

**Invitation for Bid for Tax Year 2015, 2016, and 2017
W-2 and 1099-MISC Production
Addendum 1**

Posted on: Wednesday, October 20, 2015

Requirement Change

The following requirements listed on the Item Specification List have been modified:

Line #	Specification #	Old Requirement	New Requirement
3	2015-1099PRINT	Print, stuff and/or seal 1099-MISC forms for mailing.	Print, stuff and/or seal 1099-MISC forms for mailing. Must be on 8 ½ X 14 paper. Vendor is responsible for paper stock, envelopes, and postage. Return mail to addresses must show on a separate flap through windowed envelope.
13	2016-1099PRINT	Print, stuff and/or seal 1099-MISC forms for mailing.	Print, stuff and/or seal 1099-MISC forms for mailing. Must be on 8 ½ X 14 paper. Vendor is responsible for paper stock, envelopes, and postage. Return mail to addresses must show on a separate flap through windowed envelope.
23	2017-1099PRINT	Print, stuff and/or seal 1099-MISC forms for mailing.	Print, stuff and/or seal 1099-MISC forms for mailing. Must be on 8 ½ X 14 paper. Vendor is responsible for paper stock, envelopes, and postage. Return mail to addresses must show on a separate flap through windowed envelope.

The Item Specification List document will not be updated with these requirement changes.

The vendor is responsible to adhering to the requirements listed above.

**Invitation for Bid for Tax Year 2015, 2016, and 2017
W-2 and 1099-MISC Production
Addendum 1**

Requirement Clarification

Listed below is a further explanation of the paper size, print files, and mailing instructions.

- The following requirements state:
 - W-2 forms and 1099-MISC forms must be printed on 8 ½ X 14 paper.
 - Return and mail to addresses must show on a separate flap through windowed envelope.

Line #	Specification #	Line #	Specification #	Line #	Specification #
1	2015-W2PRINT	11	2016-W2PRINT	21	2017-W2PRINT
3	2015-1099PRINT	13	2016-1099PRINT	23	2017-1099PRINT

- The mapping documents are for 8 ½ X 11 paper.
- The test and production files will be for 8 ½ X 11 paper.
- The bottom 8 ½ X 11 inches of the paper should be used to print the actual front and back side of the W-2 and 1099-MISC forms. These areas must adhere to the DFA established mapping.
- The top 3 inches of the 8 ½ X 14 printing should be used for the return and mail address flap.
 - There is no specific mapping for this section.
 - As stated in the requirement, the information must appear through the windowed envelope.
 - The vendor may adjust the font size to allow it to fit through the window; however, the vendor must receive final approval from DFA before the production files are processed.
 - The following rules should be used for all W-2 forms mailing and return address information:

Return Address	Mailing Address
Should be the information EXACTLY as it appears in box C of the W-2.	Should be the information EXACTLY as it appears in box E of the W-2.

- The following rules should be used for all 1099-MISC form mailing and return address information:

Return Address	Mailing Address
Should be the information EXACTLY as it appears in the PAYER’S name, street address, city, state, ZIP code, and telephone no. box of the 1099-MISC.	Should be the information EXACTLY from the RECIPIENT S name, street address, City, state, and ZIP code box of the 1099-MISC form. The information should be in this format: <i>Name</i> <i>Street address</i> <i>City, state, and ZIP code</i>

- As stated in the Invitation for Bid document, **NO** information (other than the address information) can be visible when the envelope is sealed.
- Attached is an example W-2 and 1099-MISC form. To print the examples, be sure to print to legal size paper.

STATE OF MISSISSIPPI
 MS DEPT. OF XXXXXXXXXXXXXXXXXXXX
 PO BOX 9999
 CITY STATE 99999-9999

JOHN Q CUSTOMER
 ADDRESS 1
 ADDRESS 2
 CITY STATE 99999-9999

Copy B To Be Filed With Employee's Federal Tax Return		2014	OMB No. 1545-0008
a Employee's SSN	1 Wages, tips, other compensation	2 Federal income tax withheld	
b Employer ID number	3 Social security wages	4 Social security tax withheld	
	5 Medicare wages and tips	6 Medicare tax withheld	
c Employer's name, address, and ZIP code			
e Employee's name, address, and ZIP code			
9	10 Dependent care benefits	11 Nonqualified plans	
12a	13 Stat. Emp. Ret. plan		3rd-party sick pay
12b	14 Other		
12c			
12d			
12e			
12f			
12g			
15 State Employer's State ID #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement
 This information is being furnished to the Internal Revenue Service Dept. of the Treasury - IRS

Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return		2014	OMB No. 1545-0008
a Employee's SSN	1 Wages, tips, other compensation	2 Federal income tax withheld	
b Employer ID number	3 Social security wages	4 Social security tax withheld	
	5 Medicare wages and tips	6 Medicare tax withheld	
c Employer's name, address, and ZIP code			
e Employee's name, address, and ZIP code			
9	10 Dependent care benefits	11 Nonqualified plans	
12a	13 Stat. Emp. Re plan		3rd-party sick pay
12b	14 Other		
12c			
12d			
12e			
12f			
12g			
15 State Employer's State ID #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement
 Dept. of the Treasury - IRS

Copy C For EMPLOYEE'S RECORDS (See Notice to Employee on back of Copy B.)		2014	OMB No. 1545-0008
a Employee's SSN	1 Wages, tips, other compensation	2 Federal income tax withheld	
b Employer ID number	3 Social security wages	4 Social security tax withheld	
	5 Medicare wages and tips	6 Medicare tax withheld	
c Employer's name, address, and ZIP code			
e Employee's name, address, and ZIP code			
9	10 Dependent care benefits	11 Nonqualified plans	
12a	13 Stat. Emp. Re plan		3rd-party sick pay
12b	14 Other		
12c			
12d			
12e			
12f			
12g			
15 State Employer's State ID #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement
 This information is being furnished to the IRS. If you are required to file a tax return, a negligence penalty/other sanction may be imposed on you if this income is taxable and you fail to report it. Dept. of the Treasury - IRS

Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return		2014	OMB No. 1545-0008
a Employee's SSN	1 Wages, tips, other compensation	2 Federal income tax withheld	
b Employer ID number	3 Social security wages	4 Social security tax withheld	
	5 Medicare wages and tips	6 Medicare tax withheld	
c Employer's name, address, and ZIP code			
e Employee's name, address, and ZIP code			
9	10 Dependent care benefits	11 Nonqualified plans	
12a	13 Stat. Emp. Re plan		3rd-party sick pay
12b	14 Other		
12c			
12d			
12e			
12f			
12g			
15 State Employer's State ID #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement
 Dept. of the Treasury - IRS

Notice to Employee

Do you have to file? Refer to the Form 1040 Instructions to determine if you are required to file a tax return. Even if you do not have to file a tax return, you may be eligible for a refund if box 2 shows an amount or if you are eligible for any credit.

Earned income credit (EIC). You may be able to take the EIC for 2014 if your adjusted gross income (AGI) is less than a certain amount. The amount of the credit is based on income and family size. Workers without children could qualify for a smaller credit. You and any qualifying children must have valid social security numbers (SSNs). You cannot take the EIC if your investment income is more than the specified amount for 2014 or if income is earned for services provided while you were an inmate at a penal institution. For 2014 income limits and more information, visit www.irs.gov/eitc. Also see Pub. 596, Earned Income Credit. **Any EIC that is more than your tax liability is refunded to you, but only if you file a tax return.**

Clergy and religious workers. If you are not subject to social security and Medicare taxes, see Pub. 517, Social Security and Other Information for Members of the Clergy and Religious Workers.

Corrections. If your name, SSN, or address is incorrect, correct Copies B, C, and 2 and ask your employer to correct your employment record. Be sure to ask the employer to file Form W-2c,

Corrected Wage and Tax Statement, with the Social Security Administration (SSA) to correct any name, SSN, or money amount error reported to the SSA on Form W-2. Be sure to get your copies of Form W-2c from your employer for all corrections made so you may file them with your tax return. If your name and SSN are correct but are not the same as shown on your social security card, you should ask for a new card that displays your correct name at any SSA office or by calling 1-800-772-1213. You also may visit the SSA at www.socialsecurity.gov.

Cost of employer-sponsored health coverage (if such cost is provided by the employer). The reporting in box 12, using code DD, of the cost of employer-sponsored health coverage is for your information only. **The amount reported with code DD is not taxable. Credit for excess taxes.** If you had more than one employer in 2014 and more than \$7,254 in social security and/or Tier 1 railroad retirement (RRTA) taxes were withheld, you may be able to claim a credit for the excess against your federal income tax. If you had more than one railroad employer and more than \$3,828 in Tier 2 RRTA tax was withheld, you also may be able to claim a credit. See your Form 1040 or Form 1040A instructions and Pub. 505, Tax Withholding and Estimated Tax.

