If reporting prior year data, report the year which applies (2010, 2011, etc.).								
6	Corrected Return Indicator (See Note.)	1	Required for corrections only. Indicates a corrected return. Enter the appropriate code from the following table. <table><thead><tr><th><u>Code</u></th><th><u>Definition</u></th></tr></thead><tbody><tr><td>G</td><td>If this is a one-transaction correction or the first of a two-transaction correction</td></tr><tr><td>C</td><td>If this is the second transaction of a two- transaction correction</td></tr><tr><td>Blank</td><td>If this is not a return being submitted to correct information already processed by IRS</td></tr></tbody></table>	<u>Code</u>	<u>Definition</u>	G	If this is a one-transaction correction or the first of a two-transaction correction	C	If this is the second transaction of a two- transaction correction	Blank	If this is not a return being submitted to correct information already processed by IRS
<u>Code</u>	<u>Definition</u>										
G	If this is a one-transaction correction or the first of a two-transaction correction										
C	If this is the second transaction of a two- transaction correction										
Blank	If this is not a return being submitted to correct information already processed by IRS										

Note: C, G, and non-coded records must be reported using separate Payer “A” Records. Refer to Part A, Sec. 8, for specific instructions on how to file corrected returns.

7–10	Name Control	4	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. Last names of less than four characters must be left justified, filling the unused positions with blanks. Special characters and embedded blanks must be removed.
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The following examples may be helpful to filers in developing the Name Control. The underlined section is the correct name control for the entity listed.

Individuals

Ralph Teak
Dorothy Willow
Joe McCedar
Brandy Cedar-Hawthorn
Victoria Windsor-Maple
Joseph Ash & Linda Birch
Edward & Joan Maple

Sole Proprietor

True Name: Arthur P. Aspen
Trade Name: Sunshine Restaurant
Name Control: Arthur P Aspen

Maiden Name: Jane Smith
Married Name: Jane Smith Jones
Name Control: Jane Smith Jones

Name: Jane Smith-Jones
Name Control: Jane Smith-Jones

Name: Juan Garza Morales
Name Control: Juan Garza Morales
Name: Maria Lopez Moreno
Name Control: Maria Lopez Moreno

Name: Elena de la Rosa
Name Control: Elena dela Rosa

Record Name: Payee "B" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
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Name: Sunny Ming Lo
Name Control: Sunny Ming Lo(blank)(blank)

Name: Kim Van Nguyen
Name Control: Kim Van Nguyen

Corporations

Name: The Meadowlark Company
Name Control: Meadowlark Company

Name: The Flamingo
Name Control: TheFlamingo

Name: George Giraffe PSC
Name Control: George Giraffe PSC

Kathryn Canary Memorial Foundation

Barbara J. Zinnia ZZ Grain

Partnerships

Rosies Restaurant

Burgundy, Olive & Cobalt, Ptrs

The Hemlock

The Hemlock Grill

John Willow and James Oak Partnership (EIN assigned online)

A. S. Green, (The) Oak Tree

K.L. Black & O.H. Brown

Bob Orange and Carol Black, et al. Ptrs. dba The Merry Go Round

Estates

Name: Howard J. Smith Dec'd
Name Control: Howard J Smith, Estate

Trusts and Fiduciaries

Name: Michael T. Azalea Revocable Trust
Name Control: Michael T Azalea Rvoc Tr

Name: Sunflower Company Employee Benefit Trust
Name Control: Sunflower Company Employee Benefit Trust

Jonathan Periwinkle Memory Church Irrevocable Trust (EIN assigned online)

Jonathan Periwinkle Memory Church Irrevocable Trust

Trust for the benefit of Bob Jones (EIN assigned online)

Trust for the benefit of Bob Jones

Record Name: Payee "B" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
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Other Organizations

*Name: Parent Teachers Assn Congress of Georgia
Name Control: PTAG*

Church of All

*Committee to Elect Patrick Doe: Name control PATRICK DOE
Committee to Elect Pat Doe: Name control PATD OE*

Green Door Kabushiki Kaisha

11	Type of TIN	1	This field is used to identify the Taxpayer Identification Number (TIN) in positions 12–20 as either an Employer Identification Number (EIN), a Social Security Number (SSN), an Individual Taxpayer Identification Number (ITIN) or an Adoption Taxpayer Identification Number (ATIN). Enter the appropriate code from the following table:																		
			<table border="1"> <thead> <tr> <th><u>Code</u></th> <th><u>Type of TIN</u></th> <th><u>Type of Account</u></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>EIN</td> <td>A business, organization, some sole proprietors, or other entity</td> </tr> <tr> <td>2</td> <td>SSN</td> <td>An individual, including some sole proprietors</td> </tr> <tr> <td>2</td> <td>ITIN</td> <td>An individual required to have a taxpayer identification number, but who is not eligible to obtain an SSN</td> </tr> <tr> <td>2</td> <td>ATIN</td> <td>An adopted individual prior to the assignment of a social security number</td> </tr> <tr> <td>Blank</td> <td>N/A</td> <td>If the type of TIN is not determinable, enter a blank.</td> </tr> </tbody> </table>	<u>Code</u>	<u>Type of TIN</u>	<u>Type of Account</u>	1	EIN	A business, organization, some sole proprietors, or other entity	2	SSN	An individual, including some sole proprietors	2	ITIN	An individual required to have a taxpayer identification number, but who is not eligible to obtain an SSN	2	ATIN	An adopted individual prior to the assignment of a social security number	Blank	N/A	If the type of TIN is not determinable, enter a blank.
<u>Code</u>	<u>Type of TIN</u>	<u>Type of Account</u>																			
1	EIN	A business, organization, some sole proprietors, or other entity																			
2	SSN	An individual, including some sole proprietors																			
2	ITIN	An individual required to have a taxpayer identification number, but who is not eligible to obtain an SSN																			
2	ATIN	An adopted individual prior to the assignment of a social security number																			
Blank	N/A	If the type of TIN is not determinable, enter a blank.																			

12–20	Payee's Taxpayer Identification Number (TIN)	9	Required. Enter the nine-digit Taxpayer Identification Number of the payee (SSN, ITIN, ATIN, or EIN). If an identification number has been applied for but not received, enter blanks. Do not enter hyphens or alpha characters. All zeros, ones, twos, etc., will have the effect of an incorrect TIN. If the TIN is not available, enter blanks.
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Note: If the filer is required to report payments made through Foreign Intermediaries and Foreign Flow-Through Entities on Form 1099, see the *2012 General Instructions for Certain Information Returns* for reporting instructions.

Record Name: Payee "B" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
21-40	Payer's Account Number For Payee	20	Required if submitting more than one information return of the same type for the same payee. Enter any number assigned by the payer to the payee that can be used by the IRS to distinguish between information returns. This number must be unique for each information return of the same type for the same payee. If a payee has more than one reporting of the same document type, it is vital that each reporting have a unique account number. For example, if a payer has three separate pension distributions for the same payee and three separate Forms 1099-R are filed, three separate unique account numbers are required. A payee's account number may be given a unique sequencing number, such as 01, 02 or A, B, etc., to differentiate each reported information return. Do not use the payee's TIN since this will not make each record unique. This information is critical when corrections are filed. This number will be provided with the backup withholding notification and may be helpful in identifying the branch or subsidiary reporting the transaction. The account number can be any combination of alpha, numeric, or special characters. If fewer than twenty characters are used, filers may either left or right-justify, filling the remaining positions with blanks.
41-44	Payer's Office Code	4	Enter the office code of the payer; otherwise, enter blanks. For payers with multiple locations, this field may be used to identify the location of the office submitting the information returns. This code will also appear on backup withholding notices.
45-54	Blank	10	Enter blanks.
	Payment Amount Fields (Must be numeric)		Required. Filers should allow for all payment amounts. For those not used, enter zeros. Each payment field must contain 12 numeric characters. Each payment amount must contain U.S. dollars and cents. The right-most two positions represent cents in the payment amount fields. Do not enter dollar signs, commas, decimal points, or negative payments, except those items that reflect a loss on Form 1099-B or 1099-Q. Positive and negative amounts are indicated by placing a "+" (plus) or "-" (minus) sign in the left-most position of the payment amount field. A negative over punch in the unit's position may be used, instead of a minus sign, to indicate a negative amount. If a plus sign, minus sign, or negative over punch is not used, the number is assumed to be positive. Negative over punch cannot be used in PC created files. Payment amounts must be right-justified and unused positions must be zero filled.
Note: If payment amounts exceed the 12 field positions allotted, a separate payee "B" record must be submitted for the remainder. The files must not be exactly the same to avoid duplicate filing discrepancies. For example: For Form 1099-K reporting 12,000,000,000.00, the first "B" record would show 8,000,000,000.00 and the second "B" record would show 4,000,000,000.00. One substitute Form 1099-K may be sent to the recipient aggregating the multiple Forms 1099-K.			
55-66	Payment Amount 1*	12	The amount reported in this field represents payments for Amount Code 1 in the "A" Record.
67-78	Payment Amount 2*	12	The amount reported in this field represents payments for Amount Code 2 in the "A" Record.
79-90	Payment Amount 3*	12	The amount reported in this field represents payments for Amount Code 3 in the "A" Record.

Record Name: Payee "B" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
91–102	Payment Amount 4*	12	The amount reported in this field represents payments for Amount Code 4 in the "A" Record.
103–114	Payment Amount 5*	12	The amount reported in this field represents payments for Amount Code 5 in the "A" Record.
115–126	Payment Amount 6*	12	The amount reported in this field represents payments for Amount Code 6 in the "A" Record.
127–138	Payment Amount 7*	12	The amount reported in this field represents payments for Amount Code 7 in the "A" Record.
139–150	Payment Amount 8*	12	The amount reported in this field represents payments for Amount Code 8 in the "A" Record.
151–162	Payment Amount 9*	12	The amount reported in this field represents payments for Amount Code 9 in the "A" Record.
163–174	Payment Amount A*	12	The amount reported in this field represents payments for Amount Code A in the "A" Record.
175–186	Payment Amount B*	12	The amount reported in this field represents payments for Amount Code B in the "A" Record.
187–198	Payment Amount C*	12	The amount reported in this field represents payments for Amount Code C in the "A" Record.
199–210	Payment Amount D*	12	The amount reported in this field represents payments for Amount Code D in the "A" Record.
211–222	Payment Amount E*	12	The amount reported in this field represents payments for Amount Code E in the "A" Record.
223–234	Payment Amount F*	12	The amount reported in this field represents payments for Amount Code F in the "A" Record.
235–246	Payment Amount G*	12	The amount reported in this field represents payments for Amount Code G in the "A" Record.

***Note:** If there are discrepancies between the payment amount fields and the boxes on the paper forms, the instructions in this Revenue Procedure must be followed for electronic filing.

247	Foreign Country Indicator	1	If the address of the payee is in a foreign country, enter a "1" (one) in this field; otherwise, enter blank. When filers use this indicator, they may use a free format for the payee city, state, and ZIP Code. Enter information in the following order: city, province or state, postal code, and the name of the country. Address information must not appear in the First or Second Payee Name Lines.
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Record Name: Payee "B" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
248–287	First Payee Name Line	40	Required. Enter the name of the payee (preferably last name first) whose Taxpayer Identification Number (TIN) was provided in positions 12-20 of the Payee "B" Record. Left-justify the information and fill unused positions with blanks. If more space is required for the name, use the Second Payee Name Line Field. If reporting information for a sole proprietor, the individual's name must always be present on the First Payee Name Line. The use of the business name is optional in the Second Payee Name Line Field. End the First Payee Name Line with a full word. Extraneous words, titles, and special characters (that is, Mr., Mrs., Dr., period, apostrophe) should be removed from the Payee Name Lines. A hyphen (-) and an ampersand (&) are the only acceptable special characters for First and Second Payee Name Lines.
288–327	Second Payee Name Line	40	If there are multiple payees (for example, partners, joint owners, or spouses), use this field for those names not associated with the TIN provided in positions 12–20 of the "B" Record, or if not enough space was provided in the First Payee Name Line, continue the name in this field. Do not enter address information. It is important that filers provide as much payee information to IRS as possible to identify the payee associated with the TIN. Left-justify the information and fill unused positions with blanks. See the Note under the First Payee Name Line.
328–367	Blank	40	Enter blanks.
368–407	Payee Mailing Address	40	Required. Enter the mailing address of the payee. The street address should include number, street, apartment or suite number, or PO Box if mail is not delivered to a street address. This field must not contain any data other than the payee's mailing address.
408–447	Blank	40	Enter blanks.
448–487	Payee City	40	Required. Enter the city, town or post office. Left-justify the information and fill unused positions with blanks. Enter APO or FPO if applicable. Do not enter state and ZIP Code information in this field.
488–489	Payee State	2	Required. Enter the valid U.S. Postal Service state abbreviations for states or the appropriate postal identifier (AA, AE, or AP) described in Part A, Sec. 12.
490–498	Payee ZIP Code	9	Required. Enter the valid ZIP Code (nine or five-digit) assigned by the U.S. Postal Service. If only the first five-digits are known, left-justify the information and fill the unused positions with blanks. For foreign countries, alpha characters are acceptable as long as the filer has entered a "1" (one) in the Foreign Country Indicator, located in position 247 of the "B" Record.
499	Blank	1	Enter blank.

Record Name: Payee "B" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
500-507	Record Sequence Number	8	Required. Enter the number of the record as it appears within the file. The record sequence number for the "T" Record will always be one (1), since it is the first record on the file and the file can have only one "T" Record in a file. Each record, thereafter, must be incremental by one in ascending numerical sequence, that is, 2, 3, 4, etc. Right-justify numbers with leading zeros in the field. For example, the "T" Record sequence number would appear as "00000001" in the field, the first "A" Record would be "00000002," the first "B" Record, "00000003," the second "B" Record, "00000004" and so on until the final record of the file, the "F" Record.
508-543	Blank	36	Enter blanks.

