

Changes to 1099 Forms for 2020: Instructions on Account Mapping in QuickBooks Desktop and Online

The IRS has added an additional form to be used when filing 1099s for 2020 – Form 1099-NEC. The amount that used to be input in Box 7 Nonemployee Compensation on Form 1099-MISC is now reported on Box 1 Nonemployee Compensation on Form 1099-NEC. As a result, the account mapping in your QuickBooks file will need to be updated for the 1099 reports to be correct.

Note: the accounts shown are for example only – your accounts may differ in number and/or name.

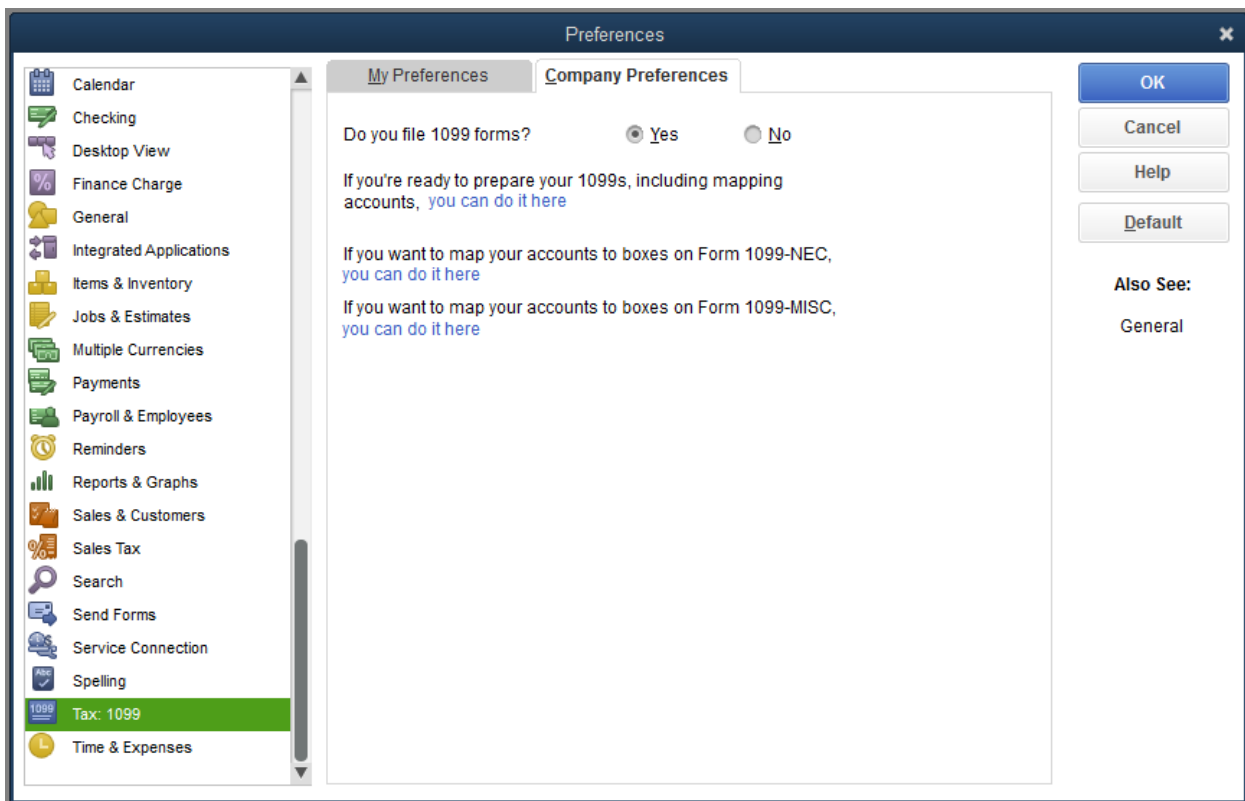
QUICKBOOKS DESKTOP

Go to Edit menu – choose Preferences

Click on Tax: 1099 in the left column

Choose the Company Preferences tab

Click “[you can do it here](#)” on the line for Form 1099-NEC and Form 1099-MISC to map accounts.



For Form 1099-NEC, the accounts that were previously assigned to Box 7 Nonemployee Compensation need to now be assigned to NEC Box 1: Nonemployee Compensation.

Print/e-file 1099 forms
✕

Map vendor payment accounts

You used these QuickBooks accounts to track payments to your 1099 vendors. Now, tell us where the amounts paid from each account should appear on **Form 1099-NEC.**

1 Select Vendors
2 Verify Vendors
3 Map Accounts
4 Review Payments
5 Confirm Entries
6 Choose Filing

Things to know

- You can map an account to only one of the 1099 forms. If you have an account with payments that are applicable to both the forms, it's recommended that you create separate accounts for payments made specific to each of these forms. [Read to know more](#)
- If an account is mapped to a filed form, it's recommended that you don't make any changes as it may result in double filing.