(Also see *Instructions for Employee* on the back of Copy 2.)

Instructions for Employee (Also see *Notice to Employee*, on the back of Copy 2.)

Box 1. Enter this amount on the wages line of your tax return.
Box 2. Enter this amount on the federal income tax withheld line of your tax return.
Box 5. You may be required to report this amount on Form 8959, Additional Medicare Tax. See Form 1040 instructions to determine if you are required to complete Form 8959.
Box 6. This amount includes the 1.45% Medicare Tax withheld on all Medicare wages and tips shown in Box 5, as well as the 0.9% Additional Medicare Tax on any of those Medicare wages and tips above \$200,000.
Box 8. This amount is **not** included in boxes 1, 3, 5, or 7. For information on how to report tips on your tax return, see your Form 1040 instructions.
You must file Form 4137, Social Security and Medicare Tax on Unreported Tip Income, with your income tax return to report at least the allocated tip amount unless you can prove that you received a smaller amount. If you have records that show the actual amount of tips you received, report that amount even if it is more or less than the allocated tips. On Form 4137 you will calculate the social security and Medicare tax owed on the allocated tips shown on your Form(s) W-2 that you must report as income and on other tips you did not report to your employer. By filing Form 4137, your social security tips will be credited to your social security record (used to figure your benefits).
Box 10. This amount includes the total dependent care benefits that your employer paid to you or incurred on your behalf (including amounts from a section 125 (cafeteria) plan). Any amount over \$5,000 is also included in box 1. Complete Form 2441, Child and Dependent Care Expenses, to compute any taxable and nontaxable amounts.
Box 11. This amount is (a) reported in box 1 if it is a distribution made to you from a nonqualified deferred compensation or nongovernmental section 457(b) plan or (b) included in box 3 and/or 5 if it is a prior year deferral under a nonqualified or section 457(b) plan that became taxable for social security and Medicare taxes this year because there is no longer a substantial risk of forfeiture of your right to the deferred amount. This box should not be used if you had a deferral and a distribution in the same calendar year. If you made a deferral and received a distribution in the same calendar year, and you are or will be age 62 by the end of the calendar year, your employer should file Form SSA-131, Employer Report of Special Wage Payments, with the Social Security Administration and give you a copy.
Box 12. The following list explains the codes shown in box 12. You may need this information to complete your tax return. Elective deferrals (codes D, E, F, and S) and designated Roth contributions (codes AA, BB, and EE) under all plans are generally limited to a total of \$17,500 (\$12,000 if you only have SIMPLE plans; \$20,500 for section 403(b) plans if you qualify for the 15-year rule explained in Pub. 571). Deferrals under code G are limited to \$17,500. Deferrals under code H are limited to \$7,000.
However, if you were at least age 50 in 2014, your employer may have allowed an additional deferral of up to \$5,500 (\$2,500 for section 401(k)(11) and 408(p) SIMPLE plans). This additional deferral amount is not subject to the overall limit on elective deferrals. For code G, the limit on elective deferrals may be higher for the last 3 years before you reach retirement age. Contact your plan administrator for more information. Amounts in excess of the overall elective deferral limit must be included in income. See the "Wages, Salaries, Tips, etc." line instructions for Form 1040.
Note. If a year follows code D through H, S, Y, AA, BB, or EE, you made a make-up pension contribution for a prior year (shown) when you were in military service. To figure whether you made excess deferrals, consider these amounts for the year shown, not the current year. If no year is shown, the contributions are for the current year.

A—Uncollected social security or RRTA tax on tips. Include this tax on Form 1040. See "Other Taxes" in the Form 1040 instructions.

B—Uncollected Medicare tax on tips. Include this tax on Form 1040. See "Other Taxes" in the Form 1040 instructions.

C—Taxable cost of group-term life insurance over \$50,000 (included in boxes 1, 3 (up to social security wage base), and 5)

D—Elective deferrals to a section 401(k) cash or deferred arrangement. Also includes deferrals under a SIMPLE retirement account that is part of a section 401(k) arrangement.

