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- Raleigh, NC 27609
- Sales & Service: 800-848-0143
- Email: sales@softprocorp.com
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Correcting 1099-S Returns

A **Corrected Return** is a return submitted by the transmitter to correct information on a return that was previously submitted to the IRS, but contained erroneous information. Corrected returns may take either one or two transactions, depending on the type of correction being made.

A Corrected Return is <u>not</u> the same as a Replacement Filing

Replacement Filing:

Submitting a Replacement File

WHAT IS A REPLACEMENT FILE?

Replacement files are not the same as corrected returns. A replacement file is an information return file sent by the filer, because the CHECK FILE STATUS option on the FIRE System indicated the file was bad. A replacement file:

- ...may be required for **bad originals** OR **bad correction files**. If it is a **bad correction file**, it is created in Pro1099 as a correction and uploaded to the IRS as a replacement file for a bad correction file.
- ...must be submitted within 60 days from the day the original file was transmitted.

Creating a Replacement File:

Replacement files are submitted in exactly the same manner as the original submissions. After the

necessary changes have been made, the file must be transmitted through the FIRE System. The IRS website will automatically code the submission as Replacement.

Note: Filers should not transmit anything to IRS as a *Replacement* unless the CHECK FILE STATUS option on the FIRE System indicated the file is BAD.

Filename 4	Date Transmitted C	ount Results 🖌	Your Filename
ORIG 0001		16 "Good, Released"	IRSTAX
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Filename	Date Transmitte	d Count Results	Your Filenam

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Correcting Returns:

A Correction is a record that was previously submitted to the IRS, but contained erroneous information. Corrections to 1099-S submissions to the IRS may take either one or two transactions, depending on the type of correction being made

Corrections should only be made to records that have been submitted incorrectly

Corrections requiring one transaction:

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

- Incorrect Payee Address
- Incorrect Payee Name

To make corrections requiring one transaction:

- 1. Retrieve the Pro1099 record that needs to be corrected
- 2. Correct the error in the record
- 3. Select "One part or first of two part correction" in the Correction Status drop down

Information NOT submitted	to the IRS			
1099-S furnished to s	seller	Tax ID solicitation signed	Escrow office	r/Closer: Tiffany Tester
Information submitted to th	e IRS			
Order number:	CDF-02312099		Correction status:	One part or first of two part correction
IRS name control:	MURR			This is not a corrected return
Tax ID type				One part or first of two part correction
Individual Org	anization		v	Second of two part correction (None)
Seller name - Last, First:	Murray, Lee		Tax ID	/SSN: Foreign person

Corrections requiring two transactions:

Original Return was filed with one or more of the following errors:

- No Payee TIN (SSN or EIN) **
- Incorrect Payee TIN **
- Wrong type of return indicator
- Incorrect payee name and address

**Please contact SoftPro Support for Tax ID Corrections





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To make corrections requiring two transactions:

- Retrieve the Pro1099 Record that needs to be corrected Do not correct the error. The Record should appear exactly as it was in the original submission
- 2. Select One part or first of two part correction in the **Correction Status** field on the <u>original</u> 1099
- 3. Add a new 1099 record containing the correct information
- 4. Select Second of two part correction from the Correction Status drop down on the new 1099

	Information N	IOT submitted f	to the IRS eller	Tax ID solicitation s	signed	Escro	w office	er/Closer:	Tiffany Tester	,		Exempt
	Information s	ubmitted to the	e IRS									
	Order numb	ber:	CDF-023120	99		Correction	status:	One par	t or first of two pa	rt correctio	n 🔽 2	
	IRS name o	ontrol:	MURR					This is	not a corrected r	eturn	-tion	
	Tax ID typ	pe idual 🔘 Org;	anization				Ŧ	Secon (None)	d of two part cor	rection		
	Seller name	- Last, First:	Murray, Lee				Tax II	D/SSN:		For	eign person	4
\bigcirc	ProForm ProTrust Pro 1099 SPImage SPAdmin 360											
New 1	099 Record R	ecord Search	Reports F	Preview Record Print Re	ecord Pr	109 rint Substitute	8-8 2099-5	Forms	Create Submissi	on File Op	FIRE Den IRS FIRE	
	Records Prin			Printing	ng				Tools			
S	tart Page	Order CDF	-01300-	IRS FIRE Home	1099 :	Search	1099	9 Record	(CDF-02312099)*	1	099 Record	i(1)* X
_Infe	Information NOT submitted to the IRS I 1099-S furnished to seller Tax ID solicitation signed Escrow officer/Closer: Escrow officer/Closer: Escrow officer/Closer:						Exempt					
Information submitted to the IRS												
Order number: CDF-02312099 Correction status: Second of two part correction					ion	-4						
I	RS name contro	л: 		7			Γ	This is r	not a corrected re	eturn		
l r	Tax ID type						_	One par Second	t or first of two of two part corr	part corrected ection	tion	
	Individual	Organiza	ation			· · · · ·		(None)				

To create your Corrected submission file, follow the same steps as the original submission. When prompted:

Choose Yes – The Submission file will only contain CORRECTED returns.

Follow same steps as the original submission to upload the Corrected submission to the Fire System

IRS S	Submission File Wizard
	Corrected Returns Is this a corrected return?
	You may file original (first time) returns or corrected returns (records may be defined as corrected returns in the "Correction status" field on the Pro 1099 record screen). All originals are filed first. You may need to file your corrected returns later in a separate submission file.
	Yes - The submission file will only contain CORRECTED returns. No - The submission file will only contain ORIGINAL (first-time) returns.
	Click next to continue.
	Next > Cancel Help

