



# Sovos Tax Information Reporting: Increase Efficiency and Avoid Penalties

Tax information reporting is an unwelcome chore in many companies. A time-consuming and sometimes costly process, reporting takes employees away from more critical tasks. It is, however, a necessity, and with the federal government and state governments tightening deadlines and increasing penalties for late or incorrect filings, the complexity and risks associated with reporting are on the rise.

Analyst studies have shown that organizations that automate tax reporting processes outside of their source systems significantly decrease the risk of reporting errors and related potential penalties. Sovos has more than three decades of experience empowering companies of all sizes to manage reporting effectively. Sovos Tax Information Reporting requires no installations and no involvement from IT. Sovos offers excellent onboarding support, 99.9% platform uptime and the best available data protection. Plus, all Sovos Tax Information Reporting forms, data formats and regulatory filings are guaranteed compliant, reducing the risk of expensive penalties.

## Sovos Tax Information Reporting features an easy, 1-2-3 tax reporting process:



1. Import Your Data



2. Verify Data Accuracy



3. Print and Transmit

**SOVOS**  
TIR CORPORATE

PROD 2019

- Overview
- Records
- Print
- Transmit
- Reports
- File Manager

**Overview**

2 Errors | 8 TIN Mismatches | 64 Forms to Print | 32 Forms to Transmit

**Print Order Status**

Print #	Form Type	Forms	Filing Type	Payers	Print Status
0000	1099-MISC	100	Original	1	Sent to Sovos Jan 30
0001	1099-DIV	50	Correction	1	Sent to Sovos Jan 30
0002	1099-INT	100	Original	1	Sent to Sovos Jan 30

**Transmittal Status**

Transmit #	Form Type	Forms	Filing Type	Payers	Transmit Status
0004	Multiple (3)	100	Corrections	2	Transmit Pending
0003	1099-DIV	50	Corrections	2	Transmitted
0002	Multiple (3)	100	Originals	2	Accepted by IRS Feb 24
0001	1099-MISC	30	Originals	2	Rejected by IRS Feb 20
0000	Multiple (2)	60	Originals	1	Accepted by IRS Feb 18

**Timeline**

- JAN 13 Import data
- JAN 15 Resolve all errors
- JAN 31 Deadline for Sovos Print Services
- MAR 01 Transmit Deadline for 1099-MISC box 7
- MAR 05 Print and Transmit Deadline for 1042-S
- MAR 23 Transmit Deadline for 1099-MISC, without box 7, 1099-INT, 1099-DIV, 1099-B, and 1099-K

## The Sovos Tax Information Reporting solution also offers features designed to enable companies to maximize efficiency and minimize resources in carrying out tax information reporting:

### 1099 Form Management

For 1099 forms, Sovos offers complete reporting, printing and mailing services. Printing and mailing is as simple as clicking a button. Sovos checks your information against the National Change of Address list and offers increased security with TIN masking. Sovos also transmits files to the IRS through an automated process, including multi-step validation to ensure correct reporting of tax information. Take advantage of negotiated print rates to keep costs low.

### 1042-S Form Management

Keeping up with the annual changes to form 1042-S can be difficult. Sovos' regulatory team of more than 60 tax-law experts monitors changes to the form and provides updates in real-time. Sovos enables organizations to understand regulatory requirements and deliver compliant information to the IRS efficiently.



## Corrections Management

Corrections are a cumbersome but inevitable part of reporting tax information to the IRS. Sovos facilitates the process of filing corrections with the IRS, saving time and hassle. Sovos also keeps full audit history of all corrections made and transmitted to the IRS, including name, TIN and amount changes so you do not have to.

## Easy Import

With enhanced import integration, the very DNA of your data is analyzed and linked to the correct form boxes. The next time you import similar data formats, Sovos Tax Information Reporting already knows what to do with them.

## TIN Matching: Real-Time and Bulk

With Real-Time and Bulk TIN verifications, you can proactively validate your information before wasting time on rework. TIN verifications also enables organizations to avoid reporting errors and potential penalties. You can check individual data against the IRS TIN matching database, Office of Foreign Assets Control (OFAC) list and Death Master File (DMF) as you enter information, rather than reacting after the IRS sends B notices, or bulk TIN match upon import.

## Highest Level of Security

Sovos holds itself to the highest security standards available while maintaining a large degree of flexibility for user permissions based on role, function and data.

## 1099-NEC Direct State Reporting Add-On Service

With the IRS announcement in Publication 1220 that data from Form 1099-NEC will not be included in the Combined Federal/State Filing (CF/SF) Program, many organizations are facing the challenge of direct state reporting of 1099 data for the first time. With over 35 states already releasing guidance and many more to come - your tax information reporting season will be continually evolving. This makes the ability to track state changes and adapt current processes difficult, if not impossible, for organizations to handle. Luckily, Sovos' 1099-NEC Direct State Reporting software-enabled service-based offering covers all filing methods, not just efile. Apply state rules and regulations to data sets, identify eligible forms, generate necessary filing outputs and allow our service to file directly on your behalf. Import, review and submit all of your files with the Sovos' help.

## About Sovos

Sovos was built to solve the complexities of the digital transformation of tax, with complete, connected offerings for tax determination, continuous transaction control compliance, tax reporting and more. The company supports more than 20,000 customers operating in over 70 countries, including half of the Fortune 500. Its SaaS products and proprietary Sovos S1 Platform integrate with a wide variety of business applications and government compliance processes. Sovos has employees throughout the Americas and Europe, and is owned by Hg and TA Associates.

## Contact us

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