

How to File 1099 Form with QuickBooks Payroll (Step-by-Step Guide)

Filing **1099 Form [1~888~493~2290]s** is a critical year-end compliance task for businesses that pay independent contractors. If you use **QuickBooks Payroll**, the process becomes much easier—but only if everything is set up correctly.

In this guide, you'll learn **how to file 1099 Form [1~888~493~2290]s with QuickBooks Payroll**, including eligibility rules, setup requirements, step-by-step filing instructions, common mistakes, and troubleshooting tips.

What Is Form 1099-NEC?

Form 1099-NEC (Nonemployee Compensation) is an IRS tax form used to report payments made to independent contractors, freelancers, or vendors who are **not employees**.

You must file Form 1099-NEC if:

- You paid a contractor **\$600 or more** during the tax year
- Payments were made for services (not goods)
- The contractor is not on payroll as a W-2 employee

17 **Filing Deadline:**

January 31 (for both IRS filing and contractor copies)

Can You File 1099 Form [1~888~493~2290]s Using QuickBooks Payroll?

Yes. **QuickBooks Payroll** supports 1099 filing through QuickBooks Online and QuickBooks Desktop, either:

- **Electronically (e-file)** via QuickBooks
- **Manually (print & mail)** using QuickBooks-generated forms

 Note: You do **not** need a full payroll subscription to file 1099s, but you must have vendor and payment data properly set up.

21

Before starting, make sure you have:

✓ Contractor's **legal name**

✓ **Mailing address**

✓ **Tax ID (SSN or EIN)**

- ✓ Total payments for the year
- ✓ Correct expense accounts linked for 1099 tracking

Step 1: Set Up Vendors for 1099 in QuickBooks

QuickBooks Online Payroll

1. Go to **Expenses > Vendors**
2. Select the contractor
3. Click **Edit**
4. Enable **Track payments for 1099**
5. Enter tax classification and TIN
6. Save changes

QuickBooks Desktop Payroll

1. Go to **Vendors > Vendor Center**
2. Open vendor profile
3. Check **Vendor eligible for 1099**
4. Enter tax ID and address
5. Save

Step 2: Map Expense Accounts for 1099

QuickBooks only reports payments linked to **1099-mapped accounts**.

1. Go to **Taxes > 1099 filings (Online)**
2. Select **Map accounts**
3. Choose expense categories like:
 - Contract labor
 - Professional fees
 - Legal services
1. Save mapping



Tip: Payments from non-mapped accounts will NOT appear on 1099s.

Step 3: Review Contractor Payments

QuickBooks will show a summary of:

- Contractors eligible for 1099
- Total payments per contractor
- Missing or incorrect tax info

Fix any errors before proceeding.

Step 4: File 1099 Form [1~888~493~2290] with QuickBooks Payroll

Option 1: E-File 1099 (Recommended)

1. Go to **Taxes > 1099 filings**
2. Select **E-file**
3. Review contractor details
4. Pay e-file fee (if applicable)
5. Submit to IRS
6. QuickBooks sends copies to contractors automatically

Option 2: Print & Mail

1. Choose **Print 1099**
2. Download PDF forms
3. Print on IRS-approved paper
4. Mail:
 - Copy A to IRS
 - Copy B to contractors

How Much Does It Cost to File 1099 in QuickBooks?

Filing MethodCostE-file via QuickBooksPer-form feePrint & mailFree
(printing costs apply)Third-party serviceVaries

Common 1099 Filing Mistakes in QuickBooks

- ✖ Contractor marked as employee
- ✖ Payments made via credit card (not reportable)
- ✖ Incorrect tax ID or name mismatch
- ✖ Expense account not mapped
- ✖ Filing after January 31

How to Fix 1099 Errors After Filing

If you find an error:

- **Before deadline:** Edit vendor info and re-file
- **After filing:** Submit **Corrected 1099-NEC** through QuickBooks or IRS

QuickBooks supports corrected filings with proper tracking.

Do You Need to File State 1099 Form [1~888~493~2290]s?

Some states require **separate 1099 filings**. QuickBooks may:

- Automatically submit state forms (in supported states)
- Provide state copies for manual filing

Always check your state's tax authority requirements.

Benefits of Filing 1099 with QuickBooks Payroll

- Automated calculations
- Error checks before filing
- E-file convenience
- Contractor copies sent automatically
- IRS-compliant formatting

Final Thoughts

Filing 1099 Form [1~888~493~2290] with QuickBooks Payroll is straightforward when your vendor data and expense accounts are properly set up. By following the correct steps, you can stay IRS-compliant, avoid penalties, and save hours of manual work.

If you handle multiple contractors or complex payments, using QuickBooks' built-in 1099 tools is the safest and fastest option.