Tips for Year End Printing

This is an addendum to several publications and webinars we have presented over the last four weeks relating to year-end and specifically the reporting for the federal and local agencies. This year is different because not only are there changes to the login and submission processes to the Federal sites, including requirements for second factor authentication, there are also significant changes in the capabilities of the PBS software for printing the data to be reported.

The most important change, at least from a technical point of view, is that PBS is now able to print all reports and documents to plain paper and forms (with the exception of AP and PR checks due to the need for special ink and fonts). The ability to use Windows printing for almost all printing functions within PBS corresponds to a watershed moment in Passport history.

In practice you no longer need to use the legacy, i.e., traditional company file printers and instead can utilize "Windows printing". When you use "Windows printing", PBS directly controls the Windows printer drivers for fonts, font sizes etc., plus you can have PBS print to any printer that has been installed onto your Windows workstation simply by selecting "Windows printer". By selecting this printing mode, you are presented with a window similar to what you see when printing in Excel or Word as you are using essentially the same internal printing mechanism that these programs use. This boils down to the fact that there is now usually no necessity to set up company file printers in PBS.

These new capabilities give PBS control over not only what the printing looks like (fonts etc.) but also the ability to produce graphical backgrounds. We have also added new helper software that allows this printing process to produce PDF files directly so, instead of printing to paper, a PDF file is created. This, in turn, gives PBS the ability to replicate IRS compatible forms i.e. to print W-2s and 1099s on plain paper and this makes it possible to eliminate the purchase of these forms.

An additional change for this year is the rule governing when you can use paper forms. The IRS has reduced the document count limit so that you must now use electronic submission whenever the *aggregate* number of forms counted over W-2s, 1099s, and ACA forms exceeds 10. That means that most people will have to submit their Federal reporting via file upload (previously referred to as "magnetic media"). As a result, it becomes very practical and efficient to avoid pre-printed forms entirely and use the plain paper printing for all the "non-A" type forms. (Assuming the "A" type are being submitted by file upload - see below under plain-paper printing.).

Please note we do not discuss the use of pre-printed forms in this document for both reasons of space and the fact that printing to purchased forms, has changed little from prior years. Also note the we do not discuss using magnetic media for submission to the state or other local agencies. PBS can produce state -oriented W-2s which relieves the employer of printing copies to be sent to the state. Since the 10-document limit applies to this situation for both W-2s and 1099s we assume that for most companies both Federal and state/local W-2s and 1099s will be submitted electronically.

Plain Paper Printing

Federal submission rules for W-2s require that printed Type "A" forms - red forms - must be printed on specially authorized (pre-printed) form stock, forms which the SSA can scan. Except for these all the other various form types (B, C, D, 1, 2 [1]) can be printed on plain paper by the PBS program

Similarly, the Type A copy of the 1099-NEC and 1099-MISC forms must be submitted by using the pre-approved (pre-printed– the red copy) Type "A" form or be submitted electronically. As with the W-2s and except for the Type A form all the other various form types (1, B, 2 and C [2]) can be printed on plain paper.

In both cases you can choose to print all the form Types at once or select which ones to print.
For W-2s this is presented as a dropdown list:

The first two (orange box) select all the form types to be printed as a group. The second set (green box) each select a specific single form to be printed individually. Some of the form types will have instructions that must accompany the form, and these are normally printed on the back side of the form using duplex i.e. double-sided printing. See below for some notes on this. For the 1099s, again, the situation is similar except in this case the form types to print are set out as two sets of check box buttons – one for the MISC form and the other for NEC:

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[1] W-2s:
  Copy B – EE's copy, filed by the EE with EE's tax return.
  Copy C – EE's copy retained for the EE's records.
  Copy D – ER's copy retained as file-copy records.
  Copy 1 – Filed with the ER's state or local income tax return.
  Copy 2 – Filed with the EE's state or local income tax return.

[2] 1099s:
  Copy 1 – State tax department
  Copy B – Vendor's copy
  Copy 2 – To be filed by Vendor's with their Income Tax return
  Copy C – Payer's file copy

You may choose all or any on of these buttons independently.

Below is the selection for using pre-printed forms vs. plain paper. You will note that the option to include the Type A form is cleared once you choose plain paper forms. This is because the Type A form must be printed onto pre-printed paper if you are going to print the Federal copies.

Double Sided (Duplex) Printing

Here is an example of the printing of the instructions that are printed on the back side of many of the form types. These are mandatory for use of the form – this one is for the 1099-NEC type B:

Passport is now offering the option to print the W-2 and 1099 forms using duplex printing. Selecting this option will reduce the number of sheets to be printed by about half and will provide a document that looks similar to the purchased, pre-printed forms.

