

## Form 1099 File Layout Specifications

### Purpose of Document

The purpose of this document is to provide the file format instructions and guidance for the electronic filing of multiple 1099 Forms.

### What's New

- No changes with tax year 2023.

### File Format Requirements

Below is a complete list of all original or corrected 1099 information reports that are required to be filed with the North Carolina Department of Revenue in an electronic format:

Form	Description
1099-B	Proceeds From Broker and Barter Exchange Transactions
1099-DIV	Dividends and Distributions
1099-G	Certain Government Payments
1099-INT	Interest Income
1099-K	Payment Card and Third Party Network Transactions
1099-MISC	Miscellaneous Income
1099-NEC	Nonemployee Compensation
1099-OID	Original Issue Discount
1099-R	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
W-2G	Certain Gambling Winnings
NC-1099M	Compensation Paid to Payee
NC-1099NRS	Sale of Real Property by Nonresidents

To file a **NC-1099M**, follow the 1099-NEC format in the IRS Publication 1220.

To file a **NC-1099NRS**, follow the 1099-S format in the IRS Publication 1220.

- **File Format** – The eNC3 application will only accept fixed-field text (.txt) files; no other file format will be accepted. Some examples of unacceptable formats include comma-separated values (.csv), portable document format (.pdf), Microsoft Word (.doc), and Microsoft Excel (.xls).
- **Testing File Formats** – Prior to submitting your file, the eNC3 application will allow you to test your file layout and confirm if it's formatted correctly. This will ensure your file will be uploaded successfully without generating an error. Step by step instructions to test file formats can be found on our website at [www.ncdor.gov/documents/how-test-file-formats-using-enc3-portal](http://www.ncdor.gov/documents/how-test-file-formats-using-enc3-portal).

- **Naming Convention for Uploaded Files** – In the root directory, the file name should be “IRSTAX.txt”. For each 1099 file that will be uploaded, the file name must be unique. If the 1099 file requires multiple uploads within the same submission, name your files IRSTAX\_01.txt, IRSTAX\_02.txt, etc. This naming convention is a suggested format, however, if your system requires a different format which includes the date and time of the file, please ensure that the each file name is unique. File names must not include special characters with the following exceptions: dash (-) and underscore (\_). File names that contain restricted special characters will produce errors.
- Follow the IRS Publication 1220 in addition to the NCDOR field requirements that are outlined below. The uploaded files must meet the requirements for filing Federal 1099 information as specified in **Internal Revenue Service Publication 1220** and the **NCDOR 1099 filing requirements below** to ensure the files are uploaded successfully.
- Follow the IRS Pub. 1220 for format guidelines for all of the “T” record, “A” record, and “B” record through field position 662.

## Reminders

- The eNC3 application will only allow current year 2023 and prior years 2022 & 2021 filings.
- If a payer does not file Form NC-3, along with the State’s copy of each required W-2 and 1099 statement, in an electronic format via the Department’s eNC3 and Information Reporting Application the Secretary will impose a penalty against the taxpayer for failure to file Form NC-3 in the format prescribed by the Secretary. The penalty for failure to file in the format prescribed by the Secretary is \$200. For more information, please see webpage for [eNC3 and Information Reporting Application](#).
- Until further notice, the Secretary will not require taxpayers to submit a copy of federal Form 1099-NEC or federal Form 1099-MISC statements that do not report North Carolina income tax withheld. Federal Form 1099-NEC or federal Form 1099-MISC statements that report North Carolina income tax withheld must be filed with the Department as a part of a payer’s annual report filing requirement. For more information, please see [Important Notice: Updates to North Carolina Withholding Tax](#).
- State Withholding Account Number MUST be numeric; APPLIEDFOR is not a valid entry. Please reference the eNC3 [FAQ](#) for information on how to obtain a withholding account number (if applicable).
- Prior year data, original and corrected, must be filed according to these specifications. A separate submission is required for each tax year.
- Please visit the Department’s website at [www.ncdor.gov/taxes/withholding-tax/enc3](http://www.ncdor.gov/taxes/withholding-tax/enc3) for more information.
- **“T” Record** - For position 16-20 - Transmitter Control Code (TCC), please ensure the 5 character (alphanumeric) TCC code is entered. This is a required field and the code is assigned by the IRS and not NCDOR.