Report all payments in Box 1

[Need more information?](#)

Accounts used for 1099	Account type	Apply payments to this 1099 box
6090 · Yard & Building Maintenance	Expense	NEC Box 1: Nonemployee Compensation
6080 · Shop Supplies	Expense	Omit these payments from 1099
6600 · Machine Hired	Expense	NEC Box 1: Nonemployee Compensation
6590 · Insurance	Expense	Omit these payments from 1099
6630 · Meetings & Conventions	Expense	Omit these payments from 1099
6800 · Tiling Repair	Expense	NEC Box 1: Nonemployee Compensation
6660 · Miscellaneous Expense	Expense	Omit these payments from 1099
6577 · Professional Fees	Expense	NEC Box 1: Nonemployee Compensation
6510 · Truck Expense	Expense	Omit these payments from 1099
6500 · Equipment Maintenance	Expense	NEC Box 1: Nonemployee Compensation
6520 · Fuel Grease Oil	Expense	Omit these payments from 1099
6570 · Electricity	Expense	Omit these payments from 1099

Show IRS 1099-NEC filing thresholds

Save & Close

For Form 1099-MISC, the applicable accounts other than those used for Nonemployee Compensation need to now be assigned. The most common is MISC Box 1: Rent.

Print/e-file 1099 forms

Map vendor payment accounts

You used these QuickBooks accounts to track payments to your 1099 vendors. Now, tell us where the amounts paid from each account should appear on **Form 1099-MISC**.

1 Select Vendors 2 Verify Vendors 3 Map Accounts 4 Review Payments 5 Confirm Entries 6 Choose Filing

Show 1099 accounts

Things to know

- You can map an account to only one of the 1099 forms. If you have an account with payments that are applicable to both the forms, it's recommended that you create separate accounts for payments made specific to each of these forms. [Read to know more](#)
- If an account is mapped to a filed form, it's recommended that you don't make any changes as it may result in double filing.

Accounts used for 1099	Account type	Apply payments to this 1099 box
6150 · Cash Rent	Expense	MISC Box 1: Rent
6105 · Other Interest Expense	Expense	Omit these payments from 1099
6630 · Meetings & Conventions	Expense	Omit these payments from 1099
6590 · Insurance	Expense	Omit these payments from 1099
3020 · Distributions : 3025 [REDACTED]	Equity	Omit these payments from 1099
6660 · Miscellaneous Expense	Expense	Omit these payments from 1099
6550 · Meals/Hired Help	Expense	Omit these payments from 1099
6520 · Fuel Grease Oil	Expense	Omit these payments from 1099
6570 · Electricity	Expense	Omit these payments from 1099
3020 · Distributions : 3040 [REDACTED]	Equity	Omit these payments from 1099
6800 · Tiling Repair	Expense	NEC Box 1: Nonemployee Compensa
6577 · Professional Fees	Expense	NEC Box 1: Nonemployee Compensa

Show IRS 1099-MISC filing thresholds

Need more information?

Save & Close

Run a 1099 Summary report to verify all the needed changes have been made. You will need to toggle between 1099 types to view each report.

1099 Summary

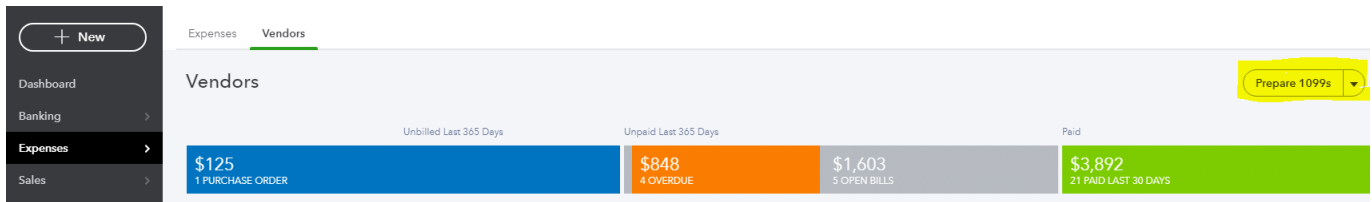
Customize Report Comment on Report Share Template Memorize Print E-mail Excel Hide Header Refresh

Dates Custom From 01/01/2020 To 12/31/2020

1099 Options Only 1099 vendors Only 1099 accounts Use thresholds **MISC**

QUICKBOOKS ONLINE

Go to the Vendors screen and choose Prepare 1099s.