Standard Payee "B" Record Format For All Types of Returns, Positions 1-543

Record Type	Payment Year	Corrected Return Indicator	Name Control	Type of TIN	Payee's TIN
1	2-5	6	7-10	11	12-20

Payer's Account Number For Payee	Payer's Office Code	Blank	Payment Amount 1	Payment Amount 2	Payment Amount 3
21-40	41-44	45-54	55-66	67-78	79-90

Payment Amount 4	Payment Amount 5	Payment Amount 6	Payment Amount 7	Payment Amount 8	Payment Amount 9
91-102	103-114	115-126	127-138	139-150	151-162

Payment Amount A	Payment Amount B	Payment Amount C	Payment Amount D	Payment Amount E	Payment Amount F
163-174	175-186	187-198	199-210	211-222	223-234

Payment Amount G	Foreign Country Indicator	First Payee Name Line	Second Payee Name Line	Blank	Payee Mailing Address
235-246	247	248-287	288-327	328-367	368-407

Blank	Payee City	Payee State	Payee Zip Code	Blank	Record Sequence Number	Blank
408-447	448-487	488-489	490-498	499	500-507	408-447

The following sections define the field positions for the different types of returns in the Payee “B” Record (positions 544–750):

- | | |
|---------------------|----------------------|
| (1) Form 1097-BTC | (16) Form 1099-MISC* |
| (2) Form 1098 | (17) Form 1099-OID* |
| (3) Form 1098-C | (18) Form 1099-PATR* |
| (4) Form 1098-E | (19) Form 1099-Q |
| (5) Form 1098-T | (20) Form 1099-R* |
| (6) Form 1099-A | (21) Form 1099-S |
| (7) Form 1099-B | (22) Form 1099-SA |
| (8) Form 1099-C | (23) Form 3921 |
| (9) Form 1099-CAP | (24) Form 3922 |
| (10) Form 1099-DIV* | (25) Form 5498* |
| (11) Form 1099-G* | (26) Form 5498-ESA |
| (12) Form 1099-H | (27) Form 5498-SA |
| (13) Form 1099-INT* | (28) Form 8935 |
| (14) Form 1099-K* | (29) Form W-2G |
| (15) Form 1099-LTC | |

* These forms may be filed through the Combined Federal/State Filing Program. IRS will forward these records to participating states for filers who have been approved for the program. See Part A, Sec. 10, for information about the program, including specific codes for the record layouts.

(1) Payee “B” Record — Record Layout Positions 544–750 for Form 1097-BTC

Field Position	Field Title	Length	Description and Remarks								
544–546	Blank	3	Enter blanks.								
547	Issuer Indicator	1	<p>Required. Enter the appropriate indicator from the table below:</p> <table border="0"> <thead> <tr> <th><u>Indicator</u></th> <th><u>Usage</u></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Issuer of bond or its agent filing initial 2012 Form 1097-BTC for credit being reported</td> </tr> <tr> <td>2</td> <td>An entity that received a 2012 Form 1097-BTC for credit being reported</td> </tr> </tbody> </table>	<u>Indicator</u>	<u>Usage</u>	1	Issuer of bond or its agent filing initial 2012 Form 1097-BTC for credit being reported	2	An entity that received a 2012 Form 1097-BTC for credit being reported		
<u>Indicator</u>	<u>Usage</u>										
1	Issuer of bond or its agent filing initial 2012 Form 1097-BTC for credit being reported										
2	An entity that received a 2012 Form 1097-BTC for credit being reported										
548–555	Blanks	8	Enter blanks.								
556	Code	1	<p>Required. Enter the appropriate alpha indicator from the table below:</p> <table border="0"> <thead> <tr> <th><u>Indicator</u></th> <th><u>Usage</u></th> </tr> </thead> <tbody> <tr> <td>A</td> <td>Account number</td> </tr> <tr> <td>C</td> <td>CUSIP number</td> </tr> <tr> <td>O</td> <td>Unique Identification Number: Not an account/CUSIP number, such as a self-provided identification number.</td> </tr> </tbody> </table>	<u>Indicator</u>	<u>Usage</u>	A	Account number	C	CUSIP number	O	Unique Identification Number: Not an account/CUSIP number, such as a self-provided identification number.
<u>Indicator</u>	<u>Usage</u>										
A	Account number										
C	CUSIP number										
O	Unique Identification Number: Not an account/CUSIP number, such as a self-provided identification number.										
557–559	Blanks	3	Enter blanks.								
560–598	Unique Identifier	39	Enter the unique identifier assigned to the bond. This can be an alphanumeric identifier such as the CUSIP number. Right-justify the information and fill unused positions with blanks.								

(1) Payee “B” Record — Record Layout Positions 544–750 for Form 1097-BTC (Continued)

Field Position	Field Title	Length	Description and Remarks						
599–601	Bond Type	3	Required. Enter the appropriate indicator from the table below: <table border="1"> <thead> <tr> <th><u>Indicator</u></th> <th><u>Usage</u></th> </tr> </thead> <tbody> <tr> <td>101</td> <td>Clean Renewable Energy Bond</td> </tr> <tr> <td>199</td> <td>Other</td> </tr> </tbody> </table>	<u>Indicator</u>	<u>Usage</u>	101	Clean Renewable Energy Bond	199	Other
<u>Indicator</u>	<u>Usage</u>								
101	Clean Renewable Energy Bond								
199	Other								
602–662	Blank	61	Enter blanks.						
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. <i>You may enter comments here.</i> If this field is not used, enter blanks.						
723–748	Blank	26	Enter blanks.						
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.						

Payee “B” Record — Record Layout Positions 544–750 for Form 1097-BTC

Blank 544–546	Issuer Indicator 547	Blank 548–555	Code 556	Blank 557–559	Unique Identifier 560–598
Bond Type 599–601	Blank 602–662	Special Data Entries 663–722	Blank 723–748	Blank or CR/LF 749–750	

(2) Payee “B” Record — Record Layout Positions 544–750 for Form 1098

Field Position	Field Title	Length	Description and Remarks
544–662	Blank	119	Enter blanks.
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.
723–748	Blank	26	Enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee “B” Record — Record Layout Positions 544–750 for Form 1098

Blank 544–662	Special Data Entries 663–722	Blank 723–748	Blank or CR/LF 749–750
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(3) Payee “B” Record — Record Layout Positions 544–750 for Form 1098-C

Field Position	Field Title	Length	Description and Remarks						
544–545	Blank	2	Enter blanks.						
546	Transaction Indicator	1	Enter “1” (one) if the amount reported in Payment Amount Field 4 is an arm’s length transaction to an unrelated party. Otherwise, enter a blank.						
547	Transfer After Improvements Indicator	1	Enter “1” (one) if the vehicle will not be transferred for money, other property, or services before completion of material improvements or significant intervening use. Otherwise, enter a blank.						
548	Transfer Below Fair Market Value Indicator	1	Enter “1” (one) if the vehicle is transferred to a needy individual for significantly below fair market value. Otherwise, enter a blank.						
549–552	<i>Year</i>	4	<i>Enter the Year of the vehicle in the format YYYY.</i>						
553–565	<i>Make</i>	13	<i>Enter the Make of the vehicle. Left-justify the information and fill unused positions with blanks.</i>						
566–587	<i>Model</i>	22	<i>Enter the Model of the vehicle. Left-justify the information and fill unused positions with blanks.</i>						
588–612	Vehicle or Other Identification Number	25	Enter the vehicle or other identification number of the donated vehicle. Left-justify the information and fill unused positions with blanks.						
613–651	Vehicle Description	39	Enter a description of material improvements or significant intervening use and duration of use. Left-justify the information and fill unused positions with blanks.						
652–659	Date of Contribution	8	Enter the date the contribution was made to an organization, in the format YYYYMMDD (for example, January 5, 2012, would be 20120105). Do not enter hyphens or slashes.						
660	Donee Indicator	1	Enter the appropriate indicator from the following table to report if the donee of the vehicle provides goods or services in exchange for the vehicle. <table border="1"><thead><tr><th><u>Indicator</u></th><th><u>Usage</u></th></tr></thead><tbody><tr><td>1</td><td>Donee provided goods or services</td></tr><tr><td>2</td><td>Donee did not provide goods or services</td></tr></tbody></table>	<u>Indicator</u>	<u>Usage</u>	1	Donee provided goods or services	2	Donee did not provide goods or services
<u>Indicator</u>	<u>Usage</u>								
1	Donee provided goods or services								
2	Donee did not provide goods or services								
661	Intangible Religious Benefits Indicator	1	Enter a “1” (one) if only intangible religious benefits were provided in exchange for the vehicle; otherwise, leave blank.						
662	Deduction \$500 or Less Indicator	1	Enter a “1” (one) if under the law the donor cannot claim a deduction of more than \$500 for the vehicle; otherwise, leave blank.						
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for the filing requirements. If this field is not used, enter blanks.						
723–730	Date of Sale	8	Enter the date of sale, in the format YYYYMMDD (for example, January 5, 2012, would be 20120105). Do not enter hyphens or slashes.						
731–746	Goods and Services	16	Enter a description of any goods and services received for the vehicle; otherwise, leave blank. Left-justify information and fill unused positions with blanks.						

(3) Payee "B" Record — Record Layout Positions 544–750 for Form 1098-C (Continued)

Field Position	Field Title	Length	Description and Remarks
747–748	Blank	2	Enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee "B" Record — Record Layout Positions 544–750 for Form 1098-C

Blank	Transaction Indicator	Transfer After Improvement Indicator	Transfer Below Fair Market Value Indicator	Year	Make
544–545	546	547	548	549–552	553–565

Model	Vehicle or Other Identification Number	Vehicle Description	Date of Contribution	Donee Indicator	Intangible Religious Benefits Indicator
566–587	588–612	613–651	652–659	660	661

Deduction \$500 or Less Indicator	Special Data Entries	Date of Sale	Goods and Services	Blank	Blank or CR/LF
662	663–722	723–730	731–746	747–748	749–750

(4) Payee "B" Record — Record Layout Positions 544–750 for Form 1098-E

Field Position	Field Title	Length	Description and Remarks
544–546	Blank	3	Enter blanks.
547	Origination Fees/Capitalized Interest Indicator	1	Enter "1" (one) if the amount reported in Payment Amount Field 1 does not include loan origination fees and/or capitalized interest. Otherwise, enter a blank.
548–662	Blank	115	Enter blanks.
663–722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for the filing requirements. If this field is not used, enter blanks.
723–748	Blank	26	Enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee "B" Record — Record Layout Positions 544–750 for Form 1098-E

Blank	Origination Fees/Capitalized Interest Indicator	Blank	Special Data Entries	Blank	Blank or CR/LF
544–546	547	548–662	663–722	723–748	749–750

(5) Payee “B” Record — Record Layout Positions 544–750 for Form 1098-T

Field Position	Field Title	Length	Description and Remarks
544–546	Blank	3	Enter blanks.
547	Half-time Student Indicator	1	Required. Enter “1” (one) if the student was at least a half-time student during any academic period that began in 2012. Otherwise, enter a blank.
548	Graduate Student Indicator	1	Required. Enter “1” (one) if the student is enrolled exclusively in a graduate level program. Otherwise, enter a blank.
549	Academic Period Indicator	1	Enter “1” (one) if the amount in Payment Amount Field 1 or Payment Amount Field 2 includes amounts for an academic period beginning January through March 2013. Otherwise, enter a blank.
550	Method of Reporting Amounts Indicator	1	Required. Enter “1” (one) if the method of reporting has changed from the previous year. Otherwise, enter a blank.
551–662	Blank	112	Enter blanks.
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for the filing requirements. If this field is not used, enter blanks.
723–748	Blank	26	Enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee “B” Record — Record Layout Positions 544–750 for Form 1098-T

Blank	Half-time Student Indicator	Graduate Student Indicator	Academic Period Indicator	Method of Reporting Amounts Indicator	Blank
544–546	547	548	549	550	551–662
Special Data Entries	Blank		Blank or CR/LF		
663–722	723–748		749–750		

(6) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-A

Field Position	Field Title	Length	Description and Remarks						
544–546	Blank	3	Enter blanks.						
547	Personal Liability Indicator	1	Enter the appropriate indicator from the table below:						
			<table border="1"> <thead> <tr> <th>Indicator</th> <th>Usage</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Borrower was personally liable for repayment of the debt.</td> </tr> <tr> <td>Blank</td> <td>Borrower was not personally liable for repayment of the debt.</td> </tr> </tbody> </table>	Indicator	Usage	1	Borrower was personally liable for repayment of the debt.	Blank	Borrower was not personally liable for repayment of the debt.
Indicator	Usage								
1	Borrower was personally liable for repayment of the debt.								
Blank	Borrower was not personally liable for repayment of the debt.								

(6) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-A (Continued)

Field Position	Field Title	Length	Description and Remarks
548–555	Date of Lender’s Acquisition or Knowledge of Abandonment	8	Enter the acquisition date of the secured property or the date the lender first knew or had reason to know the property was abandoned, in the format YYYYMMDD (for example, January 5, 2012, would be 20120105). Do not enter hyphens or slashes.
556–594	Description of Property	39	Enter a brief description of the property. For real property, enter the address, or, if the address does not sufficiently identify the property, enter the section, lot and block. For personal property, enter the type, make and model (for example, Car 1999 Buick Regal or Office Equipment). Enter “CCC” for crops forfeited on Commodity Credit Corporation loans. If fewer than 39 positions are required, left-justify the information and fill unused positions with blanks.
595–662	Blank	68	Enter blanks.
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for the filing requirements. If this field is not used, enter blanks.
723–748	Blank	26	Enter blanks.
749–750	Blank	2	Enter blanks, or carriage return/line feed (CR/LF) characters.