## File Layout Specifications

<b>Record Name: Payee “B” Record</b>				
<b>“B” record Location</b>	<b>Field Descriptions</b>	<b>Length</b>	<b>Explanation</b>	<b>Required</b>
11	Type of TIN	1	Enter code “1” or “2” if the Payee’s Taxpayer Identification Number (TIN) is known for positions 12-20. If the Type of TIN and the Payee’s TIN are not known, enter a blank.	R - Required if positions 12-20 are populated. If the “Type of TIN” is not known, default to the primary TIN type that represents the majority of the TIN’s that are included in the file.
12-20	Payee’s Taxpayer Identification Number (TIN)	9	Enter the nine-digit TIN of the payee. If this field is populated, the Type of TIN field must be populated with either a “1” or “2”.	If form is NC-1099M, the Payee’s TIN is not required if compensation code = 03, but the Payee TIN is required if compensation code = 01, 02, 04.
663-664	NC Compensation Paid to Payee (NC-1099M)  Sale of Real Property by Nonresidents (NC-1099NRS)	2	Use “M” for NC-1099M ONLY.  Left justify and fill unused positions with blanks.  Use “NR” for NC-1099NRS ONLY.	Required for forms NC-1099M and NC-1099NRS ONLY – otherwise, fill with blanks.
665-673	State Withholding Account Number	9	State income tax withholding account number. Numeric only; “APPLIEDFOR” is not a valid entry for this field.  Use for 1099-NEC and NC-1099M	Required if state income tax withheld (positions 723-734) is greater than zero.
674	Vested (1099-R-NC Dept. of State Treasurer)	1	“V” ONLY for NC Dept. of State Treasurer	
675-686	County	12	For NC-1099NRS ONLY.  County in which property was sold.	
687	Primary Residence	1	For NC-1099NRS ONLY.  Use “Y” - If property was primary residence; otherwise use “N”.	
688-689	State	2	State Abbreviation for tax withholding.	
690-691	Compensation Code	2	For NC-1099M Only.	Required for Form NC-1099M.

			01 – Compensation paid to a nonresident 02 – Compensation paid to an ITIN contractor 03 – Compensation paid to an individual or entity that failed to provide the payer with its taxpayer identification number 04 - Compensation paid to an individual or entity that failed to provide the payer with a valid taxpayer identification number.	
692-698	Blank	7	Enter blanks.	
699-710	State Winnings	12	For W-2G ONLY	
711-722	State Income	12	For 1099-MISC, 1099-NEC, and NC-1099M ONLY Box 18 of 1099-MISC Box 7 of 1099-NEC Box 1 of NC-1099M	Required for Form NC-1099M; Zero allowed
723-734	State Income Tax Withheld	12	Use for 1099-NEC and NC-1099M	
735-746	Local Income Tax Withheld	12		
747-748	Combined Federal/State Filing Program Code	2	Blank for 1099-NEC or if not participating, “37” for NC	
749-750	Blank or CR/LF	2		

**Record length must be 750.**

1. Alphanumeric fields should be left justified and blank filled. Amount fields are right-justified, zero-filled, dollars and cents decimal implied.
2. Amount fields (Payment Amounts 1-9 and A-E plus State Income Tax Withheld) are required. Where dollar amounts are zero, enter zeroes. Blanks are not a valid entry.
3. **The filing deadline for this information is January 31<sup>st</sup> annually with the exception of form 1099-K which is due on or before March 31<sup>st</sup> of the preceding calendar year.**