DisplaySoft™

1099-S IRS Reporting

Real Estate
Software User’s Guide
Getting Started
Create an account and apply on-line for a Transmitter Control Code at https://Fire.IRS.Gov
Transmitter

Click the “Transmitter” button to access the settlement agent information. Enter the TCC Transmitter Control Code here.

**Company Name:** The company name is the settlement agent on the closing statement. Contact Display Systems, Inc. to revise your agent information.

**Contact Name:** Type the name of the person transmitting the information. This person may be the company owner or an employee.

**Contact Email:** Enter the email address to be used by the IRS to communicate with your office.

**Transmitter Control Code (TCC):** Enter the TCC/ The closing agent must apply one time to the IRS for a transmitter control code based on your company’s EIN.

- Create an account on their page, supplying your agent information.
- Use the fill-in Form 4419 to electronically apply for a transmitter control code.
Close It has a 1099-S Copy B in “paper form” available to give the seller at closing.

Use the <1099 program located on the quick menu bar to prepare seller information for electronic IRS 1099-S Reporting, then print instead of using Close It to gain the most effective and accurate information gathering results each year. Verify the IRS has issued a Transmitter Control Code (TCC) to your company or apply to the IRS using their Form 4419 Application prior to sending your information returns.
The 1099-S R/P (real property) Tax Reimbursement amount occurs when certain property taxes are prorated “paid in advance” as a credit to the buyer on the closing statement.
IRS 1099-S Reporting

Open and Close the 1099-S menu using the <expanders>

• There is an IRS tax requirement to furnish this settlement information to the seller before Jan 31st. Print or PDF the Substitute Form twice; one for the seller and a copy for the office file, then you will not have to mail one to the sellers at the end of the year. Use “<1099” “This File” for each purchase settlement to be reported. Recording the transaction at closing provides the best results at the end of each year. Print the 1099-S and provide a copy to the seller at closing.
AVAILABLE FEATURES

OPEN: <1099
Click “<1099” to expand the menu for the 1099-S IRS Reporting program and use its features.

“This File”: At closing. Search.
• Click to review the active file’s 1099-S reporting information.
• Access all files in a list
• Search for a file

DATABASE: Prepare annual report
• Review all files in a grid
• Delete a record
• Print/PDF 1099-S
• Sort files
• Generate report
• Generate the electronic file

EXIT: >
• Click the > to collapse the 1099 features.
Click “This File” to open the 1099-S data entry window for review. The data entry fields auto-populate from the closing statement. Clicking “Finalize” or “Save” saves any revisions to the information and exit, saving.
Click into data fields and type. Use the TAB key or click to move to the next place. Red text indicates where required information is missing. Space is limited, determined by the IRS in their model book for software development.

**Transferor (seller)**

**Name:**
- For married couples, use “Name 1” and “Name 2” as if they were one person and one SSN. For longer names, use both “Name 1” and “Name 2” to complete the long name, i.e., trust and estate names.
- The “Add” feature will create another record for the active file. Use this feature when there are multiple and non-married sellers to separate the 1099-S seller names when the sellers are friends, cousins, parent/child, brother/sister or other non-marital relationship.
- “Transferor is foreign” is a check box selected when applicable to foreign sellers.

**Address: One Address per household.**
- Use the “address” for the transferor’s street address. Abbreviate when necessary. The “City,” “State” and “Zip code” are separated from the street address.
- Select the “Transferor’s address is foreign” when applicable to change the data entry style by removing “city” and “state” for accommodation.
**Transferor’s personal identification number:** The SSN and EIN are regarding “Name 1.” One SSN per filer (a married couple uses only one SSN). Left empty, the SSN/EIN number will turn red unless marked “unknown.”

**Property Address:**
- The property address is limited and should contain the city when possible. Abbreviate as necessary, i.e., “Okeechobee” is “OKCB”
- The City and Zip code are separated.
- The “Property or services is part of the consideration” is a check box to be selected when applicable.

**Closing Date:** The date of the sale.

**Gross Proceeds:** The purchase price from the closing statement. Note: Refer questions to a tax professional for rules on dividing proceeds between multiple sellers.

**Settlement Agent:** The closing agent on the settlement statement. Contact Display Systems, Inc. at (863) 763-5555 or email support@displaysoft.com to revise your agent information.

**Payer:** Is the settlement agent, disbursing agent.
• Review and complete the information in “This File”
• Click the “Finalize” button to save and close this file.

You may return at any time to make changes but “finalizing” the record will no longer update this file’s information automatically from the Start and Close It programs.
Inside “This File,” an expander provides a list of files to choose from. Click the expander and begin typing to search for a filename or number. Click any “File Name” to review its 1099-S information.