Payee “B” Record — Record Layout Positions 544–750 for Form 1099-A

Blank	Personal Liability Indicator	Date of Lender’s Acquisition or Knowledge of Abandonment	Description of Property	Blank	Special Data Entries
544–546	547	548–555	556–594	595–662	663–722
Blank			Blank or CR/LF		
723–748			749–750		

(7) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-B

Field Position	Field Title	Length	Description and Remarks
544	Second TIN Notice (Optional)	1	Enter “2” (two) to indicate notification by IRS twice within three calendar years that the payee provided an incorrect name and/or TIN combination; otherwise, enter a blank.
545	<i>Non-covered Security Indicator</i>	1	<i>Enter the appropriate indicator from the following table, to identify a Non-covered Security; if not a Non-covered Security, enter a blank</i>
	<i>Indicator</i>		<i>Usage</i>
	1		<i>Non-covered Security Basis not reported to IRS</i>
	2		<i>Non-covered Security Basis reported to IRS</i>
	Blank		<i>Not a Non-covered Security</i>

(7) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-B (Continued)

Field Position	Field Title	Length	Description and Remarks						
546	Type of Gain or Loss Indicator	1	Enter the appropriate indicator from the following table, to identify the amount reported in Amount Code 2; otherwise, enter a blank. <table><thead><tr><th><u>Indicator</u></th><th><u>Usage</u></th></tr></thead><tbody><tr><td>1</td><td>Short term</td></tr><tr><td>2</td><td>Long term</td></tr></tbody></table>	<u>Indicator</u>	<u>Usage</u>	1	Short term	2	Long term
<u>Indicator</u>	<u>Usage</u>								
1	Short term								
2	Long term								
547	Gross Proceeds Indicator	1	Enter the appropriate indicator from the following table, to identify the amount reported in Amount Code 2; otherwise, enter a blank. <table><thead><tr><th><u>Indicator</u></th><th><u>Usage</u></th></tr></thead><tbody><tr><td>1</td><td>Gross proceeds</td></tr><tr><td>2</td><td>Gross proceeds less commissions and options premiums</td></tr></tbody></table>	<u>Indicator</u>	<u>Usage</u>	1	Gross proceeds	2	Gross proceeds less commissions and options premiums
<u>Indicator</u>	<u>Usage</u>								
1	Gross proceeds								
2	Gross proceeds less commissions and options premiums								
548–555	Date of Sale or Exchange	8	For broker transactions, enter the trade date of the transaction. For barter exchanges, enter the date when cash, property, a credit, or scrip is actually or constructively received in the format YYYYMMDD (for example, January 5, 2012, would be 20120105). Enter blanks if this is an aggregate transaction. Do not enter hyphens or slashes.						
556–568	CUSIP Number	13	For broker transactions only, enter the CUSIP (Committee on Uniform Security Identification Procedures) number of the item reported for Amount Code 2 (stocks, bonds, etc.). Enter blanks if this is an aggregate transaction. Enter “0s” (zeros) if the number is not available. Right-justify the information and fill unused positions with blanks.						
569–607	Description	39	<i>For broker transactions, enter a brief description of the disposition item (e.g., 100 shares of XYZ Corp). For regulated futures and forward contracts, enter “RFC” or other appropriate description. For bartering transactions, show the services or property provided. If fewer than 39 characters are required, left-justify information and fill unused positions with blanks.</i>						
608–615	Date of Acquisition	8	Enter the date of acquisition in the format YYYYMMDD (for example, January 5, 2012, would be 20120105). Enter blanks if this is an aggregate transaction. Do not enter hyphens or slashes.						
616	Loss not Allowed Indicator	1	Enter a “1” (one) if the recipient is unable to claim a loss on their tax return based on amount in money amount code “2” (two), Stock, bonds, etc. Otherwise, enter a blank.						
617–629	<i>Quantity Sold</i>	<i>13</i>	<i>Enter the quantity sold. Report whole numbers only. Right-justify the information and fill unused positions with zeros.</i>						
630–642	<i>Stock or other Symbol</i>	<i>13</i>	<i>Enter the alphanumeric Stock or other Symbol. Right-justify the information and fill unused positions with blanks.</i>						
643–662	<i>Blank</i>	<i>20</i>	<i>Enter blanks.</i>						
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks. Report the Corporation’s Name, Address, City, State, and ZIP in the Special Data Entry field.						

(7) Payee "B" Record — Record Layout Positions 544–750 for Form 1099-B (Continued)

Field Position	Field Title	Length	Description and Remarks
723–734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries Field.
735–746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries field.
747–748	Blank	2	Enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee "B" Record — Record Layout Positions 544–750 for Form 1099-B

Second TIN Notice (Optional)	<i>Non-Covered Security Indicator</i>	Type of Gain or Loss Indicator	Gross Proceeds Indicator	Date of Sale or Exchange	CUSIP Number
544	545	546	547	548–555	556–568

Description	Date of Acquisition	Loss not Allowed Indicator	<i>Quantity Sold</i>	<i>Stock or other Symbol</i>	<i>Blank</i>
569–607	608–615	616	617–629	630–642	643–662

Special Data Entries	State Income Tax Withheld	Local Income Tax Withheld	Blank	Blank or CR/LF
663–722	723–734	735–746	747–748	749–750

(8) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-C

Field Position	Field Title	Length	Description and Remarks																				
544–546	Blank	3	Enter blanks.																				
547	<i>Identifiable Event Code</i>	1	<p>Enter the appropriate indicator from the following table:</p> <table border="1"> <thead> <tr> <th><u>Indicator</u></th> <th><u>Usage</u></th> </tr> </thead> <tbody> <tr> <td>A</td> <td>Bankruptcy</td> </tr> <tr> <td>B</td> <td>Other Judicial Debt Relief</td> </tr> <tr> <td>C</td> <td>Statue of limitations or expiration of deficiency period</td> </tr> <tr> <td>D</td> <td>Foreclosure election</td> </tr> <tr> <td>E</td> <td>Debt Relief from probate or similar proceeding</td> </tr> <tr> <td>F</td> <td>By Agreement</td> </tr> <tr> <td>G</td> <td>Creditor’s debt collection policy</td> </tr> <tr> <td>H</td> <td>Discontinued collection activity</td> </tr> <tr> <td>I</td> <td>Other actual discharge before Identifiable event</td> </tr> </tbody> </table>	<u>Indicator</u>	<u>Usage</u>	A	Bankruptcy	B	Other Judicial Debt Relief	C	Statue of limitations or expiration of deficiency period	D	Foreclosure election	E	Debt Relief from probate or similar proceeding	F	By Agreement	G	Creditor’s debt collection policy	H	Discontinued collection activity	I	Other actual discharge before Identifiable event
<u>Indicator</u>	<u>Usage</u>																						
A	Bankruptcy																						
B	Other Judicial Debt Relief																						
C	Statue of limitations or expiration of deficiency period																						
D	Foreclosure election																						
E	Debt Relief from probate or similar proceeding																						
F	By Agreement																						
G	Creditor’s debt collection policy																						
H	Discontinued collection activity																						
I	Other actual discharge before Identifiable event																						
548–555	<i>Date of Identifiable Event</i>	8	Enter the date the debt was canceled in the format of YYYYMMDD (for example, January 5, 2012, would be 20120105). Do not enter hyphens or slashes.																				
556–594	Debt Description	39	Enter a description of the origin of the debt, such as student loan, mortgage, or credit card expenditure. If a combined Form 1099-C and 1099-A is being filed, also enter a description of the property.																				
595	Personal Liability Indicator	1	Enter “1” (one) if the borrower is personally liable for repayment or leave blank if not personally liable for repayment.																				
596–662	Blank	67	Enter blanks.																				
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.																				
723–748	Blank	26	Enter blanks.																				
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.																				

Payee “B” Record — Record Layout Positions 544–750 for Form 1099-C

Blank	<i>Identifiable Event Code</i>	<i>Date of Identifiable Event</i>	Debt Description	Personal Liability Indicator	Blank
544–546	547	548–555	556–594	595	596–662
Special Data Entries		Blank	Blank or CR/LF		
663–722		723–748	749–750		

(9) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-CAP

Field Position	Field Title	Length	Description and Remarks
544–547	Blank	4	Enter blanks.
548–555	Date of Sale or Exchange	8	Enter the date the stock was exchanged for cash, stock in the successor corporation, or other property received in the format YYYYMMDD (for example, January 5, 2012, would be 20120105). Do not enter hyphens or slashes.
556–607	Blank	52	Enter blanks.
608–615	Number of Shares Exchanged	8	Enter the number of shares of the corporation’s stock which were exchanged in the transaction. Report whole numbers only. Right-justify the information and fill unused positions with zeros.
616–625	Classes of Stock Exchanged	10	Enter the class of stock that was exchanged. Left-justify the information and fill unused positions with blanks.
626–662	Blank	37	Enter blanks.
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.
723–748	Blank	26	Enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee “B” Record — Record Layout Positions 544–750 for Form 1099-CAP

Blank	Date of Sale or Exchange	Blank	Number of Shares Exchanged	Classes of Stock Exchanged	Blank
544–547	548–555	556–607	608–615	616–625	626–662
Special Data Entries		Blank	Blank or CR/LF		
663–722		723–748	749–750		

(10) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-DIV

Field Position	Field Title	Length	Description and Remarks
544	Second TIN Notice (Optional)	1	Enter “2” (two) to indicate notification by IRS twice within three calendar years that the payee provided an incorrect name and/or TIN combination; otherwise, enter a blank.
545–546	Blank	2	Enter blanks.
547–586	Foreign Country or U.S. Possession	40	Enter the name of the foreign country or U.S. possession to which the withheld foreign tax (Amount Code C) applies. Otherwise, enter blanks.
587–662	Blank	76	Enter blanks.

(10) Payee "B" Record — Record Layout Positions 544–750 for Form 1099-DIV (Continued)

Field Position	Field Title	Length	Description and Remarks
663–722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.
723–734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries Field.
735–746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries Field.
747–748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program enter the valid state code from Part A, Sec. 10, Table 3. For those payers or states not participating in this program, enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee "B" Record — Record Layout Positions 544–750 for Form 1099 DIV

Second TIN Notice (Optional)	Blank	Foreign Country or U.S. Possession	Blank	Special Data Entries	State Income Tax Withheld
544	545–546	547–586	587–662	663–722	723–734

Local Income Tax Withheld	Combined Federal/State Code	Blank or CR/LF
735–746	747–748	749–750

(11) Payee "B" Record — Record Layout Positions 544–750 for Form 1099-G

Field Position	Field Title	Length	Description and Remarks
544–546	Blank	3	Enter blanks.
547	Trade or Business Indicator	1	Enter "1" (one) to indicate the state or local income tax refund, credit, or offset (Amount Code 2) is attributable to income tax that applies exclusively to income from a trade or business.
		Indicator	Usage
		1	Income tax refund applies exclusively to a trade or business.
		Blank	Income tax refund is a general tax refund.

(11) Payee "B" Record — Record Layout Positions 544–750 for Form 1099-G (Continued)

Field Position	Field Title	Length	Description and Remarks
548–551	Tax Year of Refund	4	Enter the tax year for which the refund, credit, or offset (Amount Code 2) was issued. The tax year must reflect the tax year for which the refund was made, not the tax year of Form 1099-G. The tax year must be in the four-position format of YYYY (for example, 2011). The valid range of years for the refund is 2001 through 2011.
Note: This data is not considered prior year data since it is required to be reported in the current tax year. Do NOT enter "P" in field position 6 of the Transmitter "T" Record.			
552–662	Blank	111	Enter blanks.
663–722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. You may enter your routing and transit number (RTN) here. If this field is not used, enter blanks.
723–734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries Field.
735–746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries Field.
747–748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 10, Table 3. For those payers or states not participating in this program, enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee "B" Record — Record Layout Positions 544–750 for Form 1099-G

Blank	Trade or Business Indicator	Tax Year of Refund	Blank	Special Data Entries	State Income Tax Withheld
544–546	547	548–551	552–662	663–722	723–734
Local Income Tax Withheld		Combined Federal/State Code		Blank or CR/LF	
735–746		747–748		749–750	

(12) Payee "B" Record — Record Layout Positions 544–750 for Form 1099-H

Field Position	Field Title	Length	Description and Remarks
544–546	Blank	3	Enter blanks.
547–548	Number of Months Eligible	2	Required. Enter the total number of months the recipient is eligible for health insurance advance payments. Right-justify the information and fill unused positions with blanks.

(12) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-H (Continued)

Field Position	Field Title	Length	Description and Remarks
549–662	Blank	114	Enter blanks.
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.
723–748	Blank	26	Enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee “B” Record — Record Layout Positions 544–750 for Form 1099-H

Blank	Number of Months Eligible	Blank	Special Data Entries	Blank	Blank or CR/LF
544–546	547–548	549–662	663–722	723–748	749–750

(13) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-INT

Field Position	Field Title	Length	Description and Remarks
544	Second TIN Notice (Optional)	1	Enter “2” (two) to indicate notification by IRS twice within three calendar years that the payee provided an incorrect name and/or TIN combination; otherwise, enter a blank.
545–546	Blank	2	Enter blanks.
547–586	Foreign Country or U.S. Possession	40	Enter the name of the foreign country or U.S. possession to which the withheld foreign tax (Amount Code 6) applies. Otherwise, enter blanks.
587–599	CUSIP Number	13	Enter CUSIP Number. If the tax-exempt interest is reported in the aggregate for multiple bonds or accounts, enter: VARIOUS. Right-justify the information and fill unused positions with blanks.
600–662	Blank	63	Enter blanks.
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. You may enter your routing and transit number (RTN) here. If this field is not used, enter blanks.
723–734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries Field.
735–746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries Field.

(13) Payee "B" Record — Record Layout Positions 544–750 for Form 1099-INT (Continued)

Field Position	Field Title	Length	Description and Remarks
747–748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec.10, Table 3. For those payers or states not participating in this program, enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee "B" Record — Record Layout Positions 544–750 for Form 1099-INT

Second TIN Notice (Optional)	Blank	Foreign Country or U.S. Possession	CUSIP Number	Blank	Special Data Entries
544	545–546	547–586	587–599	600–662	663–722

State Income Tax Withheld	Local Income Tax Withheld	Combined Federal/State Code	Blank or CR/LF
723–734	735–746	747–748	749–750

(14) Payee "B" Record — Record Layout Positions 544–750 for Form 1099-K

Field Position	Field Title	Length	Description and Remarks								
544–546	Blank	3	Enter blanks.								
547	Type of Filer Indicator	1	Required. Enter the appropriate indicator from the following table; otherwise, enter blanks. <table border="0"> <thead> <tr> <th><u>Indicator</u></th> <th><u>Usage</u></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Payment Settlement Entity (PSE)</td> </tr> <tr> <td>2</td> <td>Electronic Payment Facilitator (EPF)</td> </tr> <tr> <td>3</td> <td>Third Party Payer (TPP)</td> </tr> </tbody> </table>	<u>Indicator</u>	<u>Usage</u>	1	Payment Settlement Entity (PSE)	2	Electronic Payment Facilitator (EPF)	3	Third Party Payer (TPP)
<u>Indicator</u>	<u>Usage</u>										
1	Payment Settlement Entity (PSE)										
2	Electronic Payment Facilitator (EPF)										
3	Third Party Payer (TPP)										
548	Type of Payment Indicator	1	Required. Enter the appropriate indicator from the following table; otherwise, enter blanks. <table border="0"> <thead> <tr> <th><u>Indicator</u></th> <th><u>Usage</u></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Merchant Card Payment</td> </tr> <tr> <td>2</td> <td>Third Party Network Payment</td> </tr> </tbody> </table>	<u>Indicator</u>	<u>Usage</u>	1	Merchant Card Payment	2	Third Party Network Payment		
<u>Indicator</u>	<u>Usage</u>										
1	Merchant Card Payment										
2	Third Party Network Payment										
549–561	Number of Purchase Transactions	13	Enter the number of purchase transactions. Report whole numbers only. Right-justify the information and fill unused positions with zeros.								
562–564	Blank	3	Enter blanks.								
565–604	Payment Settlement Entity's Name and Phone Number	40	Enter the payment settlement entity's name and phone number if different from the filer's name; otherwise, enter blanks. Left-justify the information, and fill unused positions with blanks.								
605–608	Merchant Category Code (MCC)	4	Required. Enter the Merchant Category Code (MCC). All MCCs must contain four numeric characters. If no code is provided, zero fill.								
609–662	Blank	54	Enter blanks.								