There are two issues with doing this. The first is configuring the printer to be able to do this mechanically. The second is keeping track of what is a front page and what is a back page especially when printing multiple forms types for multiple employees (W-2s) or vendors (1099s).

Regarding the first issue, the initial question to ask is: Can my printer do duplex printing at all? You may know this from reading the documentation about the printer or because of prior experience doing it. However, if the question is still open to you, we suggest taking a two- or three-page Word document and telling the MS Word program (or equivalent) to print the document using duplex printing. For example, in Word 365, at printer selection time you will see a set of print options:
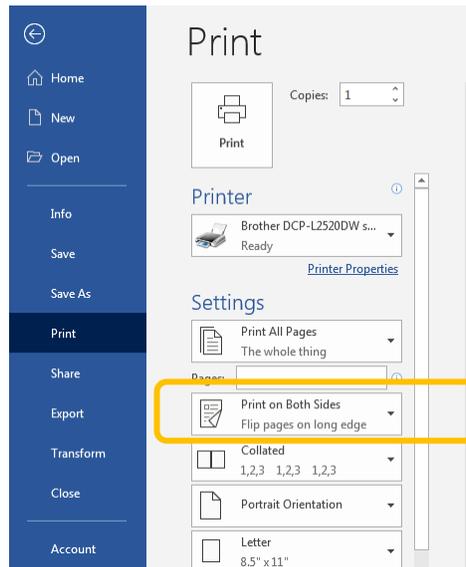
Printing a document in this way will demonstrate if you are able to print duplex with your equipment. *Please note,* if you do not wish to print these documents in double sided mode or the printer does not offer duplex printing, you can simply print the forms in the single sided mode. This is completely "legal" and practical. Doing this will print the "back side" of the two-sided document as a separate sheet right after the "front" side. In effect for three documents with Instructions on the back, single sided printing will print the forms themselves as pages 1, 3, 5, and the instruction sheets – the back sides - as pages 2, 4, 6.

At present, PBS is unable to configure the printer dynamically to do duplex printing i.e. it cannot change the printer from within the accounting program. However, all you have to do is "manually" set the print into duplex mode before printing the forms. To do this go into Devices/Printers in the Control Panel/Setup, double click the printer you want to use. You will get a menu and among the menu items there should be an option to "Adjust print options". Double click and you should get something like:
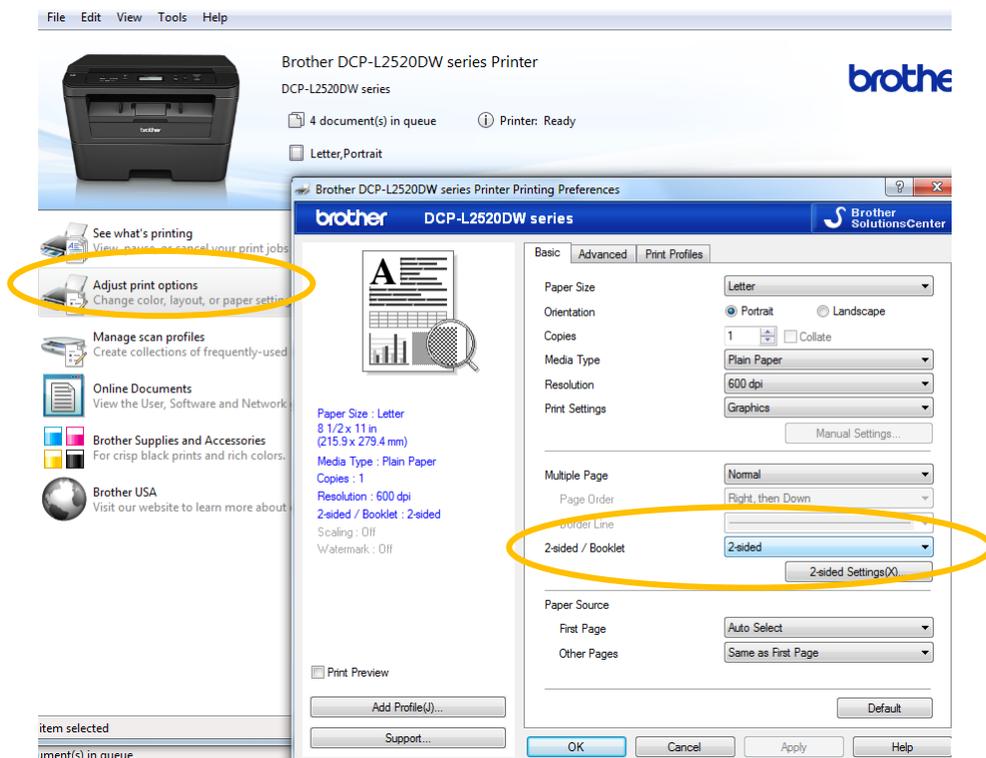
The specific keystrokes will vary somewhat between different versions of Windows and between the different printer drivers. However, the basic approach is within the Setup function to find the printer and to select/double click/right click that printer and locate the printer preferences. Find the portion of the setup screen devoted to 2-sided/duplex printing and choose the two-sided option. In most cases, as either a sub-menu or a right-click menu, you will have the option to flip the second side over the top-bottom/short side or over the long/left-right side. Choose the long side otherwise the back page will be up-side-down to the front side.