Search using FILTER under the List of Files

Filter

File Name  Closing Date  Form  Type  Buyer  Seller  Lender
17-0001  04/12/2017  GFE  BSL
17-001 CDF Sale  02/01/2017  CDF  BSL
17-002 CDF Refi  02/01/2017  CDF  REFI
17-002 GFE Sale  02/01/2017  GFE  BSL  Browne, Jacks...
17-003 GFE Refi  02/01/2017  GFE  REFI
17-Feb CDF Sale  02/10/2017  CDF  BSL  Seller, Michael  Ficus Bank
17-Feb CDF Sale Copy  02/10/2017  CDF  REFI  Buyer, Jack  Seller, Carl  Ficus Bank

General Information
Closing Date: 04/27/17  R/P Tax Reimbursement: 0.00
Gross Proceeds: 265,000.00  File Number: 17APR27 007
Settlement Agent Display Systems, Inc.

General Tax Questions
SSN  EIN  Unknown
SSN: 234-32-5532
Transferor's address is foreign. Property or services is part of the consideration.
Transferor is a foreign person.

Payer Transmitter

Before the end of March each year, use the DATABASE to review all files.

Use the features provided to make an IRS Data File. The paper filing deadline is Jan 31, but electronic filing is the end of March.

Log on to the https://fire.irs.gov website and submit the IRS Data File.
Available Database Features

- Click any row’s header, or label name to change the sort order.
  - Sort by SSN to locate the missing numbers
  - Sort by “finalized” to locate the uncompleted records
- Double click any item in the grid to open the 1099-S window for that file and view the content, then finalize the information.
  - Print/PDF
  - Delete
  - Finalize
- Once all records are “finalized”
  - Print the “Grid Data Report” for your office records
  - Make IRS File
  - Submit the File to the IRS at https://fire.irs.gov

<table>
<thead>
<tr>
<th>File Name</th>
<th>Name 1</th>
<th>Name 2</th>
<th>SSN/EIN</th>
<th>Property Street</th>
<th>Property State</th>
<th>Property Zipcode</th>
<th>Closing Date</th>
<th>Gross Proceeds</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-OCT 24 CASH</td>
<td>NASSON KOHN</td>
<td>PICA KOHN</td>
<td>898-98-9034</td>
<td>2256 S. AVON</td>
<td>FL</td>
<td>33060</td>
<td>02/10/2017</td>
<td>4,000,000.00</td>
</tr>
</tbody>
</table>
- Double click any filename to open the 1099-S for review.
- Complete the information then “Update” to exit, saving.
- “Delete” to remove the record from the 1099-S list.
- Print and PDF the 1099-S Substitute Form Copy B.
- Cancel will close the window not saving.
Create Manual Record: Create a manual record when you don’t have a closing statement to post. The “yellow” and “green” records are ready to go.

Select Agent/Show all Agents: Select the agent to reduce the database to that agent’s list of closings in preparation of making the IRS Data file for that agent.

Select the year or Show all years” to be listed.

Select the file status to identify records that are:
- Red – Missing information; incomplete
- Orange – contains invalid characters such as slash, pound sign and apostrophe.
- Yellow – ready to be finalized and they will automatically become marked as finalized upon making the IRS Data File.
- Green - finalized
• **VENDOR:** Display Systems, Inc. is the software vendor. This information is included in the making of the IRS file as required by the IRS.

• **GRID DATA REPORT:** Choose “Print Reports” or “PDF Reports” before clicking the “Grid Data Report.”

![](image)

• **MAKE TEST IRS FILE:** To “Make Test IRS File” requires the filer to create an account at the IRS Test 1099-S web site: [https://Test.Fire.IRS.Gov](https://Test.Fire.IRS.Gov). Once the test results in a “good” file, an actual IRS file will need to be made and submitted on the authentic IRS website, [https://Fire.IRS.Gov](https://Fire.IRS.Gov). The test is for software compatibility as opposed to data entry evaluation. DisplaySoft files a test with the IRS for software compatibility each year prior to releasing updates. The “Make Test IRS File” is provided to our customers as a convenience not a requirement.

• **IMPORT:** Use the Import feature if you have DisplaySoft and just now adding the “IRS 1099-S Reporting” program. The import feature will pull all the files into the 1099-S database quickly, rather than opening each file in Close It as another way to add records the 1099-S database.
Select a closing agent and select a year then use the “Make IRS File” to create an electronic file for upload before March 31st each year.
A folder will open. The item named simply “IRSTAX” (a plain file without an extension) contains the 1099-S information returns data formatted for the IRS. Connect to the internet to upload the IRSTAX file to the IRS at https://fire.irs.gov
The submission process for IRS 1099-S Information returns are as follows.

From the website: [https://fire.irs.gov](https://fire.irs.gov),

1. Logon or Create an account for the office.
2. Click “Continue>>
3. Click “Send Information Returns”
Follow online screen instructions

4. Click “Original File”

5. Click “Choose File”
6. Choose File: Click “IRSTax,” then “Open,” and then “Upload” to finish the submission process.

Wait three days for a reply from the IRS regarding the tax file’s status, “good” or “bad.”

The status “good” indicates the IRS received a legible file but has no bearing on the “right” or “wrong” information contained within the file which may take years for the IRS to discover and notify upon.

Contact Display Systems, Inc. at (863) 763-5555 or forward the IRS email to support@dislaysoft.com for information about making a “correction” or “replacement” file.
For questions or assistance contact:

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(863) 467-0816 fax

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support@displaysoft.com

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