



Forms 1099-MISC and 1099-NEC State ID Requirements

Prepared by the [KPMG Information Reporting & Withholding Services](#) (IRW) practice

December 20, 2021 | Information return filing deadlines for the 2021 tax year are quickly approaching and state filing requirements are evolving. This notice outlines requirements to include state identification numbers when submitting Forms 1099-MISC and 1099-NEC. Payors often register for, and receive, these numbers when direct reporting, but may misunderstand the requirement when filing through the Combined Federal/State Filing (CF/SF) Program.

When the IRS forwards Forms 1099 to states through the CF/SF Program, state tax authorities often use state identification codes to match the forms to payors registered in the state's system. Publication 1220 (found [here](#)) lays out the general e-filing specifications for information returns, noting that taxpayers should include state specific information, such as the state income tax withheld, local income tax withheld, and the combined federal/state code. However, Publication 1220 does not cover a key input which is required for many states, state specific IDs. Looking specifically at the Payee "B" record layout positions for Form 1099-MISC, Publication 1220 includes the following description for Fields 663-722: *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. Issuers should contact the state or local revenue departments for filing requirements. If this field is not used, enter blanks.*

Based on the above description, it is not entirely clear whether each state requires this field position to be filled out, or what information needs to be included. Looking to state guidance often doesn't make the issue much easier, as states issue a wide range of identification codes that may be required for unrelated filing purposes. For example, a state may issue a business registration number, a tax registration number, and a withholding tax account number, and yet still not require the Form 1099-MISC fields to be filled out. Complicating matters slightly, the corresponding field position for Form 1099-NEC in the current Publication 1220 instructs taxpayers to enter blanks. This appears to be an error; KPMG has contacted the IRS and will monitor for updates.

Many states follow Publication 1220 filing specifications with minor modifications per specific state requirements. For instance, Vermont requires Payee Record "B" to include the Vermont Withholding Account Number in position 663-722. Similarly, Idaho requires filers to enter their 9-digit Idaho Withholding Account Number in the Payee B record position 663-772. In many cases, state issued guidance instructs users which state ID is required and how to obtain it. In some cases, states warn filers that forms missing state IDs may cause filing issues to occur. For example, Maryland warns taxpayers that failure

to include the Central Registration Number (CRN) will either delay the processing time or will be cause for the file to be rejected. Thus, taxpayers should ensure that their filing processes are up to date to avoid potential processing errors, which could lead to state filing penalties.

KPMG has analyzed current state guidance and provided the table below, containing state ID requirements for those states which currently require Forms 1099-MISC and 1099-NEC.* Note that states are continually issuing new guidance for state updates. KPMG recommends that you reach out to our IRW tax professionals regarding the latest status for state reporting.

*Form 1099-NEC was recently added to the CF/SF Program. Many states have not yet updated their guidance to note whether the form will be accepted through the CF/SF Program. KPMG will continue to monitor for updates and issue an alert in January.

State	State ID Required	Notes	Registration
Alabama	Alabama Withholding Tax Account Number	Only required if withholding	Here
Arkansas	Arkansas ID number	Only required if withholding	Here
California	Not required		
Colorado	1099 Withholding Account	Only required if withholding	Here
Connecticut	Connecticut Tax Registration Number		Here
Delaware	Use federal EIN		
District of Columbia	MyTax.DC.gov Login Required	Direct filing only, requires site login	Here
Georgia	Georgia Withholding Number	Only required if withholding	Here
Hawaii	Not required		
Idaho	Idaho Withholding Account Number		Here
Iowa	Iowa Withholding Permit Number	Input 0's if no withholding and no permit	Here
Kansas	Kansas Withholding Tax Account Number		Here
Kentucky	Kentucky Withholding Tax Account Number	Only required if withholding	Here
Louisiana	LDR Account Number	Only required if withholding	Here

State	State ID Required	Notes	Registration
Maine	Maine Withholding Account Number	Only required if withholding	Here
Maryland	Maryland Central Registration Number (CRN)		Here
Massachusetts	MassTaxConnect registration required	Direct reporting is required for Form 1099s	Here
Michigan	Not required		
Minnesota	Minnesota Tax ID Number	Only required if withholding	Here
Mississippi	Mississippi Withholding Tax Account Number	Only required if withholding	Here
Missouri	Not required		
Montana	Not required	Direct reporting is required	Here
Nebraska	Nebraska Number		Here
New Jersey	New Jersey Corporate Identification Number	Only required if withholding	Here
New Mexico	New Mexico Business Tax Identification Number	Only required if withholding	Here
North Carolina	NC Withholding ID Number		Here
North Dakota	Use federal EIN	Add -01 to the end of the federal EIN	
Ohio	Not required		
Oklahoma	Oklahoma Withholding Account ID		Here
Oregon	Not required	Direct reporting requires registration on iWire	Here
Pennsylvania	PA Employer Account ID	Additional information required for filers without an ID	Here
Rhode Island	Not required		
South Carolina	SC Withholding File Number		Here
Utah	Utah withholding account ID	Only required if withholding	Here

State	State ID Required	Notes	Registration
Virginia	Not required	Withholding requires portal registration	Here
West Virginia	Not required	Withholding requires portal registration	Here
Wisconsin	Wisconsin Withholding Tax Number	If not required to withhold and never held an ID, enter 03688888888801	Here

For more information, please contact:

Kelli Wooten

Managing Director, IRW

+1 404-739-5888

kwooten@kpmg.com

Martin Mueller

Senior Manager, IRW

+1 303-295-8848

martinmueller@kpmg.com

read.kpmg.us/irw

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