(14) Payee "B" Record — Record Layout Positions 544–750 for Form 1099-K (Continued)

Field Position	Field Title	Length	Description and Remarks
663–722	<i>Special Data Entries</i>	60	<i>This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. You may enter your routing and transit number (RTN) here. If this field is not used, enter blanks.</i>
723–734	<i>State Income Tax Withheld</i>	12	<i>State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries Field.</i>
735–746	<i>Local Income Tax Withheld</i>	12	<i>Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries Field.</i>
747–748	<i>Combined Federal/State Code</i>	2	<i>If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec.10, Table 3. For those payers or states not participating in this program, enter blanks.</i>
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee "B" Record — Record Layout Positions 544–750 for Form 1099-K

Blank	Type of Filer Indicator	Type of Payment Indicator	Number of Purchase Transactions	Blank	Payment Settlement Entity's Name and Phone Number
544–546	547	548	549–561	562–564	565–604

Merchant Category Code (MCC)	Blank	Special Data Entries	State Income Tax Withheld	Local Income Tax Withheld	Combined Federal/State Code
605–608	609–662	663–722	723–734	735–746	747–748

Blank or CR/LF
749–750

(15) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-LTC

Field Position	Field Title	Length	Description and Remarks						
544–546	Blank	3	Enter blanks.						
547	Type of Payment Indicator	1	Enter the appropriate indicator from the following table; otherwise, enter blanks. <table><thead><tr><th><u>Indicator</u></th><th><u>Usage</u></th></tr></thead><tbody><tr><td>1</td><td>Per diem</td></tr><tr><td>2</td><td>Reimbursed amount</td></tr></tbody></table>	<u>Indicator</u>	<u>Usage</u>	1	Per diem	2	Reimbursed amount
<u>Indicator</u>	<u>Usage</u>								
1	Per diem								
2	Reimbursed amount								
548–556	Social Security Number of Insured	9	Required. Enter the Social Security Number of the insured.						
557–596	Name of Insured	40	Required. Enter the name of the insured.						
597–636	Address of Insured	40	Required. Enter the address of the insured. The street address should include number, street, apartment or suite number (or PO Box if mail is not delivered to street address). Left-justify the information and fill unused positions with blanks. This field must not contain any data other than the payee’s address.						
For U.S. addresses, the payee city, state, and ZIP Code must be reported as a 40, 2, and 9-position field, respectively. Filers must adhere to the correct format for the insured’s city, state, and ZIP Code.									
For foreign addresses, filers may use the insured’s city, state, and ZIP Code as a continuous 51-position field. Enter information in the following order: city, province or state, postal code, and the name of the country. When reporting a foreign address, the Foreign Country Indicator in position 247 must contain a “1” (one).									
637–676	City of Insured	40	Required. Enter the city, town, or post office. Left-justify and fill unused positions with blanks. Enter APO or FPO, if applicable. Do not enter state and ZIP Code information in this field.						
677–678	State of Insured	2	Required. Enter the valid U.S. Postal Service state abbreviations for states or the appropriate postal identifier (AA, AE, or AP) described in Part A, Sec. 12.						
679–687	ZIP Code of Insured	9	Required. Enter the valid nine-digit ZIP Code assigned by the U.S. Postal Service. If only the first five-digits are known, left-justify information and fill the unused positions with blanks. For foreign countries, alpha characters are acceptable as long as the filer has entered a “1” (one) in the Foreign Country Indicator, located in position 247 of the “B” Record.						
688	Status of Illness Indicator (Optional)	1	Enter the appropriate code from the table below to indicate the status of the illness of the insured; otherwise, enter blank. <table><thead><tr><th><u>Indicator</u></th><th><u>Usage</u></th></tr></thead><tbody><tr><td>1</td><td>Chronically ill</td></tr><tr><td>2</td><td>Terminally ill</td></tr></tbody></table>	<u>Indicator</u>	<u>Usage</u>	1	Chronically ill	2	Terminally ill
<u>Indicator</u>	<u>Usage</u>								
1	Chronically ill								
2	Terminally ill								
689–696	Date Certified (Optional)	8	Enter the latest date of a doctor’s certification of the status of the insured’s illness. The format of the date is YYYYMMDD (for example, January 5, 2012, would be 20120105). Do not enter hyphens or slashes.						
697	Qualified Contract Indicator (Optional)	1	Enter a “1” (one) if benefits were from a qualified long-term care insurance contract; otherwise, enter a blank.						
698–722	Blank	25	Enter blanks.						

(15) Payee "B" Record — Record Layout Positions 544–750 for Form 1099-LTC (Continued)

Field Position	Field Title	Length	Description and Remarks
723–734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. Right-justify the information and fill unused positions with zeros.
735–746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions zero filled.
747–748	Blank	2	Enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee "B" Record — Record Layout Positions 544–750 for Form 1099-LTC

Blank	Type of Payment Indicator	Social Security Number of Insured	Name of Insured	Address of Insured	City of Insured
544–546	547	548–556	557–596	597–636	637–676

State of Insured	ZIP Code of Insured	Status of Illness Indicator (Optional)	Date Certified (Optional)	Qualified Contract Indicator (Optional)	Blank
677–678	679–687	688	689–696	697	698–722

State Income Tax Withheld	Local Income Tax Withheld	Blank	Blank or CR/LF
723–734	735–746	747–748	749–750

(16) Payee "B" Record — Record Layout Positions 544–750 for Form 1099-MISC

Field Position	Field Title	Length	Description and Remarks
544	Second TIN Notice (Optional)	1	Enter "2" (two) to indicate notification by IRS twice within three calendar years that the payee provided an incorrect name and/or TIN combination; otherwise, enter a blank.
545–546	Blank	2	Enter blanks.
547	Direct Sales Indicator (See Note)	1	Enter a "1" (one) to indicate sales of \$5,000 or more of consumer products to a person on a buy-sell, deposit-commission, or any other commission basis for resale anywhere other than in a permanent retail establishment. Otherwise, enter a blank.
Note: If reporting a direct sales indicator only, use Type of Return "A" in Field Positions 26–27, and Amount Code 1 in Field Position 28 of the Payer "A" Record. All payment amount fields in the Payee "B" Record will contain zeros.			
548–662	Blank	115	Enter blanks.
663–722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.

(16) Payee "B" Record — Record Layout Positions 544–750 for Form 1099-MISC (Continued)

Field Position	Field Title	Length	Description and Remarks
723–734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries Field.
735–746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries Field.
747–748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 10, Table 3. For those payers or states not participating in this program, enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee "B" Record — Record Layout Positions 544–750 for Form 1099-MISC

Second TIN Notice (Optional)	Blank	Direct Sales Indicator	Blank	Special Data Entries	State Income Tax Withheld
544	545–546	547	548–662	663–722	723–734
Local Income Tax Withheld		Combined Federal/State Code		Blank or CR/LF	
735–746		747–748		749–750	

(17) Payee "B" Record — Record Layout Positions 544–750 for Form 1099-OID

Field Position	Field Title	Length	Description and Remarks
544	Second TIN Notice (Optional)	1	Enter "2" (two) to indicate notification by IRS twice within three calendar years that the payee provided an incorrect name and/or TIN combination; otherwise, enter a blank.
545–546	Blank	2	Enter blanks.
547–585	Description	39	Required. Enter the CUSIP number, if any. If there is no CUSIP number, enter the abbreviation for the stock exchange and issuer, the coupon rate, and year (must be 4-digit year) of maturity (for example, NYSE XYZ 12/2012). Show the name of the issuer if other than the payer. If fewer than 39 characters are required, left-justify the information and fill unused positions with blanks.
586–662	Blank	77	Enter blanks.
663–722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.

(17) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-OID (Continued)

Field Position	Field Title	Length	Description and Remarks
723–734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries Field.
735–746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries Field.
747–748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 10, Table 3. For those payers or states not participating in this program, enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee “B” Record — Record Layout Positions 544–750 for Form 1099-OID

Second TIN Notice (Optional)	Blank	Description	Blank	Special Data Entries	State Income Tax Withheld
544	545–546	547–585	586–662	663–722	723–734
Local Income Tax Withheld		Combined Federal/ State Code		Blank or CR/LF	
735–746		747–748		749–750	

(18) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-PATR

Field Position	Field Title	Length	Description and Remarks
544	Second TIN Notice (Optional)	1	Enter “2” (two) to indicate notification by IRS twice within three calendar years that the payee provided an incorrect name and/or TIN combination; otherwise, enter a blank.
545–662	Blank	118	Enter blanks.
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.
723–734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries Field.

(18) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-PATR (Continued)

Field Position	Field Title	Length	Description and Remarks
735–746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries Field.
747–748	Combined Federal/ State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 10, Table 3. For those payers or states not participating in this program, enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee “B” Record — Record Layout Positions 544–750 For Form 1099 PATR

Second TIN Notice (Optional)	Blank	Special Data Entries	State Income Tax Withheld	Local Income Tax Withheld	Combined Federal/ State Code
544	545–662	663–722	723–734	735–746	747–748

Blank or CR/LF

749–750

(19) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-Q

Field Position	Field Title	Length	Description and Remarks								
544–546	Blank	3	Enter blanks.								
547	Trustee to Trustee Transfer Indicator	1	Required. Enter a “1” (one) if reporting a trustee to trustee transfer; otherwise, enter a blank.								
548	Type of Tuition Payment	1	Required. Enter the appropriate code from the table below to indicate the type of tuition payment; otherwise, leave blank. <table><thead><tr><th>Indicator</th><th>Usage</th></tr></thead><tbody><tr><td>1</td><td>Private program payment</td></tr><tr><td>2</td><td>State program payment</td></tr><tr><td>3</td><td>Coverdell ESA contribution</td></tr></tbody></table>	Indicator	Usage	1	Private program payment	2	State program payment	3	Coverdell ESA contribution
Indicator	Usage										
1	Private program payment										
2	State program payment										
3	Coverdell ESA contribution										
549	Designated Beneficiary	1	Required. Enter a “1” (one) if the recipient is not the designated beneficiary; otherwise, enter a blank.								
550–662	Blank	113	Enter blanks.								
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.								
723–748	Blank	26	Enter blanks.								
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.								

Payee “B” Record — Record Layout Positions 544–750 for Form 1099-Q

Blank	Trustee to Trustee Transfer Indicator	Type of Tuition Payment	Designated Beneficiary	Blank	Special Data Entries
544–546	547	548	549	550–662	663–722
Blank			Blank or CR/LF		
723–748			749–750		

(20) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-R

Field Position	Field Title	Length	Description and Remarks																				
544	Blank	1	Enter a blank.																				
545–546	Distribution Code	2	<p>Required. Enter at least one distribution code from the table below. More than one code may apply. If only one code is necessary, it must be entered in position 545 and position 546 will be blank. When using Code P for an IRA distribution under section 408(d)(4) of the Internal Revenue Code, the filer may also enter Code 1, 2, 4, B or J if applicable. Only three numeric combinations are acceptable, Codes 8 and 1, 8 and 2, and 8 and 4, on one return. These three combinations can be used only if both codes apply to the distribution being reported. If more than one numeric code is applicable to different parts of a distribution, report two separate “B” Records. Distribution Codes 3, 5, 9, E, F, N, Q, R, S and T cannot be used with any other codes. Distribution Code G may be used with Distribution Code 4 only if applicable.</p> <table border="0"> <thead> <tr> <th align="left"><u>Code</u></th> <th align="left"><u>Category</u></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>*Early distribution, no known exception (in most cases, under age 59½)</td> </tr> <tr> <td>2</td> <td>*Early distribution, exception applies (under age 59½)</td> </tr> <tr> <td>3</td> <td>*Disability</td> </tr> <tr> <td>4</td> <td>*Death</td> </tr> <tr> <td>5</td> <td>*Prohibited transaction</td> </tr> <tr> <td>6</td> <td>Section 1035 exchange (a tax-free exchange of life insurance, annuity, qualified long-term care insurance, or endowment contracts)</td> </tr> <tr> <td>7</td> <td>*Normal distribution</td> </tr> <tr> <td>8</td> <td>*Excess contributions plus earnings/excess deferrals (and/or earnings) taxable in 2012</td> </tr> <tr> <td>9</td> <td>Cost of current life insurance protection (premiums paid by a trustee or custodian for current insurance protection)</td> </tr> </tbody> </table>	<u>Code</u>	<u>Category</u>	1	*Early distribution, no known exception (in most cases, under age 59½)	2	*Early distribution, exception applies (under age 59½)	3	*Disability	4	*Death	5	*Prohibited transaction	6	Section 1035 exchange (a tax-free exchange of life insurance, annuity, qualified long-term care insurance, or endowment contracts)	7	*Normal distribution	8	*Excess contributions plus earnings/excess deferrals (and/or earnings) taxable in 2012	9	Cost of current life insurance protection (premiums paid by a trustee or custodian for current insurance protection)
<u>Code</u>	<u>Category</u>																						
1	*Early distribution, no known exception (in most cases, under age 59½)																						
2	*Early distribution, exception applies (under age 59½)																						
3	*Disability																						
4	*Death																						
5	*Prohibited transaction																						
6	Section 1035 exchange (a tax-free exchange of life insurance, annuity, qualified long-term care insurance, or endowment contracts)																						
7	*Normal distribution																						
8	*Excess contributions plus earnings/excess deferrals (and/or earnings) taxable in 2012																						
9	Cost of current life insurance protection (premiums paid by a trustee or custodian for current insurance protection)																						

For a detailed explanation of distribution codes see the *2012 instructions for Forms 1099-R and 5498*

See the chart at the end of this record layout for a diagram of valid combinations of Distribution Codes.