(continued on back of Copy C)

Instructions for Employee (continued from back of Copy 2)

E—Elective deferrals under a section 403(b) salary reduction agreement
F—Elective deferrals under a section 408(k)(6) salary reduction SEP
G—Elective deferrals and employer contributions (including nonelective deferrals) to a section 457(b) deferred compensation plan
H—Elective deferrals to a section 501(c)(18)(D) tax-exempt organization plan. See "Adjusted Gross Income" in the Form 1040 instructions for how to deduct.
J—Nontaxable sick pay (information only, not included in boxes 1, 3, or 5)
K—20% excise tax on excess golden parachute payments. See "Other Taxes" in the Form 1040 instructions.
L—Substantiated employee business expense reimbursements (nontaxable)
M—Uncollected social security or RRTA tax on taxable cost of group-term life insurance over \$50,000 (former employees only). See "Other Taxes" in the Form 1040 instructions.
N—Uncollected Medicare tax on taxable cost of group-term life insurance over \$50,000 (former employees only). See "Other Taxes" in the Form 1040 instructions.
P—Excludable moving expense reimbursements paid directly to employee (not included in boxes 1, 3, or 5)
Q—Nontaxable combat pay. See the instructions for Form 1040 or Form 1040A for details on reporting this amount.
R—Employer contributions to your Archer MSA. Report on Form 8853, Archer MSAs and Long-Term Care Insurance Contracts.
S—Employee salary reduction contributions under a section 408(p) SIMPLE plan (not included in box 1)
T—Adoption benefits (not included in box 1). Complete Form 8839, Qualified Adoption Expenses, to compute any taxable and nontaxable amounts.
V—Income from exercise of nonstatutory stock option(s) (included in boxes 1, 3 (up to social security wage base), and 5). See Pub. 525 and instructions for Schedule D (Form 1040) for reporting requirements.
W—Employer contributions (including amounts the employee elected to contribute using a section 125 (cafeteria) plan) to your health savings account. Report on Form 8889, Health Savings Accounts (HSAs).
Y—Deferrals under a section 409A nonqualified deferred compensation plan
Z—Income under a nonqualified deferred compensation plan that fails to satisfy section 409A. This amount is also included in box 1. It is subject to an additional 20% tax plus interest. See "Other Taxes" in the Form 1040 instructions.
AA—Designated Roth contributions under a section 401(k) plan
BB—Designated Roth contributions under a section 403(b) plan
DD—Cost of employer-sponsored health coverage. **The amount reported with Code DD is not taxable.**
EE—Designated Roth contributions under a governmental section 457(b) plan. This amount does not apply to contributions under a tax-exempt organization section 457(b) plan.
Box 13. If the "Retirement plan" box is checked, special limits may apply to the amount of traditional IRA contributions you may deduct. See Pub. 590, Individual Retirement Arrangements (IRAs).
Box 14. Employers may use this box to report information such as state disability insurance taxes withheld, union dues, uniform payments, health insurance premiums deducted, nontaxable income, educational assistance payments, or a member of the clergy's parsonage allowance and utilities. Railroad employers use this box to report railroad retirement (RRTA) compensation, Tier 1 tax, Tier 2 tax, Medicare tax and Additional Medicare Tax. Include tips reported by the employee to the employer in railroad retirement (RRTA) compensation.

Note. Keep **Copy C** of Form W-2 for at least 3 years after the due date for filing your income tax return. However, to help protect your social security benefits, keep Copy C until you begin receiving social security benefits, just in case there is a question about your work record and/or earnings in a particular year.

STATE OF MISSISSIPPI
 MS DEPT. OF XXXXXXXXXXXXXXXXXXXX
 PO BOX 9999
 CITY STATE 99999-9999

JOHN Q CUSTOMER
 ADDRESS 1
 ADDRESS 2
 CITY STATE 99999-9999

CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.		1 Rents \$	OMB No. 1545-0115 2014	Miscellaneous Income	
		2 Royalties \$			
		3 Other income \$	4 Federal income tax withheld \$		Copy B For Recipient
PAYER'S federal identification number	RECIPIENT'S identification number	5 Fishing boat proceeds \$	6 Medical and health care payments \$		
RECIPIENT'S name Street address (including apt. no.) City or town, state or province, country, and ZIP or foreign postal code		7 Nonemployee compensation \$	8 Substitute payments in lieu of dividends or interest \$	This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.	
		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>	10 Crop insurance proceeds \$		
Account number (see instructions)		11	12		
		13 Excess golden parachute payments \$	14 Gross proceeds paid to an attorney \$		
15a Section 409A deferrals \$	15b Section 409A income \$	16 State tax withheld \$	17 State/Payer's state no.		18 State income \$

Form **1099-MISC** (keep for your records) www.irs.gov/form1099misc Department of the Treasury - Internal Revenue Service

Instructions for Recipient

Recipient's identification number. For your protection, this form may show only the last four digits of your social security number (SSN), individual taxpayer identification number (ITIN), or adoption taxpayer identification number (ATIN). However, the issuer has reported your complete identification number to the IRS and, where applicable, to state and/or local governments.