Expenses Vendors

Vendors

Prepare 1099s

Unbilled Last 365 Days

Unpaid Last 365 Days

Paid

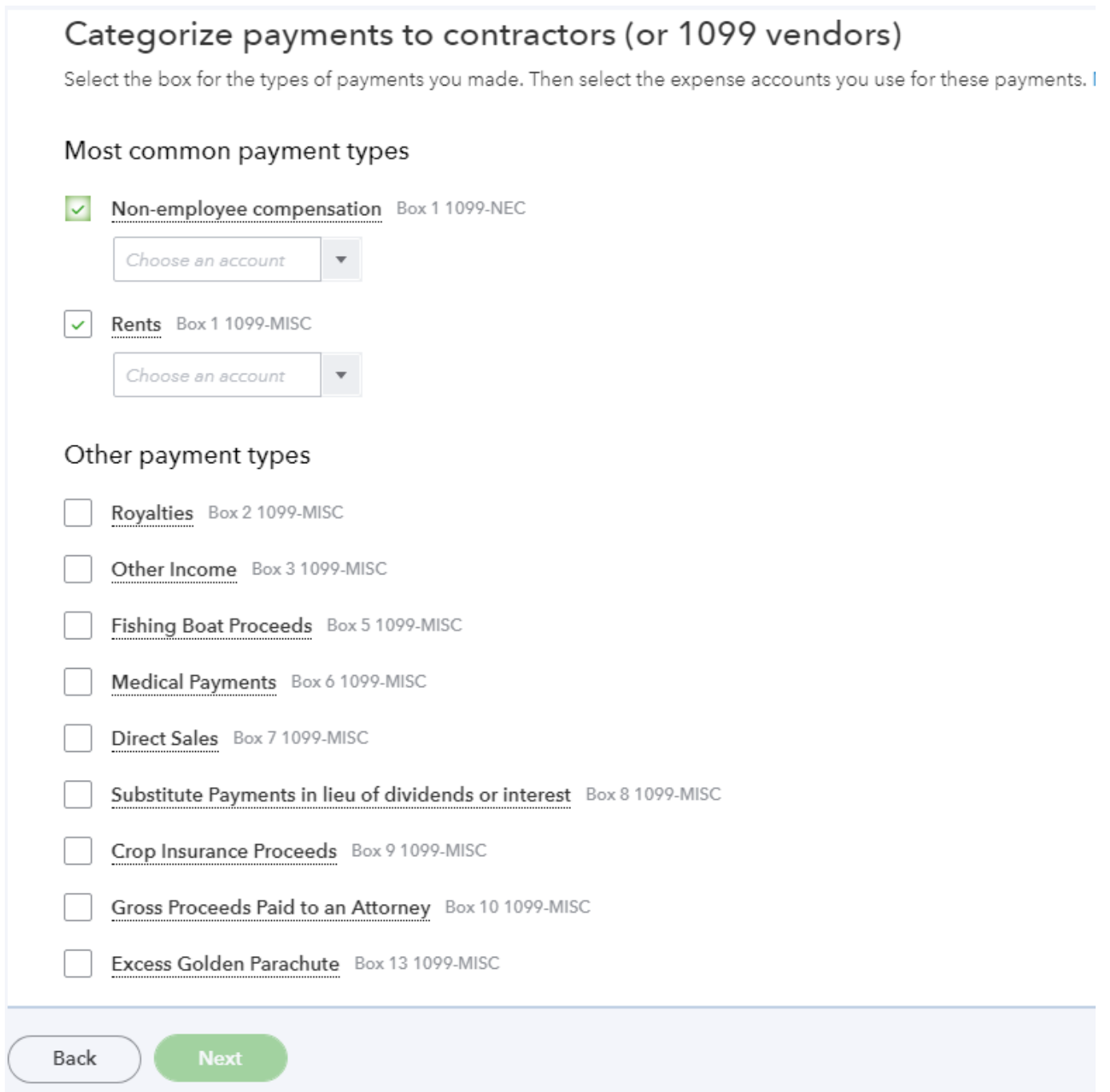
\$125
1 PURCHASE ORDER

\$848
4 OVERDUE

\$1,603
5 OPEN BILLS

\$3,892
21 PAID LAST 30 DAYS

Mapping the accounts can be done in the dropdowns provided under each category.



Categorize payments to contractors (or 1099 vendors)

Select the box for the types of payments you made. Then select the expense accounts you use for these payments. |

Most common payment types

Non-employee compensation Box 1 1099-NEC
Choose an account

Rents Box 1 1099-MISC
Choose an account

Other payment types

Royalties Box 2 1099-MISC

Other Income Box 3 1099-MISC

Fishing Boat Proceeds Box 5 1099-MISC

Medical Payments Box 6 1099-MISC

Direct Sales Box 7 1099-MISC

Substitute Payments in lieu of dividends or interest Box 8 1099-MISC

Crop Insurance Proceeds Box 9 1099-MISC

Gross Proceeds Paid to an Attorney Box 10 1099-MISC

Excess Golden Parachute Box 13 1099-MISC

Back Next

The steps on the screens that follow will allow you to review the information to make sure everything is included. You can save and close the 1099 Wizard at any time to make any changes needed in the Vendor or Chart of Account area(s).

See all QuickBooks Tips [here](#).

Questions on the new Form 1099-NEC form or account mapping in QuickBooks? Visit with one of our [experts](#) by calling [\(888\) 388-1040](tel:8883881040).