1099-NEC replaces 1099-MISC for reporting Nonemployee Compensation

If both NEC *and* other compensation types are found in an existing **1099-MISC** series, you will need to separate them yourself. Here is an example; assume that you currently have a **1099-MISC** series that contains a number of **NEC** vendors, but also includes a few 1099s for **Rent**. Note that if they have been intermixed with **NEC** vendors, the same approach should be used for vendors with Attorney Fees, Royalties, and any other amounts that would normally get reported on the **1099-MISC**.

Step 1:
Create a new 1099-MISC series in **PF 1** (use *Series Type 1*) to use for reporting **Rent**. Be sure to set the "Column 1 type" in **PF 3** to "**1**". Change the column 1 description to **Rent**.

Step 2:
Use **EF 1** to set up each of the **Rent** "vendors" in the new series. To identify the rent vendors, print a vendor journal for the original 1099-MISC series and look for those vendors with Year-to-Date amounts in the **Rent column.** You will use these amounts for the journal entries you make in **step 3**.

Step 3:
Make journal entries to move the **Year-to-Date Rent** amounts from the vendors in the original 1099-MISC series to the vendors in the new **Rent** series. In **ET 1**, use **Entry Mode 1**, not **Entry Mode 6**, to make these entries.

Step 4:
Do not under any circumstances use EF 2 to edit amounts for the original vendors or the new ones. The Year to-Date history for both the old and new vendors needs to remain intact.

Step 5:
Use **PF 1** to change the *Series Type* of the original series to "**N**". In **PF 3**, change the **NEC** column type to "**1**" and the Column 1 description to NEC.

Step 6:
In **PF 3**, remove the **Rent** column type and any other column types that don't apply to the 1099-NEC. Select a column and use the **Enter** key to move across the line – in the column type field, press the space bar and then continue across the line until the cursor returns to the left side of the screen. Don't try to delete the rent column – you won't be able to do so.

Don't forget to save your changes when you leave PF 3!