(20) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-R (Continued)

Field Position	Field Title	Length	Description and Remarks
		A	May be eligible for 10-year tax option
		B	Designated Roth account distribution
		E	Distribution under Employee Plans Compliance Resolution System (EPCRS)
		F	Charitable gift annuity
		G	Direct rollover and rollover contribution
		H	Direct rollover of distribution from a designated Roth account to a Roth IRA
		J	Early distribution from a Roth IRA. (This code may be used with Code 8 or P.)
		L	Loans treated as deemed distributions under section 72(p)
		N	Recharacterized IRA contribution made for 2012
		P	*Excess contributions plus earnings/excess deferrals taxable in 2010
		Q	Qualified distribution from a Roth IRA. (Distribution from a Roth IRA when the 5- year holding period has been met, and the recipient has reached 59½, has died, or is disabled.)
		R	Recharacterized IRA contribution made for 2011 (See Note.)
		S	*Early distribution from a SIMPLE IRA in first 2 years, no known exception
		T	Roth IRA distribution, exception applies because participant has reached 59½, died or is disabled, but it is unknown if the 5-year period has been met.
		U	Distribution from ESOP under Section 404(k).
		W	Charges or payments for purchasing qualified long-term care insurance contracts under combined arrangements.

*If reporting a traditional IRA, SEP, or SIMPLE distribution or a Roth conversion, use the IRA/SEP/SIMPLE Indicator of “1” (one) in position 548 of the Payee “B” Record.

Note: The trustee of the first IRA must report the recharacterization as a distribution on Form 1099-R (and the original contribution and its character on Form 5498).

547	Taxable Amount Not Determined Indicator	1	Enter “1” (one) only if the taxable amount of the payment entered for Payment Amount Field 1 (Gross distribution) of the “B” Record cannot be computed; otherwise, enter a blank. (If the Taxable Amount Not Determined Indicator is used, enter “0s” [zeros] in Payment Amount Field 2 of the Payee “B” Record.) Please make every effort to compute the taxable amount.
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(20) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-R (Continued)

Field Position	Field Title	Length	Description and Remarks
548	IRA/SEP/SIMPLE Indicator	1	Enter “1” (one) for a traditional IRA, SEP, or SIMPLE distribution or Roth conversion; otherwise, enter a blank. (See Note) If the IRA/SEP/SIMPLE Indicator is used, enter the amount of the Roth conversion or distribution in Payment Amount Field A of the Payee “B” Record. Do not use the indicator for a distribution from a Roth or for an IRA recharacterization.
Note: For Form 1099-R, generally, report the Roth conversion or total amount distributed from a traditional IRA, SEP, or SIMPLE in Payment Amount Field A (traditional IRA/SEP/SIMPLE distribution or Roth conversion), as well as Payment Amount Field 1 (Gross Distribution) of the “B” Record. Refer to the <i>2012 Instructions for Forms 1099-R and 5498</i> for exceptions (Box 2a instructions).			
549	Total Distribution Indicator (See Note)	1	Enter a “1” (one) only if the payment shown for Distribution Amount Code 1 is a total distribution that closed out the account; otherwise, enter a blank.
Note: A total distribution is one or more distributions within one tax year in which the entire balance of the account is distributed. Any distribution that does not meet this definition is not a total distribution.			
550–551	Percentage of Total Distribution	2	Use this field when reporting a total distribution to more than one person, such as when a participant is deceased and a payer distributes to two or more beneficiaries. Therefore, if the percentage is 100, leave this field blank. If the percentage is a fraction, round off to the nearest whole number (for example, 10.4 percent will be 10 percent; 10.5 percent will be 11 percent). Enter the percentage received by the person whose TIN is included in positions 12-20 of the “B” Record. This field must be right-justified, and unused positions must be zero-filled. If not applicable, enter blanks. Filers are not required to enter this information for any IRA distribution or for direct rollovers.
552–555	First Year of Designated Roth Contribution	4	Enter the first year a designated Roth contribution was made in YYYY format. If the date is unavailable, enter blanks.
556–662	Blank	107	Enter blanks.
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.
723–734	State Income Tax Withheld	12	State income tax withheld is for the convenience of filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries Field.
735–746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries Field.
747–748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 10, Table 3. For those payers or states not participating in this program, enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

FORM 1099-R DISTRIBUTION CODE CHART 2012

POSITION 546

	blank	1	2	3	4	5	6	7	8	9	A	B	E	F	G	H	J	L	N	P	Q	R	S	T	U	W	
P O S I T I O N	1	X							X			X						X		X							
	2	X							X			X								X							
	3	X																									
	4	X							X		X	X			X	X		X		X							
	5	X																									
	6	X																								X	
	7	X										X	X														
	8	X	X	X		X							X					X									
	9	X																									
5 4 5	A				X			X																			
	B	X	X	X	X		X	X							X			X		X						X	
	E	X																									
	F	X																									
	G	X				X						X															
	H	X				X																					
	J	X							X												X						
	L	X	X			X						X															
	N	X																									
	P	X	X	X		X						X						X									
	Q	X																									
	R	X																									
	S	X																									
	T	X																									
	U	X										X															
	W	X						X																			

X – Denotes valid combinations

Payee “B” Record — Record Layout Positions 544–750 for Form 1099-R

Blank	Distribution Code	Taxable Amount Not Determined Indicator	IRA/SEP/SIMPLE Indicator	Total Distribution Indicator	Percentage of Total Distribution
544	545–546	547	548	549	550–551

First Year of Designated Roth Contribution	Blank	Special Data Entries	State Income Tax Withheld	Local Income Tax Withheld	Combined Federal/State Code
552–555	556–662	663–722	723–734	735–746	747–748

Blank or CR/LF

749–750

(21) Payee “B” Record — Record Layout Positions 544–750 for Form 1099-S

Field Position	Field Title	Length	Description and Remarks
544–546	Blank	3	Enter blanks.
547	Property or Services Indicator	1	Required. Enter “1” (one) if the transferor received or will receive property (other than cash and consideration treated as cash in computing gross proceeds) or services as part of the consideration for the property transferred. Otherwise, enter a blank.
548–555	Date of Closing	8	Required. Enter the closing date in the format YYYYMMDD (for example, January 5, 2012 would be 20120105). Do not enter hyphens or slashes.
556–594	Address or Legal Description	39	Required. Enter the address of the property transferred (including city, state, and ZIP Code). If the address does not sufficiently identify the property, also enter a legal description, such as section, lot, and block. For timber royalties, enter “TIMBER.” If fewer than 39 positions are required, left-justify the information and fill unused positions with blanks.
595–662	Blank	68	Enter blanks.
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.
723–734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries Field.
735–746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries Field.
747–748	Blank	2	Enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee “B” Record — Record Layout Positions 544–750 for Form 1099-S

Blank	Property or Services Indicator	Date of Closing	Address or Legal Description	Blank	Special Data Entries
544–546	547	548–555	556–594	595–662	663–722

State Income Tax Withheld	Local Income Tax Withheld	Blank	Blank or CR/LF
723–734	735–746	747–748	749–750

(22) Payee “B” Record - Record Layout Positions 544–750 for Form 1099-SA

Field Position	Field Title	Length	Description and Remarks														
544	Blank	1	Enter blank.														
545	Distribution Code	1	Required. Enter the applicable code from the table below to indicate the type of payment. <table><thead><tr><th><u>Code</u></th><th><u>Category</u></th></tr></thead><tbody><tr><td>1</td><td>Normal distribution</td></tr><tr><td>2</td><td>Excess contribution</td></tr><tr><td>3</td><td>Disability</td></tr><tr><td>4</td><td>Death distribution other than code 6 (This includes distributions to a spouse, nonspouse, or estate beneficiary in the year of death and to an estate after the year of death.)</td></tr><tr><td>5</td><td>Prohibited transaction</td></tr><tr><td>6</td><td>Death distribution after the year of death to a nonspouse beneficiary. (Do not use for a distribution to an estate.)</td></tr></tbody></table>	<u>Code</u>	<u>Category</u>	1	Normal distribution	2	Excess contribution	3	Disability	4	Death distribution other than code 6 (This includes distributions to a spouse, nonspouse, or estate beneficiary in the year of death and to an estate after the year of death.)	5	Prohibited transaction	6	Death distribution after the year of death to a nonspouse beneficiary. (Do not use for a distribution to an estate.)
<u>Code</u>	<u>Category</u>																
1	Normal distribution																
2	Excess contribution																
3	Disability																
4	Death distribution other than code 6 (This includes distributions to a spouse, nonspouse, or estate beneficiary in the year of death and to an estate after the year of death.)																
5	Prohibited transaction																
6	Death distribution after the year of death to a nonspouse beneficiary. (Do not use for a distribution to an estate.)																
546	Blank	1	Enter a blank.														
547	Medicare Advantage MSA Indicator	1	Enter “1” (one) if distributions are from a Medicare Advantage MSA. Otherwise, enter a blank.														
548	HSA Indicator	1	Enter “1” (one) if distributions are from a HSA. Otherwise, enter a blank.														
549	Archer MSA Indicator	1	Enter “1” (one) if distributions are from an Archer MSA. Otherwise, enter a blank.														
550–662	Blank	113	Enter blanks.														
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.														
723–734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries Field.														
735–746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries Field.														
747–748	Blank	2	Enter blanks.														
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.														

Payee “B” Record — Record Layout Positions 544–750 for Form 1099-SA

Blank	Distribution Code	Blank	Medicare Advantage MSA Indicator	HSA Indicator	Archer MSA Indicator
544	545	546	547	548	549
Blank	Special Data Entries	State Income Tax Withheld	Local Income Tax Withheld	Blank	Blank or CR/LF
550–662	663–722	723–734	735–746	747–748	749–750

(23) Payee “B” Record — Record Layout Positions 544–750 for Form 3921

Field Position	Field Title	Length	Description and Remarks
544–546	Blank	3	Enter blanks.
547–554	Date Option Granted	8	Required Enter the date the option was granted as YYYYMMDD (for example, January 5, 2012, would be 20120105). Otherwise, enter blanks.
555–562	Date Option Exercised	8	Required Enter the date the option was exercised as YYYYMMDD (for example, January 5, 2012, would be 20120105). Otherwise, enter blanks.
563–570	Number of Shares Transferred	8	Required Enter the number of shares transferred. Report whole numbers only, using standard rounding rules as necessary. Right-justify the information and fill unused positions with zeros. Otherwise, enter zeros.
571–574	Blank	4	Enter blanks.
575–614	If Other Than Transferor Information	40	Enter other than transferor information, left justify the information and fill unused positions with blanks. Otherwise, enter blanks.
615–662	Blank	48	Enter blanks.
663–722	Special Data Entry Field	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.
723–748	Blank	26	Enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee “B” Record - Record Layout Positions 544–750 for Form 3921

Blank	Date Option Granted	Date Option Exercised	Number of Shares Transferred	Blank	If Other Than Transferor Information
544–546	547–554	555–562	563–570	571–574	574–614

Blank 615–662	Special Data Entries 663–722	Blank 723–748	Blank or CR/LF 749–750
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(24) Payee “B” Record - Record Layout Positions 544–750 for Form 3922

Field Position	Field Title	Length	Description and Remarks
544–546	Blank	3	Enter blanks.
547–554	Date Option Granted to Transferor	8	Required Enter the date the option was granted to the transferor as YYYYMMDD (for example, January 5, 2012 as 20120105). Otherwise, enter blanks.
555–562	Date Option Exercised by Transferor	8	Required Enter the date the option was exercised by the transferor as YYYYMMDD (for example, January 5, 2012, as 20120105). Otherwise, enter blanks.
563–570	Number of Shares Transferred	8	Required Enter the number of shares transferred. Report whole numbers only, using standard rounding rules as necessary. Right-justify the information and fill unused positions with zeros. Otherwise, enter zeros.
571–578	Date Legal Title Transferred by Transferor	8	Required Enter the date the legal title was transferred by the transferor as YYYYMMDD (for example, January 5, 2012 as 20120105). Otherwise, enter blanks.
579–662	Blank	84	Enter blanks.
663–722	Special Data Entry Field	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.
723–748	Blank	26	Enter blanks.
749–750	Special Data Entries	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee “B” Record - Record Layout Positions 544-750 for Form 3922

Blank 544–546	Date Option Granted to Transferor 547–554	Date Option Exercised by Transferor 555–562	Number of Shares Transferred 563–570	Date Legal Title Transferred by Transferor 571–578	Blank 579–662
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Special Data Entries 663–722	Blank 723–748	Blank or CR/LF 749–750
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(25) Payee "B" Record - Record Layout Positions 544-750 for Form 5498

Field Position	Field Title	Length	Description and Remarks						
544-546	Blank	3	Enter blanks.						
547	IRA Indicator (Individual Retirement Account)	1	Required, if applicable. Enter "1" (one) if reporting a rollover (Amount Code 2) or Fair Market Value (Amount Code 5) for an IRA. Otherwise, enter a blank.						
548	SEP Indicator (Simplified Employee Pension)	1	Required, if applicable. Enter "1" (one) if reporting a rollover (Amount Code 2) or Fair Market Value (Amount Code 5) for a SEP. Otherwise, enter a blank.						
549	SIMPLE Indicator (Savings Incentive Match Plan for Employees)	1	Required, if applicable. Enter "1" (one) if reporting a rollover (Amount Code 2) or Fair Market Value (Amount Code 5) for a SIMPLE. Otherwise, enter a blank.						
550	Roth IRA Indicator	1	Required, if applicable. Enter "1" (one) if reporting a rollover (Amount Code 2) or Fair Market Value (Amount Code 5) for a Roth IRA. Otherwise, enter a blank.						
551	RMD Indicator	1	Required. Enter "1" (one) if reporting RMD for 2013. Otherwise, enter a blank.						
552-555	Year of Postponed Contribution	4	Enter the year in YYYY format. Otherwise, enter blanks.						
556-563	<i>Postponed Contribution Code</i>	8	Required, if applicable. Enter the Public Law or Executive Order under which the Postponed Contribution is being issued. Begin with either: <i>PL Public Law</i> <i>EO Executive Order</i>						
564-565	<i>Repayment Code</i>	2	Required. Enter the two character alpha Repayment Code. Otherwise, enter blanks. <table><thead><tr><th><u>Code</u></th><th><u>Category</u></th></tr></thead><tbody><tr><td>QR</td><td>Qualified Reservist Distribution</td></tr><tr><td>DD</td><td>Federally Designated Disaster Distribution</td></tr></tbody></table>	<u>Code</u>	<u>Category</u>	QR	Qualified Reservist Distribution	DD	Federally Designated Disaster Distribution
<u>Code</u>	<u>Category</u>								
QR	Qualified Reservist Distribution								
DD	Federally Designated Disaster Distribution								
566-573	<i>RMD Date</i>	8	Enter the date by which the RMD amount must be distributed to avoid the 50% excise tax. Format the date as YYYYMMDD (for example, January 5, 2013 as 20130105). Otherwise, enter blanks.						
574-662	Blank	89	Enter blanks.						
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.						
723-746	Blank	24	Enter blanks.						
747-748	Combined Federal/State Code	2	If this payee record is to be forwarded to a state agency as part of the Combined Federal/State Filing Program, enter the valid state code from Part A, Sec. 10, Table 3. For those payers or states not participating in this program, enter blanks.						
749-750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.						

