

Vendors - Paying 1099 Employees

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What is a 1099 Employee?

1099 employees are registered as independent contracts. Your staffing company pays the employees but the employees will be responsible for their own taxes. Instead of receiving a W-2, these employees will receive a 1099 form. For Information on how to create 1099 employees, click [here](#).

This article covers:

1. [Time Entry & Proofing for 1099 Employees](#)
2. [Running Payroll for 1099 Employees \(SubPay\)](#)
3. [Additional Questions](#)

Time Entry & Proofing for 1099 Employees

Time entry and proofing is done the same way any other timecard is in the system. You can identify a 1099 or independent contractor by looking at the Vendor Name column:



Status	Customer	Name	Vendor Name ▲	Pay Code	RT Hrs
Vendor Name: Mark Ingram (1 item)					
	Cotton Candy	Ingram, Mark	Mark Ingram	Reg	35
					35

The Vendor Name should match the employee's name. Right click the column headers to change which columns display.

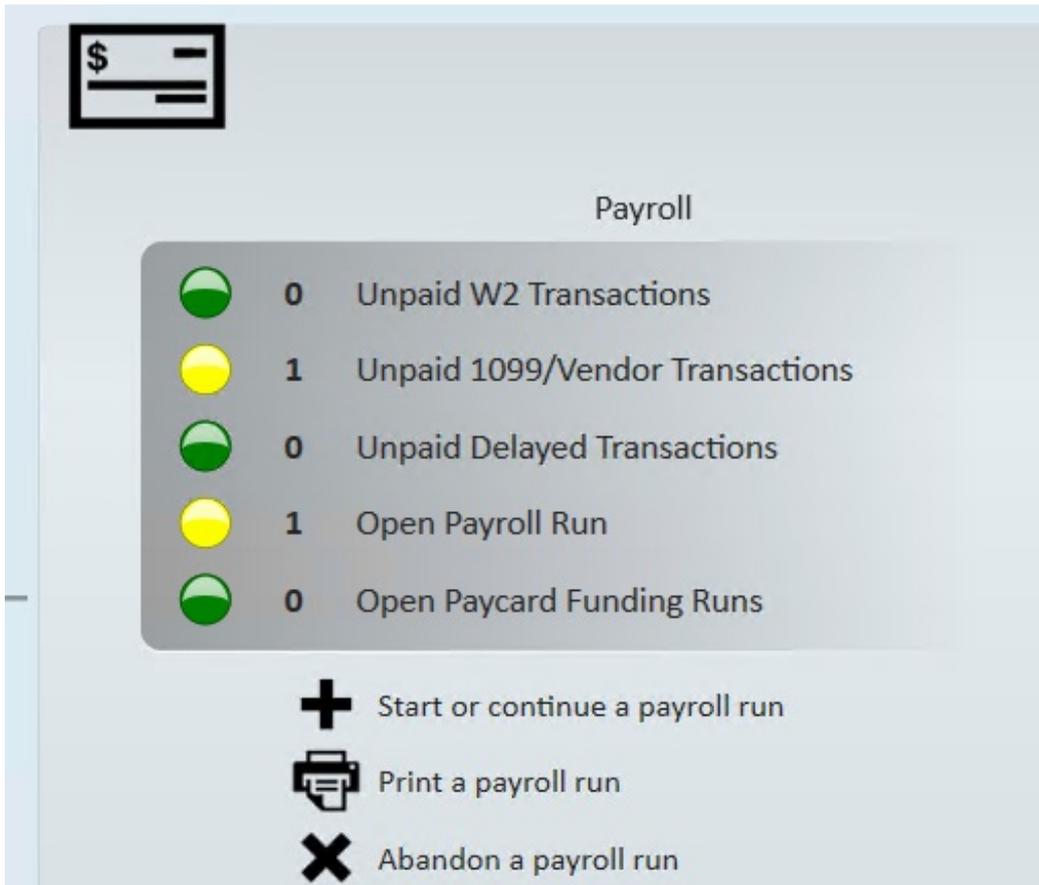
This timecard can have hours entered on it and be proofed at the same time as regular timecards.

Running Payroll for 1099 Employees

Once a 1099 timecard has been run through time entry and proofing, you will be able to pay it in a separate run. You will need to run the transactions through as a "SubPay" run in order to complete their payroll.

How Do I Know If I Have 1099 Employees to Pay?

When you look at the payroll section of pay/bill, 1099 transactions will be listed under "Unpaid 1099/Vendor Transactions"



Completing a SubPay Run:

1. In Pay/Bill navigate to the payroll section and select "Start or continue a payroll run"
2. Select "Create a new payroll run"
3. Select the Run Type of "SubPay" and choose next

begin processing payroll

Choose the appropriate options below.

Check Date	5/5/2020
Bank Account	491 - TCF Bank - AP Bank Account
Run Type	SubPay

4. Select the transactions you are ready to pay - the same way as any other payroll run:

select transactions to pay

Filter Options

All Bank IDs My Sessions Only Only Verified Linked Timecards

E-Pay Only Non E-Pay Only Pay Ready Only

Groups **Available Transactions**

Branch 1 Minneapolis

Customer

Check Delivery

Session

5. Review the transactions selected and click Next
6. Review and correct any applicable payroll errors before selecting Next
 - Check out [Enterprise - Payroll Errors, Their Meanings, and How To Fix](#) for more information
7. Review the check(s)

checks

These checks will be printed in this run. Check Date: 5/5/2020 Run: 22360

Payee	Email Ready	Gross	Tax	Adj	Net
Ingram, Mark	<input type="checkbox"/>	\$0.00	\$0.00	\$0.00	\$700.00

- Note that tax amounts are not being taken out of this check because this is a 1099 employee.
- Use the magnifying glass in the upper right to see check details

8. Select Next

9. Choose your printing settings

payroll summary
Please verify the information below. Check Date: 5/5/2020 Run: 22360

numbering

Starting Check Number

Starting EPay Check Number Use EPay check numbers only

Email Pay Stubs

Number and mark checks as printed (No checks will be printed)

Mark all checks live

Check Sort

10. Select Next

11. Select "Print this payroll run"

payroll - print checks

print checks

Start
Setup
Existing Runs
Pushed Checks
Verify Transactions
Calculate
View Checks
Payroll Summary
▶ **Print Checks**

what would you like to do?

 Print this payroll run.

 Post payroll but do not print.

12. When printing is completed, select finish

Now you have your checks to send to your 1099 employees!

What About..

- **Invoicing?** 1099 transactions are invoiced the same as any other transaction. Check out [The Invoicing Wizard](#) for more information
- **Finding Processed Checks?** Checks for 1099 employees can be found in the check register in pay/bill or on the employee's record pay history - just like any other employee. Check out [Employee: The Pay History Tab](#) for more information.
- **Check Corrections?** Check corrections will work the same way as any other check. Check out [Enterprise - How to Void and/or Reverse Checks](#) for more information

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