You can test that setup is correct simply by printing a 2- or 3-page report out of PBS and see if it comes out correctly.

If you look at the screen shots above of the W-2 and 1099 print selection screens, you will see that both W-2 and 1099 print make a distinction between printing the plain paper forms in single- or two-sided mode. This is because not all the forms have instructions to print on the back side. Keep in mind that the "back" page will always need to be the even numbered page. To support the printing of multiple document types some with a back page and some without, the program, in printing multiple forms in double sided mode, will always print two pages for each form. If there is no Instruction or back-side page (e.g. "Instructions to Recipient" on page 3 above), this will be a blank page, and if not, the Instruction page is printed. In the single page option, as all the pages are separate sheets, the program will simply print the pages that have contents and ignore the rest. In this manner, pages with forms on them can be odd or even, and side by side.

For W-2s, the duplex printing option is the second entry in the drop-down option in the orange box below (see also page 2 above showing the W-2 and 1099 print selection screens). The single page option is the first. In contrast, when individual form Types are selected (all enclosed in green below), duplex printing is assumed. If the printer has been set up for duplex printing, the double-sided copies will be printed, if it has not, then each form will be printed on two sheets:
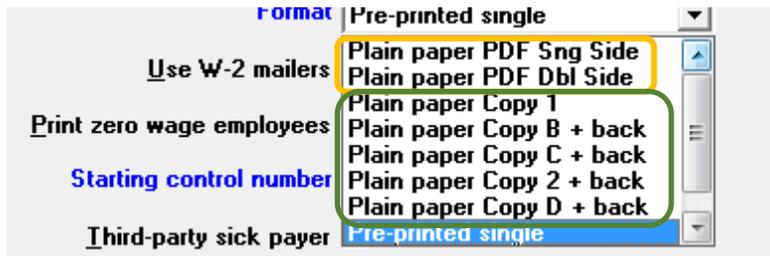
For 1099s the program will, by default, print single-sided output when the plain paper print option is selected (orange box below). Double-sided printing will only happen when "the print plain paper PDF double-sided print" option (green box) is *also selected*.
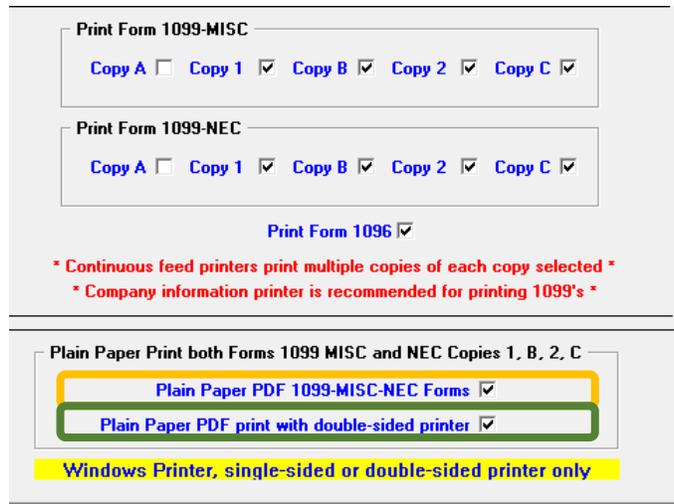
PDFs - not retained by design.

When plain paper printing is used, PDFs are generated internally by PBS to format the forms, and after they have been printed the PDFs are all automatically deleted. This is a design feature as the PDFs contain critical and personal information (e.g. SSN, salary, etc.) and it is considered a security issue to have these documents as files available for access within the PBS file structures - a file structure which is open to anyone with rights to run the system.