Account number. May show an account or other unique number the payer assigned to distinguish your account.

Amounts shown may be subject to self-employment (SE) tax. If your net income from self-employment is \$400 or more, you must file a return and compute your SE tax on Schedule SE (Form 1040). See Pub. 334 for more information. If no income or social security and Medicare taxes were withheld and you are still receiving these payments, see Form 1040-ES (or Form 1040-ES(NR)). Individuals must report these amounts as explained in the box 7 instructions on this page. Corporations, fiduciaries, or partnerships must report the amounts on the proper line of their tax returns.

Form 1099-MISC incorrect? If this form is incorrect or has been issued in error, contact the payer. If you cannot get this form corrected, attach an explanation to your tax return and report your income correctly.

Box 1. Report rents from real estate on Schedule E (Form 1040). However, report rents on Schedule C (Form 1040) if you provided significant services to the tenant, sold real estate as a business, or rented personal property as a business.

Box 2. Report royalties from oil, gas, or mineral properties, copyrights, and patents on Schedule E (Form 1040). However, report payments for a working interest as explained in the box 7 instructions. For royalties on timber, coal, and iron ore, see Pub. 544.

Box 3. Generally, report this amount on the "Other income" line of Form 1040 (or Form 1040NR) and identify the payment. The amount shown may be payments received as the beneficiary of a deceased employee, prizes, awards, taxable damages, Indian gaming profits, or other taxable income. See Pub. 525. If it is trade or business income, report this amount on Schedule C or F (Form 1040).

Box 4. Shows backup withholding or withholding on Indian gaming profits. Generally, a payer must backup withhold if you did not furnish your taxpayer identification number. See Form W-9 and Pub. 505 for more information. Report this amount on your income tax return as tax withheld.

Box 5. An amount in this box means the fishing boat operator considers you self-employed. Report this amount on Schedule C (Form 1040). See Pub. 334.

Box 6. For individuals, report on Schedule C (Form 1040).

Box 7. Shows nonemployee compensation. If you are in the trade or business of catching fish, box 7 may show cash you received for the sale of fish. If the amount in this box is SE income, report it on Schedule C or F (Form 1040), and complete Schedule SE (Form 1040). You received this form instead of Form W-2 because the payer did not consider you an employee and did not withhold income tax or social security and Medicare tax. If you believe you are an employee and cannot get the payer to correct this form, report the amount from box 7 on Form 1040, line 7 (or Form 1040NR, line 8). You must also complete Form 8919 and attach it to your return. If you are not an employee but the amount in this box is not SE income (for example, it is income from a sporadic activity or a hobby), report it on Form 1040, line 21 (or Form 1040NR, line 21).

Box 8. Shows substitute payments in lieu of dividends or tax-exempt interest received by your broker on your behalf as a result of a loan of your securities. Report on the "Other income" line of Form 1040 (or Form 1040NR).

Box 9. If checked, \$5,000 or more of sales of consumer products was paid to you on a buy-sell, deposit-commission, or other basis. A dollar amount does not have to be shown. Generally, report any income from your sale of these products on Schedule C (Form 1040).

Box 10. Report this amount on Schedule F (Form 1040).

Box 13. Shows your total compensation of excess golden parachute payments subject to a 20% excise tax. See the Form 1040 (or Form 1040NR) instructions for where to report.

Box 14. Shows gross proceeds paid to an attorney in connection with legal services. Report only the taxable part as income on your return.

Box 15a. May show current year deferrals as a nonemployee under a nonqualified deferred compensation (NQDC) plan that is subject to the requirements of section 409A, plus any earnings on current and prior year deferrals.

Box 15b. Shows income as a nonemployee under an NQDC plan that does not meet the requirements of section 409A. This amount is also included in box 7 as nonemployee compensation. Any amount included in box 15a that is currently taxable is also included in this box. This income is also subject to a substantial additional tax to be reported on Form 1040 (or Form 1040NR). See "Total Tax" in the Form 1040 (or Form 1040NR) instructions.

Boxes 16-18. Shows state or local income tax withheld from the payments.

Future developments. For the latest information about developments related to Form 1099-MISC and its instructions, such as legislation enacted after they were published, go to www.irs.gov/form1099misc.