

Federal Form 1099

Notice #14-01

Income Tax

March 2014



Highlights

- Corporations should no longer send Federal Form 1099-DIV to the Department.
- Batched state copies of any federal forms sent by payers or employers will be securely destroyed upon receipt.
- The Department of Revenue will specifically ask for any additional information needed.

INTRODUCTION

This notice reminds taxpayers that corporations do not need to send Federal Form 1099-DIV to the Department due to a change in the law. It also discusses the electronic filing requirement for the individual income tax.

DISCUSSION

Until 2010, state law required corporations to send the Department a list of shareholders receiving dividends each year for Tennessee individual income tax purposes. Taxpayers typically met this requirement by sending a Federal Form 1099-DIV for each shareholder to the Department.

However, because this requirement was removed from the law in 2010, sending in copies of Form 1099-DIV is no longer necessary. (See 2010 Pub. Ch. 1134, § 46, effective June 30, 2010 (repealing Tenn. Code Ann. § 67-2-106)). In fact, all Federal Forms 1099-DIV sent to the Department will be securely destroyed upon receipt.

In addition, employers and other payers often submit the state copies of federal forms W-2, 1099-INT and 1099-MISC to the Department. The Department does not require copies of these forms. These will also be securely destroyed upon receipt.

ELECTRONIC FILING

Effective January 1, 2014, all Tennessee individual income tax returns prepared using a software vendor certified by the Department must be filed and paid electronically. The electronic filing requirement does not apply to entities with federal EINs (FEINs), such as trusts, estates, and other fiduciary tax returns. Returns may also be electronically filed through the Department's website under "Online Services" (<http://www.tn.gov/revenue/onlinefiling/filereturn.shtml>).

Attachments cannot be included with individual income tax returns that are filed electronically.

Returns not prepared using one of the certified software vendors may be filed using the paper Form INC250, available on the Department's website at <http://tn.gov/revenue/forms/indinc/inc250.pdf>.

References:

T.C.A. § 67-2-106
2010 Pub. Ch. 1134, §
46

FILING OTHER DOCUMENTS

Penalty waiver requests, refund claims, report of debts forms or documents requested as part of an audit should be submitted separately from tax returns. These can be mailed directly to the Audit Division at P.O. Box 190644, Nashville, TN 37219-0644. Mailing these documents separately means they will get to the correct personnel faster.

The information provided here is current as of the date of publication but may change as a result of new statutes, regulations, or court decisions. While this notice is intended to be comprehensive, events and situations unanticipated by this notice may occur. In such cases you should contact the department or your tax professional for further guidance.