

FAQ: Frequently Asked Questions

1. WHAT IF I DON'T KNOW WHAT TYPE OF FORM I NEED?

You first need to determine if you are looking for a W-2 or 1099 form. The W-2 is a Wage and Tax Statement used for reporting wages, tips and various other types of compensation. If you are uncertain which type of form you need, review the "Guide to Information Returns".

2. WHAT'S THE DIFFERENCE BETWEEN A CONTINUOUS FORM AND A LASER FORM?

Continuous forms have pinholes on the left and right sides that the printer uses to pull the forms through. Laser forms are single sheets that feed through the printer one sheet at a time.

3. WHAT'S THE DIFFERENCE BETWEEN A 2-UP FORM AND A 3-UP FORM? A 2-up form has one form on the top half of the page and another form on the bottom half of the page. For standard formats, each form is for a different employee or recipient. A 3 up form has one form on the top 1/3, one form in the middle 1/3 and one form on the bottom 1/3 of the page. For standard 3 up formats, each form is for a different employee/recipient.

4. WHAT'S A PRESSURE SEAL FORM? Pressure seal forms are laser sheets, printed on 28# white ledger bond paper using heat resistant inks with adhesive around the edge of the form. When ran through a Pressure Seal folding machine the minuscule glue capsules burst and create a bond, creating a self mailer.

5. WHAT IF I DON'T KNOW THE FORM NUMBER?

You close this window and from the home page of TaxFormWizard you can use the left side to select the type of form, state you will use the form in and type of printer you have. The TaxFormWizard will give you the most common results based on your search criteria.

6. WHAT'S THE DIFFERENCE BETWEEN W2, 1099-NEC AND 1099-MISC FORMS? Form W-2, Wage and Tax Statement, is used to report wages, taxes and other types of income paid to an employee. Form 1099-NEC is used to report payments for services performed for a trade or business by people not treated as its employees. 1099-MISC is used to report rents, royalty payments, prizes, award, etc. For more specific details see "Guide to Information Returns"

7. WHAT DOES "PARTS" MEAN? "Parts" describes the number of copies that makes up the complete document. Continuous forms use carbonless copies. Laser forms use a separate sheet for each part. See "State Filing Requirements" to determine how many parts you need of a W-2, 1099-MISC or 1099-R for your state. See "W-2 and/or 1099 Form Designation" for more details for how each part are used.

8. DOES THE FEDERAL COPY NEED TO BE PRINTED IN RED? When filing on paper forms to the SSA, "W-2 Wage and Tax Statement" Federal Copy A and the "W-3 Transmittal of Income and Tax Statements" must be printed in red using OCR scannable heat resistant ink. When filing on paper to the IRS, 1099's Federal Copy A and "1096 Annual Summary and Transmittal of US Information Returns" must be printed in red using OCR scannable heat resistant ink. Use pre-printed forms to run through laser printer. When the government scans the form, the red pre-printed format drops out, and the scanner reads only the data you are reporting which is printed in black.

9. WHAT IF I DON'T KNOW WHAT TYPE OF PRINTER I HAVE? A Dot Matrix Printer has a tractor feed on both sides. The forms have pinholes on the left and right sides that fit into the tractor feeds so the printer can pull the forms through. Forms are run continuously through the printer. A Laser Printer uses cut sheet forms, and feeds one sheet through at a time. Laser printers can also be installed in many high-speed copiers.

10. HOW ARE THE W-2 LASER FORMS PRINTED? Each software program is different. When using standard Federal Copy A the form is set to print Employee 1's information on the top form and Employee 2's on the bottom of the form. Then employee copies print according to software specifications, followed by employer copies.

11. HOW MANY PARTS WILL I NEED? See "State Filing Requirements" for number of parts required by your state.

12. WHAT IS THE DIFFERENCE BETWEEN W-2 AND 1099 FORMS? See "Guide to Information Returns" for details on what to report and which form type to use.

SEE MORE FAQs ON THE NEXT PAGE

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13. HOW DO I KNOW WHICH ENVELOPE GOES WITH WHAT FORM? See Envelope Guide to determine compatible envelope for the forms you need.

14. WHAT IS THE DIFFERENCE BETWEEN TAXRIGHT AND LASER LINK? TaxRight software uses blank or pre-printed forms. The software offers 21 different types of forms (W-2, W-2C, W-3, W-3C, W-2G, 1094-B, 1094-C, 1095-B, 1095-C, 1099-A, 1099-B, 1099-C, 1099-DIV, 1099-G, 1099-INT, 1099-MISC, 1099-NEC, 1099-PATR, 1099-R, 1099-S, 1098, 1098-E, 1098-T, 5498, 1096). It will calculate and complete your W-3 and 1096 information on pre-printed forms. Note: When filing on paper to the IRS/SSA you must use a pre-printed Federal Copy "A" form. This program offers electronic filing capabilities.

Laser Link software uses blank or pre-printed forms. The software offers 21 different types of forms (W-2, W-2C, W-3, W-3C, W-2G, 1094-B, 1094-C, 1095-B, 1095-C, 1099-A, 1099-B, 1099-C, 1099-CAP, 1099-DIV, 1099-G, 1099-INT, 1099-LTC, 1099-MISC, 1099-OID, 1099-PATR, 1099-Q, 1099-R, 1099-S, 1099-SA, 1098, 1098-E, 1098-T, 3921, 3922, 5498, 5498-ESA, 5498-SA, 1096). It will calculate and complete your W-3 and 1096 information on on pre-printed forms. Note: when filing on paper to the IRS/SSA you must use a pre-printed Federal Copy "A" form. This program offers electronic filing capabilities.

Both software programs allow multiple filers/ employers and recipients/employees. Filer/ Employer and Recipient/Employee data can be rolled into the next year's software program.

15. WHAT IS ELECTRONIC FILING? The government requires if an employer/payer has 10 or more of one form type to file with the IRS/SSA they must file the Copy "A" information electronically. If this is a hardship, the government does offer methods of requesting a waiver.

Use IRS Publication 5717 Information Returns Intake System (IRIS) Taxpayer Portal User Guide for specifications for filing forms 1098, 1099's, 5498 and W-2G.

EFW2 Publication 42-007 provides the electronic format for submitting annual Form W-2 Copy A (Wage and Tax Statement W-2) data.