Payee “B” Record — Record Layout Positions 544–750 for Form 5498

Blank	IRA Indicator	SEP Indicator	SIMPLE Indicator	Roth IRA Indicator	RMD Indicator
544–546	547	548	549	550	551

Year of Postponed Contribution	<i>Postponed Contribution Code</i>	<i>Repayment Code</i>	<i>RMD Date</i>	<i>Blank</i>	Special Data Entries
552–555	556–563	564–565	566–573	574–662	663–722

Blank	Combined Federal/State Code	Blank or CR/LF
723–746	747–748	749–750

(26) Payee “B” Record — Record Layout Positions 544–750 for Form 5498-ESA

Field Position	Field Title	Length	Description and Remarks
544–662	Blank	119	Enter blanks.
663–722	Special Data Entries	60	This portion of the “B” Record may be used to record information for state or local government reporting or for the filer’s own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, enter blanks.
723–748	Blank	26	Enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee “B” Record — Record Layout Positions 544–750 for Form 5498-ESA

Blank	Special Data Entries	Blank	Blank or CR/LF
544–662	663–722	723–748	749–750

(27) Payee “B” Record - Record Layout Positions 544-750 for Form 5498-SA

Field Position	Field Title	Length	Description and Remarks
544–546	Blank	3	Enter blanks.
547	Medicare Advantage MSA Indicator	1	Enter “1” (one) for a Medicare Advantage MSA. Otherwise, enter a blank.
548	HSA Indicator	1	Enter “1” (one) for an HSA. Otherwise, enter a blank.

(27) Payee "B" Record - Record Layout Positions 544-750 for Form 5498-SA (Continued)

Field Position	Field Title	Length	Description and Remarks
549	Archer MSA Indicator	1	Enter "1" (one) for an Archer MSA. Otherwise, enter a blank.
550-662	Blank	113	Enter blanks.
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not utilized, enter blanks.
723-748	Blank	26	Enter blanks.
749-750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee "B" Record — Record Layout Positions 544-750 for Form 5498-SA

Blank	Medicare Advantage MSA Indicator	HSA Indicator	Archer MSA Indicator	Blank	Special Data Entries
544-546	547	548	549	550-662	663-722
Blank			Blank or CR/LF		
723-748			749-750		

(28) Payee "B" Record - Record Layout Positions 544-750 for Form 8935

Field Position	Field Title	Length	Description and Remarks
544-546	Blank	3	Enter blanks.
547-550	Year of First Payment	4	Enter the year of the first payment as YYYY. Otherwise, enter blanks.
551-554	Year of Second Payment	4	Enter the year of the second payment as YYYY. Otherwise, enter blanks.
555-558	Year of Third Payment	4	Enter the year of the third payment as YYYY. Otherwise, enter blanks.
559-562	Year of Fourth Payment	4	Enter the year of the fourth payment as YYYY. Otherwise, enter blanks.
563-566	Year of Fifth Payment	4	Enter the year of the fifth payment as YYYY. Otherwise, enter blanks.
567-662	Blank	96	Enter blanks.
663-722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.
723-748	Blank	26	Enter blanks.
749-750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee "B" Record - Record Layout Positions 544-750 for Form 8935

Blank	Year of First Payment	Year of Second Payment	Year of Third Payment	Year of Fourth Payment	Year of Fifth Payment
544-546	547-550	551-554	555-558	559-562	563-566

Blank	Special Data Entries	Blank	Blank or CR/LF
567-662	663-722	723-748	749-750

(29) Payee "B" Record — Record Layout Positions 544-750 for Form W-2G

Field Position	Field Title	Length	Description and Remarks																				
544-546	Blank	3	Enter blanks.																				
547	Type of Wager Code	1	<p>Required. Enter the applicable type of wager code from the table below.</p> <table border="0"> <thead> <tr> <th><u>Code</u></th> <th><u>Category</u></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Horse race track (or off-track betting of a horse track nature)</td> </tr> <tr> <td>2</td> <td>Dog race track (or off-track betting of a dog track nature)</td> </tr> <tr> <td>3</td> <td>Jai-alai</td> </tr> <tr> <td>4</td> <td>State-conducted lottery</td> </tr> <tr> <td>5</td> <td>Keno</td> </tr> <tr> <td>6</td> <td>Bingo</td> </tr> <tr> <td>7</td> <td>Slot machines</td> </tr> <tr> <td>8</td> <td>Poker Winnings</td> </tr> <tr> <td>9</td> <td>Any other type of gambling winnings</td> </tr> </tbody> </table>	<u>Code</u>	<u>Category</u>	1	Horse race track (or off-track betting of a horse track nature)	2	Dog race track (or off-track betting of a dog track nature)	3	Jai-alai	4	State-conducted lottery	5	Keno	6	Bingo	7	Slot machines	8	Poker Winnings	9	Any other type of gambling winnings
<u>Code</u>	<u>Category</u>																						
1	Horse race track (or off-track betting of a horse track nature)																						
2	Dog race track (or off-track betting of a dog track nature)																						
3	Jai-alai																						
4	State-conducted lottery																						
5	Keno																						
6	Bingo																						
7	Slot machines																						
8	Poker Winnings																						
9	Any other type of gambling winnings																						
548-555	Date Won	8	<p>Required. Enter the date of the winning transaction in the format YYYYMMDD (for example, January 5, 2012, would be 20120105). Do not enter hyphens or slashes. This is not the date the money was paid, if paid after the date of the race (or game).</p>																				
556-570	Transaction	15	<p>Required. For state-conducted lotteries, enter the ticket or other identifying number. For keno, bingo, and slot machines, enter the ticket or card number (and color, if applicable), machine serial number, or any other information that will help identify the winning transaction. For all others, enter blanks.</p>																				
571-575	Race	5	If applicable, enter the race (or game) relating to the winning ticket; otherwise, enter blanks.																				
576-580	Cashier	5	If applicable, enter the initials or number of the cashier making the winning payment; otherwise, enter blanks.																				
581-585	Window	5	If applicable, enter the window number or location of the person paying the winning payment; otherwise, enter blanks.																				

(29) Payee "B" Record — Record Layout Positions 544–750 for Form W-2G (Continued)

Field Position	Field Title	Length	Description and Remarks
586–600	First ID	15	For other than state lotteries, enter the first identification number of the person receiving the winnings; otherwise, enter blanks.
601–615	Second ID	15	For other than state lotteries, enter the second identification number of the person receiving the winnings; otherwise, enter blanks.
616–662	Blank	47	Enter blanks.
663–722	Special Data Entries	60	This portion of the "B" Record may be used to record information for state or local government reporting or for the filer's own purposes. Payers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.
723–734	State Income Tax Withheld	12	State income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting state tax withheld, this field may be used as a continuation of the Special Data Entries field.
735–746	Local Income Tax Withheld	12	Local income tax withheld is for the convenience of the filers. This information does not need to be reported to IRS. The payment amount must be right-justified and unused positions must be zero-filled. If not reporting local tax withheld, this field may be used as a continuation of the Special Data Entries field.
747–748	Blank	2	Enter blanks.
749–750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

Payee "B" Record — Record Layout Positions 544–750 for Form W-2G

Blank	Type of Wager Code	Date Won	Transaction	Race	Cashier
544–546	547	548–555	556–570	571–575	576–580
Window	First ID	Second ID	Blank	Special Data Entries	State Income Tax Withheld
581–585	586–600	601–615	616–662	663–722	723–734
Local Income Tax Withheld	Blank	Blank or CR/LF			
735–746	747–748	749–750			

Sec. 8. End of Payer "C" Record - General Field Descriptions and Record Layout

.01 The "C" Record consists of the total number of payees and the totals of the payment amount fields filed for each payer and/or particular type of return. The "C" Record must follow the last "B" Record for each type of return for each payer.

.02 For each "A" Record and group of "B" Records on the file, there must be a corresponding "C" Record.

.03 The End of Payer "C" Record is a fixed length of 750 positions. The control fields are each eighteen positions in length.

Record Name: End of Payer "C" Record

Field Position	Field Title	Length	Description and Remarks
1	Record Type	1	Required. Enter "C".
2-9	Number of Payees	8	Required. Enter the total number of "B" Records covered by the preceding "A" Record. Right-justify the information and fill unused positions with zeros.
10-15	Blank	6	Enter blanks.
16-33	Control Total 1	18	Required. Accumulate totals of any payment amount fields in the "B" Records into the appropriate control total fields of the "C" Record. Control totals must be right-justified and unused control total fields zero-filled. All control total fields are eighteen positions in length. Each payment amount must contain U.S. dollars and cents. The right-most two positions represent cents in the payment amount fields. Do not enter dollar signs, commas, decimal points, or negative payments, except those items that reflect a loss on Form 1099-B or 1099-Q. Positive and negative amounts are indicated by placing a "+" (plus) or "-" (minus) sign in the left-most position of the payment amount field.
34-51	Control Total 2	18	
52-69	Control Total 3	18	
70-87	Control Total 4	18	
88-105	Control Total 5	18	
106-123	Control Total 6	18	
124-141	Control Total 7	18	
142-159	Control Total 8	18	
160-177	Control Total 9	18	
178-195	Control Total A	18	
196-213	Control Total B	18	
214-231	Control Total C	18	
232-249	Control Total D	18	
250-267	Control Total E	18	
268-285	Control Total F	18	
286-303	Control Total G	18	
304-499	Blank	196	Enter blanks.
500-507	Record Sequence Number	8	Required. Enter the number of the record as it appears within the file. The record sequence number for the "T" Record will always be "1" (one), since it is the first record on the file and the file can have only one "T" Record in a file. Each record, thereafter, must be incremental by one in ascending numerical sequence, that is, 2, 3, 4, etc. Right-justify numbers with leading zeros in the field. For example, the "T" Record sequence number would appear as "00000001" in the field, the first "A" Record would be "00000002," the first "B" Record, "00000003," the second "B" Record, "00000004" and so on until the final record of the file, the "F" Record.
508-748	Blank	241	Enter blanks.
749-750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

End of Payer “C” Record — Record Layout

Record Type	Number of Payees	Blank	Control Total 1	Control Total 2	Control Total 3
1	2–9	10–15	16–33	34–51	52–69
Control Total 4	Control Total 5	Control Total 6	Control Total 7	Control Total 8	Control Total 9
70–87	88–105	106–123	124–141	142–159	160–177
Control Total A	Control Total B	Control Total C	Control Total D	Control Total E	Control Total F
178–195	196–213	214–231	232–249	250–267	268–285
Control Total G	Blank	Record Sequence Number	Blank	Blank or CR/LF	
286–303	304–499	500–507	508–748	749–750	

Sec. 9. State Totals “K” Record - General Field Descriptions and Record Layout

.01 The State Totals “K” Record is a summary for a given payer and a given state in the Combined Federal/State Filing Program, used only when state-reporting approval has been granted.

.02 The “K” Record will contain the total number of payees and the total of the payment amount fields filed by a given payer for a given state. The “K” Record(s) must be written after the “C” Record for the related “A” Record. A file format diagram is located at the beginning of Part C.

.03 The “K” Record is a fixed length of 750 positions. The control total fields are each eighteen positions in length.

.04 In developing the “K” Record, for example, if a payer used Amount Codes 1, 3, and 6 in the “A” Record, the totals from the “B” Records coded for this state would appear in Control Totals 1, 3, and 6 of the “K” Record.

.05 There must be a separate “K” Record for each state being reported.

.06 Refer to Part A, Sec. 10, for the requirements and conditions that must be met to file through this program.

Record Name: State Totals “K” Record — Record Layout Forms 1099-DIV, 1099-G, 1099-INT, 1099-K, 1099-MISC, 1099-OID, 1099-PATR, 1099-R, and 5498

Field Position	Field Title	Length	Description and Remarks
1	Record Type	1	Required. Enter “K”.
2–9	Number of Payees	8	Required. Enter the total number of “B” Records being coded for this state. Right-justify the information and fill unused positions with zeros.
10–15	Blank	6	Enter blanks.

**Record Name: State Totals "K" Record — Record Layout Forms 1099-DIV, 1099-G, 1099-INT, 1099-K,
1099-MISC, 1099-OID, 1099-PATR, 1099-R, and 5498 (Continued)**

Field Position	Field Title	Length	Description and Remarks
16-33	Control Total 1	18	Required. Accumulate totals of any payment amount fields in the "B" Records for each state being reported into the appropriate control total fields of the appropriate "K" Record. Each payment amount must contain U.S. dollars and cents. The right-most two positions represent cents in the payment amount fields. Control totals must be right-justified and unused control total fields zero-filled. All control total fields are eighteen positions in length.
34-51	Control Total 2	18	
52-69	Control Total 3	18	
70-87	Control Total 4	18	
88-105	Control Total 5	18	
106-123	Control Total 6	18	
124-141	Control Total 7	18	
142-159	Control Total 8	18	
160-177	Control Total 9	18	
178-195	Control Total A	18	
196-213	Control Total B	18	
214-231	Control Total C	18	
232-249	Control Total D	18	
250-267	Control Total E	18	
268-285	Control Total F	18	
286-303	Control Total G	18	
304-499	Blank	196	Enter blanks.
500-507	Record Sequence Number	8	Required. Enter the number of the record as it appears within the file. The record sequence number for the "T" Record will always be "1" (one), since it is the first record on the file and the file can have only one "T" Record in a file. Each record, thereafter, must be incremental by one in ascending numerical sequence, that is, 2, 3, 4, etc. Right-justify numbers with leading zeros in the field. For example, the "T" Record sequence number would appear as "00000001" in the field, the first "A" Record would be "00000002," the first "B" Record, "00000003," the second "B" Record, "00000004" and so on until the final record of the file, the "F" Record.
508-706	Blank	199	Enter blanks.
707-724	State Income Tax Withheld Total	18	State income tax withheld total is for the convenience of filers. Aggregate totals of the state income tax withheld field in the Payee "B" Records; otherwise, enter blanks.
725-742	Local Income Tax Withheld Total	18	Local income tax withheld total is for the convenience of filers. Aggregate totals of the local income tax withheld field in the Payee "B" Records; otherwise, enter blanks.
743-746	Blank	4	Enter blanks.
747-748	Combined Federal/State Code	2	Required. Enter the code assigned to the state which is to receive the information. (Refer to Part A, Sec. 10, Table 3.)
749-750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

**State Totals “K” Record — Record Layout Forms 1099-DIV,1099-G, 1099-INT, 1099-K, 1099-MISC,
1099-OID, 1099-PATR, 1099-R, and 5498**

Record Type	Number of Payees	Blank	Control Total 1	Control Total 2	Control Total 3
1	2-9	10-15	16-33	34-51	52-69
Control Total 4	Control Total 5	Control Total 6	Control Total 7	Control Total 8	Control Total 9
70-87	88-105	106-123	124-141	142-159	160-177
Control Total A	Control Total B	Control Total C	Control Total D	Control Total E	Control Total F
178-195	196-213	214-231	232-249	250-267	268-285
Control Total G	Blank	Record Sequence Number	Blank	State Income Tax Withheld Total	Local Income Tax Withheld Total
286-303	304-499	500-507	508-706	707-724	725-742
Blank	Combined Federal/State Code	Blank or CR/LF			
743-746	747-748	749-750			

Sec. 10. End of Transmission “F” Record - General Field Descriptions and Record Layout

- .01 The End of Transmission “F” Record is a summary of the number of payers/payees in the entire file.
- .02 The “F” Record is a fixed record length of 750 positions.
- .03 This record must be written after the last “C” Record (or last “K” Record, when applicable) of the entire file.

Record Name: End of Transmission “F” Record			
Field Position	Field Title	Length	Description and Remarks
1	Record Type	1	Required. Enter “F”.
2-9	Number of “A” Records	8	Enter the total number of Payer “A” Records in the entire file. Right-justify the information and fill unused positions with zeros or enter all zeros.
10-30	Zero	21	Enter zeros.
31-49	Blank	19	Enter blanks.

Record Name: End of Transmission "F" Record (Continued)

Field Position	Field Title	Length	Description and Remarks
50-57	Total Number of Payees	8	Enter the total number of Payee "B" Records reported in the file. Right-justify the information and fill unused positions with zeros. If this total was entered in the "T" Record, this field may be blank filled.
58-499	Blank	442	Enter blanks.
500-507	Record Sequence Number	8	Required. Enter the number of the record as it appears within the file. The record sequence number for the "T" Record will always be "1" (one), since it is the first record on the file and the file can have only one "T" Record in a file. Each record, thereafter, must be incremental by one in ascending numerical sequence, that is, 2, 3, 4, etc. Right-justify numbers with leading zeros in the field. For example, the "T" Record sequence number would appear as "00000001" in the field, the first "A" Record would be "00000002," the first "B" Record, "00000003," the second "B" Record, "00000004" and so on until the final record of the file, the "F" Record.
508-748	Blank	241	Enter blanks.
749-750	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.

End of Transmission "F" Record — Record Layout

Record Type	Number of "A" Records	Zero	Blank	Total Number of Payees	Blank
1	2-9	10-30	31-49	50-57	58-499
Record Sequence Number		Blank		Blank or CR/LF	
500-507		508-748		749-750	

User Notes

Part D. Extensions of Time and Waivers

Sec. 1. General — Extensions

.01 Payers and employers can get an automatic 30-day extension of time to file by completing Form 8809, *Application for Extension of Time to File Information Returns*. In addition, a request for an extension of time can be submitted in an electronic file or online through the FIRE (Filing Information Returns Electronically) system. An extension of time to file may be requested for Forms 1042-S, 1097, 1098, 1099, 3921, 3922, 5498, 8027, W-2G, and W-2.

Note: IRS encourages the payer/transmitter community to use the online fill-in form in lieu of the paper Form 8809. A transmitter control code (TCC) is not required to use the online fill-in form option.

.02 To complete the fill-in Form 8809 online on the FIRE system, (See Part B, Sec. 7, for instructions on connecting to the FIRE system.) at the Main Menu, click "Extension of Time Request" and then click "Fill-in Extension Form." This option is only used to

request an automatic 30-day extension. Extension requests completed online through the FIRE system receive an instant response if completed properly and timely.

.03 A paper Form 8809 may be submitted to IRS at the address listed in .08 of this section. This form may be used to request an extension of time to file information returns submitted on paper or filed electronically. A separate form must be completed for each payer. Form 8809 may be computer generated or photocopied. Be sure to use the most recently updated version and include all the pertinent information.

.04 To be considered, an extension request must be postmarked, transmitted or completed online by the due date of the returns; otherwise, the request will be denied. (See Part A, Sec. 7, for due dates.) If requesting an extension of time to file several types of forms, use one Form 8809; however, Form 8809 or an extension file must be submitted no later than the earliest due date. For example, if requesting an extension of time to file both Forms 1099-INT and 5498, submit Form 8809 on or before February 28 (or March 31 if filing the returns electronically). A signature and a reason for the request are not required when requesting an automatic 30-day extension.

.05 As soon as it is apparent that a 30-day extension of time to file is needed, an extension request should be submitted. Request an extension for the current tax year only. IRS does not begin processing extension requests until January. It may take up to 30 days for IRS to respond to a paper extension request. Extensions completed online through the FIRE system receive instant results.

.06 Under certain circumstances, a request for an extension of time may be denied. When a denial letter is received, any additional or necessary information must be resubmitted within twenty days of the date of the letter.

.07 Requesting an extension of time for multiple payers or employers should be done by completing the online fill-in form or in an electronic file (see Sect. 3 for the record layout) through the FIRE system. A separate Form 8809 must be completed online for each payer when using the fill-in form option.

.08 All requests for an extension of time filed on paper Forms 8809 must be sent using the following address:

Internal Revenue Service
Information Returns Branch
Attn: Extension of Time Coordinator
240 Murall Drive, Mail Stop 4360
Kearneysville, WV 25430

Note: Due to the large volume of mail received by IRS and the time factor involved in processing Extension of Time (EOT) requests, it is imperative that the attention line be present on all envelopes or packages containing Form 8809.

.09 Requests for extensions of time to file postmarked by the United States Postal Service on or before the due date of the returns, and delivered by United States mail to IRS after the due date, are treated as timely under the “timely mailing as timely filing” rule. A similar rule applies to designated private delivery services (PDSs). Notice 97-26, 1997-17 IRB 6, provides rules for determining the date that is treated as the postmark date. For items delivered by a non-designated Private Delivery Service (PDS), the actual date of receipt by IRS will be used as the filing date. For items delivered by a designated PDS, but through a type of service not designated in Notice 2004-83, 2004-52 IRB 1030 the actual date of receipt by IRS will be used as the filing date. The timely mailing rule also applies to furnishing statements to recipients and participants.

.10 Transmitters requesting an extension of time with an electronic file will receive the file status results online. If the extension requests are denied, the transmitters will receive a denial letter accompanied by a list of payers/employers covered under that denial.

.11 If an extension request is approved, the approval notification should be kept on file. Do not send the approval notification or copy of the approval notification to IRS or to the service center where the paper returns are filed. *(An exception to this rule is: When filing Form 8027 on paper only, attach a copy of the approval letter. If an approval letter has not been received, attach a copy of the timely filed Form 8809.)*

.12 If an additional extension of time is needed, a Form 8809 and/or extension file must be sent by the initial extended due date. Check the box on the form to indicate that an additional extension is being requested. Failure to properly complete and sign Form 8809 may cause delays in processing the request or result in a denial. Carefully read and follow the Instructions for Form 8809. Be sure to include the reason an additional extension is needed. If requesting a second 30-day extension of time, submit the information return files as soon as prepared. Do not wait for the IRS response to your second extension request. Requests for an additional extension of time to file information returns are not automatically granted. Requests for additional time are granted only in cases of extreme hardship or catastrophic event. The IRS will send a letter of explanation approving or denying requests for an additional extension of time. (Refer to .11 of this Section.)

Sec. 2. Specifications for Filing Extensions of Time Electronically

.01 The specifications in Sec.3 include the required 200-byte record layout for extensions of time to file requests submitted electronically. The instructions for the information that is to be entered in the record are also included. Filers are advised to read this section in its entirety to ensure proper filing.

.02 If a filer does not have a Transmitter Control Code (TCC), Form 4419, *Application for Filing Information Returns Electronically (FIRE)*, must be submitted to obtain a TCC. This number must be used to submit extension requests in an electronic file. (See Part A, Sec. 6.)

.03 If requesting an additional extension of time, a Form 8809 must be faxed to IRB the same day as the transmission. Be sure to include a signature and the reason an additional extension is needed.

.04 Do not submit tax year 2012 extension requests filed electronically before *January 4, 2013*.

Sec. 3. Record Layout — Extension of Time

.01 Positions 6 through 188 of the following record should contain information about the payer or employer for whom the extension of time to file is being requested. Do not enter transmitter information in these fields. Only one TCC may be present in a file.

Record Layout for Extension of Time			
Field Position	Field Title	Length	Description and Remarks
1–5	Transmitter Control Code	5	Required. Enter the five-character alphanumeric Transmitter Control Code (TCC) issued by IRS. Only one TCC per file is acceptable.
6–14	Payer TIN	9	Required. Enter the valid nine-digit EIN/SSN assigned to the payer or employer. Do not enter blanks, hyphens or alpha characters. All zeros, ones, twos, etc., will have the effect of an incorrect TIN. For foreign entities that are not required to have a TIN, this field may be blank; however, the Foreign Entity Indicator in position 187 must be set to “X.”
15–54	Payer Name	40	Required. Enter the name of the payer whose TIN appears in positions 6-14. Left-justify the information and fill unused positions with blanks.
55–94	Second Payer Name	40	Required. If additional space is needed, this field may be used to continue name line information (for example, c/o First National Bank); otherwise, enter blanks.
95–134	Payer Address	40	Required. Enter the payer’s address. The street address should include the number, street, apartment, or suite number (or P.O. box if mail is not delivered to a street address)
135–174	Payer City	40	Required. Enter the payer’s city, town, or post office.
175–176	Payer State	2	Required. Enter the payer’s valid U.S. Postal Service state abbreviation. (Refer to Part A, Sec.12.)
177–185	Payer ZIP Code	9	Required. Enter the payer’s ZIP Code. If using a five-digit ZIP Code, left-justify the information and fill unused positions with blanks.

Record Layout for Extension of Time (Continued)

Field Position	Field Title	Length	Description and Remarks																
186	Document Indicator (See Note below.)	1	Required. From the table below, enter the appropriate document code that indicates the form for which an extension of time is being requested. <table border="1"> <thead> <tr> <th>Code</th> <th>Document</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>W-2</td> </tr> <tr> <td>2</td> <td>1097-BTC, 1098, 1098-C, 1098-E, 1098-T, 1099-A, 1099-B, 1099-C, 1099-CAP, 1099-DIV, 1099-G, 1099-H, 1099-INT, 1099-K, 1099-LTC, 1099-MISC, 1099-OID, 1099-PATR, 1099-Q, 1099-R, 1099-S, 1099-SA, 3921, 3922, or W-2G</td> </tr> <tr> <td>3</td> <td>5498</td> </tr> <tr> <td>4</td> <td>1042-S</td> </tr> <tr> <td>5</td> <td>8027</td> </tr> <tr> <td>6</td> <td>5498-SA</td> </tr> <tr> <td>7</td> <td>5498-ESA</td> </tr> </tbody> </table>	Code	Document	1	W-2	2	1097-BTC, 1098, 1098-C, 1098-E, 1098-T, 1099-A, 1099-B, 1099-C, 1099-CAP, 1099-DIV, 1099-G, 1099-H, 1099-INT, 1099-K, 1099-LTC, 1099-MISC, 1099-OID, 1099-PATR, 1099-Q, 1099-R, 1099-S, 1099-SA, 3921, 3922, or W-2G	3	5498	4	1042-S	5	8027	6	5498-SA	7	5498-ESA
Code	Document																		
1	W-2																		
2	1097-BTC, 1098, 1098-C, 1098-E, 1098-T, 1099-A, 1099-B, 1099-C, 1099-CAP, 1099-DIV, 1099-G, 1099-H, 1099-INT, 1099-K, 1099-LTC, 1099-MISC, 1099-OID, 1099-PATR, 1099-Q, 1099-R, 1099-S, 1099-SA, 3921, 3922, or W-2G																		
3	5498																		
4	1042-S																		
5	8027																		
6	5498-SA																		
7	5498-ESA																		
187	Foreign Entity Indicator	1	Enter "X" if the payer is a foreign entity.																
188	Recipient Request Indicator (See Note below.)	1	Enter "X" if the extension request is to furnish statements to the recipients of the information return.																
Note: A separate file is required for this type of extension request. A file must either contain all blanks or all X's in this field.																			
189-198	Blank	10	Enter blanks.																
199-200	Blank	2	Enter blanks or carriage return/line feed (CR/LF) characters.																

Extension of Time Record Layout

Transmitter Control Code	Payer TIN	Payer Name	Second Payer Name	Payer Address	Payer City
1-5	6-14	15-54	55-94	95-134	135-174

Payer State	Payer ZIP Code	Document Indicator	Foreign Entity Indicator	Recipient Request Indicator	Blank
175-176	177-185	186	187	188	189-198

Blank or CR/LF
199-200

Sec. 4. Extension of Time for Recipient Copies of Information Returns

.01 Request an extension of time to furnish the statements to recipients of Forms 1097, 1098 series, 1099 series, 3921, 3922, 5498 series, W-2G, W-2 series, and 1042-S by submitting a letter to IRS at the address listed in Part D, Sec.1.08. The letter should contain the following information:

- (a) Payer or employer name
- (b) TIN
- (c) Address
- (d) Type of return
- (e) Specify that the extension request is to provide statements to recipients
- (f) Reason for the delay
- (g) Signature of payer or duly authorized person

.02 Requests for an extension of time to furnish statements to recipients of Forms 1097, 1098 series, 1099 series, 3921, 3922, 5498 series, W-2G, W-2 series, and 1042-S are not automatically approved. If approved, an extension will allow a maximum of 30 days from the due date. The request must be postmarked no later than the date the statements are due to the recipients.

.03 Generally, only the payer may sign the letter requesting the extension for recipient copies. If a transmitter has a contractual agreement with a payer to submit extension requests on the payer's behalf, the transmitter should state so in the letter requesting the extension.

.04 Requests for extensions of time to file recipient copies for more than ten payers are required to be submitted electronically. (See Sec. 3, for the record layout.) When requesting extensions of time for recipient copies, a signed letter must be faxed to IRB by the transmitter the same day as the transmission. Be sure to include the reason an extension for the recipient copies is needed.

.05 Transmitters submitting an extension of time for recipient copies with an electronic file should not submit a list of payer/employer names and TINs with the letter since this information is included in the electronic file.

.06 The online fill-in Form 8809 extension option cannot be used to request an extension to furnish statements to recipients.

Sec. 5. Form 8508, Request for Waiver From Filing Information Returns Electronically

.01 If a payer is required to file electronically but fails to do so and does not have an approved waiver on record, the payer will be subject to a penalty of \$100 per return in excess of 250. (For penalty information, refer to the Penalty Section of the *2012 General Instructions for Certain Information Returns*.)

.02 If payers are required to file original or corrected returns electronically, but such filing would create an undue hardship, they may request a waiver from these filing requirements by submitting Form 8508, *Request for Waiver from Filing Information Returns Electronically*, to IRS. Form 8508 can be obtained on the IRS website at IRS.gov or by calling 1-800-829-3676.

.03 Although a payer may submit as many as 249 returns on paper, IRS encourages electronic filing. Once the 250 threshold has been met, filers are required to submit any returns in excess of 250 electronically. If a waiver for original documents is approved, any corrections for the same type of returns will be covered under that waiver.

.04 Generally, only the payer may sign Form 8508. A transmitter may sign if given power-of-attorney; however, a letter signed by the payer stating this fact must be attached to Form 8508.

.05 A transmitter must submit a separate Form 8508 for each payer. Do not submit a list of payers.

.06 All information requested on Form 8508 must be provided to IRS for the request to be processed.

.07 The waiver, if approved, will provide exemption from the electronic filing requirement for the current tax year only. Payers may not apply for a waiver for more than one tax year at a time.

.08 Form 8508 may be photocopied or computer-generated as long as it contains all the information requested on the original form.

.09 Filers are encouraged to submit Form 8508 to IRS at least 45 days before the due date of the returns. IRS does not process waiver requests until January. Waiver requests received prior to January are processed on a first come, first serve basis.

.10 All waiver requests must be sent to the following address:

Internal Revenue Service
Information Reporting Program
Attn: Extension of Time Coordinator
240 Murall Drive, Mail Stop 4360
Kearneysville, WV 25430

.11 File Form 8508 for the W-2 series of forms with IRS, not SSA.

.12 Waivers are evaluated on a case by case basis and are approved or denied based on criteria set forth in the regulations under section 6011(e) of the Internal Revenue Code. The transmitter must allow a minimum of 30 days for IRS to respond to a waiver request.

.13 If a waiver request is approved, keep the approval letter on file. Do not send a copy of the approved waiver to the service center where the paper returns are filed.

.14 An approved waiver only applies to the requirement for filing information returns electronically. The payer must still timely file information returns with the appropriate service center on the official IRS paper forms or an acceptable substitute form.

26 CFR 601.702: Publication and public inspection.
(Also: Part I, Section 6110, 301.6110-1.)

Rev. Proc. 2012-31

SECTION 1. PURPOSE

The purpose of this revenue procedure is to update Rev. Proc. 95-15, 1995-1 C.B. 523, and to revise the fee prescribed under the authority of section 6110(k) of the Internal Revenue Code (Code) for processing requests for a background file document, including the costs for searching for the document, duplication and making redactions, relating to a written determination issued by the National Office of the Internal Revenue Service (National Office).

SECTION 2. BACKGROUND

The National Office issues written determinations to taxpayers and other offices in the Internal Revenue Service (Service). See I.R.C. § 6110(a), (i); Rev. Proc. 2012-1, 2012-1 I.R.B. 1; Rev. Proc. 2012-2, 2012-1 I.R.B. 92. Written determinations include letter rulings, determination letters, technical advice memorandums, and Chief Counsel advice. I.R.C. § 6110(b)(1).

A letter ruling interprets the tax laws and applies the laws to a taxpayer's specific set of facts. A letter ruling is issued to a taxpayer by an Associate Office in response to the taxpayer's written inquiry about the taxpayer's status for tax purposes or the tax effect of its acts or transactions. The request must be filed with the Service prior to the taxpayer filing any returns or reports required by the Code. See Rev. Proc. 2012-1.

A determination letter is a written determination issued by a Director, as that term is defined in Revenue Procedure 2012-1 or any successor revenue procedure, that applies principles and precedent previously announced by the Service to a specific set of facts when a determination can be made based on rules clearly established in a statute, tax treaty, regulations, revenue

ruling, or opinion or court decision. See Rev. Proc. 2012-1.

A technical advice memorandum is issued by an Associate Office responding to a request made for assistance on a technical or procedural question that develops during any proceeding before the Service. See Rev. Proc. 2012-2.

Chief Counsel advice is defined in section 6110(i)(1)(A) as written advice or instructions prepared by the National Office that is issued to a non-National Office function and conveys a legal interpretation of, a position or policy concerning, or a legal interpretation relating to the assessment or collection of a liability under a revenue provision.

A background file document includes the request for the written determination and any material submitted in support of the request. It also includes any communication between the Service and persons outside the Service in connection with the written determination. It does not include communications between the Service and the Department of Justice relating to a pending criminal or civil investigation. I.R.C. § 6110(b)(2).

Section 6110(a) provides that, generally, the text of any written determination and background file document related to that written determination shall be open for public inspection, subject to the deletions required by sections 6110(c) and 6110(i)(3). Upon receipt of a request for a background file document related to a written determination, section 6110(f)(1) provides that the Service must mail a notice of intent to disclose to the individual to whom the written determination pertains. Pursuant to section 6110(g)(1), the Service must make the background file document available no earlier than 75 days, but no later than 90 days, after mailing the notice of intent to disclose.

Section 6110(k)(1) authorizes the Secretary to assess actual costs for duplication of any background file document, searching, and making deletions required under subsection 6110(c)(1) or (i)(3).

SECTION 3. SCOPE

This revenue procedure applies to requests for background file documents pertaining to any written determination issued by the National Office.

SECTION 4. PROCEDURE

.01 Requests. Requests for a background file document must be in writing and must include the file number of the written determination for which the background file is being requested. The request should specify whether it is for all the documents in the file or only a specific document. For example, a requester may request only the trust agreement (or the will, partnership agreement, plan of reorganization, etc.) that was the subject of the written determination. See Section 4.07 of this revenue procedure for a sample of a request letter for background file documents pursuant to section 6110.

.02 Release or File Numbers. To request a background file document for a specific written determination, include the release number or file number of the written determination. Section 6110 written determinations are indexed by Internal Revenue Code sections. If requesting background file documents for written determinations under a specific Code section, obtain the release or file numbers for the written determinations from the list of published IRS Written Determinations in the Electronic Reading Room on *irs.gov* or at the National Office Reading Room, Room 1621, IRS Building, 11th Street and Pennsylvania Avenue, N.W., Washington, DC 20224. The Reading Room is open from 9:00 a.m. to 4:00 p.m., Monday through Friday, and the telephone number is (202) 622-5164 (not a toll-free call).

.03 Fees. Requests for background file documents should contain the requester's agreement to pay the Service a fee for searching for the file, making deletions, and making copies. The request should state the maximum amount of charges the Service may incur without further authorization from the person making the request. If the request does not contain a

stated maximum amount or the fees will exceed the stated maximum amount, the Service will forward to the requester a payment agreement with the estimated cost for processing the request. The payment agreement must be signed and returned to the Service before the Service will begin processing the file.

The fee for processing a request for background file documents is \$100 per hour. This fee covers all costs associated with processing the request, including the costs to search for, make deletions to, and copies of the background file documents.

.04 Mailing Address. Requests for background file documents should be mailed to:

Chief, Disclosure & Litigation
Support Branch
Internal Revenue Service
Attn: CC:PA:LPD:DLS
P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

.05 Payment of Fees. The Service must receive payment of the background file processing fee before the documents will be released to the requester. The person making the request will be notified by letter of the total cost of processing the documents.

.06 Release Date. Generally, the requester will receive a background file doc-

ument between 90 and 120 days after the Service receives the request for the document. This provides the Service time to notify the person to whom the document pertains of its intention to disclose the document. If the document has previously been requested and processed, however, the documents may be available within two weeks after the Service receives the request.

.07 Sample Request. The following is a sample of a letter requesting background file documents pursuant to section 6110:

Internal Revenue Service
Attn: Chief, Disclosure & Litigation
Support Branch
CC:PA:LPD:DLS
P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

[Date]

Dear Sir or Madam:

This is a request under section 6110 of the Code for the background file documents relating to [type of written determination], [file number].

(Option) I am requesting a copy of all of the documents in the file.

(Option) I am requesting only a copy of [specific type of document(s) requesting].

I am willing to pay fees for this request up to a maximum of \$[amount willing to pay]. If you estimate that the fees will exceed this limit, please inform me before processing the documents. I understand that I will be notified of the final fee amount before the documents are scheduled for release and that payment must be made before the documents are released to me.

Sincerely,

[Name]

[Address]

[City, State Zip Code]

[Telephone Number]

SECTION 5. EFFECT ON OTHER DOCUMENTS (when applicable)

Rev. Proc. 95-15, 1995-1 C.B. 523; Announcement 83-196, 1983-52 I.R.B. 24; Announcement 85-141, 1985-39 I.R.B. 118, are superseded.

SECTION 6. INQUIRIES

Inquiries regarding this procedure should be directed to Chief, Disclosure & Litigation Support Branch, Internal Revenue Service, CC:PA:LPD:DLS, P.O. Box

7604, Ben Franklin Station, Washington, D.C. 20044.

SECTION 7. EFFECTIVE DATE

This revenue procedure is effective for requests received after September 30, 2012.

SECTION 8. DRAFTING INFORMATION

The principal author of this revenue procedure is Emily M. Lesniak of

the Office of Associate Chief Counsel (Procedure and Administration). For further information regarding this revenue procedure, contact Emily M. Lesniak at 202-622-4940 (not a toll-free call).

Definition of Terms

Revenue rulings and revenue procedures (hereinafter referred to as “rulings”) that have an effect on previous rulings use the following defined terms to describe the effect:

Amplified describes a situation where no change is being made in a prior published position, but the prior position is being extended to apply to a variation of the fact situation set forth therein. Thus, if an earlier ruling held that a principle applied to A, and the new ruling holds that the same principle also applies to B, the earlier ruling is amplified. (Compare with *modified*, below).

Clarified is used in those instances where the language in a prior ruling is being made clear because the language has caused, or may cause, some confusion. It is not used where a position in a prior ruling is being changed.

Distinguished describes a situation where a ruling mentions a previously published ruling and points out an essential difference between them.

Modified is used where the substance of a previously published position is being changed. Thus, if a prior ruling held that a principle applied to A but not to B, and the new ruling holds that it applies to both A

and B, the prior ruling is modified because it corrects a published position. (Compare with *amplified* and *clarified*, above).

Obsoleted describes a previously published ruling that is not considered determinative with respect to future transactions. This term is most commonly used in a ruling that lists previously published rulings that are obsoleted because of changes in laws or regulations. A ruling may also be obsoleted because the substance has been included in regulations subsequently adopted.

Revoked describes situations where the position in the previously published ruling is not correct and the correct position is being stated in a new ruling.

Superseded describes a situation where the new ruling does nothing more than restate the substance and situation of a previously published ruling (or rulings). Thus, the term is used to republish under the 1986 Code and regulations the same position published under the 1939 Code and regulations. The term is also used when it is desired to republish in a single ruling a series of situations, names, etc., that were previously published over a period of time in separate rulings. If the new ruling does more than restate the substance

of a prior ruling, a combination of terms is used. For example, *modified* and *superseded* describes a situation where the substance of a previously published ruling is being changed in part and is continued without change in part and it is desired to restate the valid portion of the previously published ruling in a new ruling that is self contained. In this case, the previously published ruling is first modified and then, as modified, is superseded.

Supplemented is used in situations in which a list, such as a list of the names of countries, is published in a ruling and that list is expanded by adding further names in subsequent rulings. After the original ruling has been supplemented several times, a new ruling may be published that includes the list in the original ruling and the additions, and supersedes all prior rulings in the series.

Suspended is used in rare situations to show that the previous published rulings will not be applied pending some future action such as the issuance of new or amended regulations, the outcome of cases in litigation, or the outcome of a Service study.

Abbreviations

The following abbreviations in current use and formerly used will appear in material published in the Bulletin.

A—Individual.
Acq.—Acquiescence.
B—Individual.
BE—Beneficiary.
BK—Bank.
B.T.A.—Board of Tax Appeals.
C—Individual.
C.B.—Cumulative Bulletin.
CFR—Code of Federal Regulations.
CI—City.
COOP—Cooperative.
Ct.D.—Court Decision.
CY—County.
D—Decedent.
DC—Dummy Corporation.
DE—Donee.
Del. Order—Delegation Order.
DISC—Domestic International Sales Corporation.
DR—Donor.
E—Estate.
EE—Employee.
E.O.—Executive Order.

ER—Employer.
ERISA—Employee Retirement Income Security Act.
EX—Executor.
F—Fiduciary.
FC—Foreign Country.
FICA—Federal Insurance Contributions Act.
FISC—Foreign International Sales Company.
FPH—Foreign Personal Holding Company.
F.R.—Federal Register.
FUTA—Federal Unemployment Tax Act.
FX—Foreign corporation.
G.C.M.—Chief Counsel’s Memorandum.
GE—Grantee.
GP—General Partner.
GR—Grantor.
IC—Insurance Company.
I.R.B.—Internal Revenue Bulletin.
LE—Lessee.
LP—Limited Partner.
LR—Lessor.
M—Minor.
Nonacq.—Nonacquiescence.
O—Organization.
P—Parent Corporation.
PHC—Personal Holding Company.
PO—Possession of the U.S.
PR—Partner.

PRS—Partnership.
PTE—Prohibited Transaction Exemption.
Pub. L.—Public Law.
REIT—Real Estate Investment Trust.
Rev. Proc.—Revenue Procedure.
Rev. Rul.—Revenue Ruling.
S—Subsidiary.
S.P.R.—Statement of Procedural Rules.
Stat.—Statutes at Large.
T—Target Corporation.
T.C.—Tax Court.
T.D.—Treasury Decision.
TFE—Transferee.
TFR—Transferor.
T.I.R.—Technical Information Release.
TP—Taxpayer.
TR—Trust.
TT—Trustee.
U.S.C.—United States Code.
X—Corporation.
Y—Corporation.
Z—Corporation.

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¹ A cumulative list of all revenue rulings, revenue procedures, Treasury decisions, etc., published in Internal Revenue Bulletins 2012–1 through 2012–26 is in Internal Revenue Bulletin 2012–26, dated June 25, 2012.

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¹ A cumulative list of current actions on previously published items in Internal Revenue Bulletins 2012–1 through 2012–26 is in Internal Revenue Bulletin 2012–26, dated June 25, 2012.

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