

OFFICE OF
THE COMMISSIONER

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GOVERNMENT OF
THE UNITED STATES VIRGIN ISLANDS

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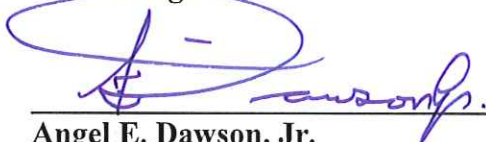
DEPARTMENT OF FINANCE

MEMORANDUM NO. 005-2011

TO: ALL DEPARTMENT AND AGENCY HEADS

SPECIAL ATTENTION:
Fiscal Officers, Supervisors of Accounts
Fiscal Programs Officers

FROM:



Angel E. Dawson, Jr.
Commissioner

RE: Corrections/Reissuance of Form 1099-MISC

DATE: January 31, 2011

We have been advised that the distribution of Form 1099-MISC, Miscellaneous Income (Form 1099-MISC) for calendar year 2010, inadvertently included several employees of the Virgin Islands Government (GVI) who should not have received this documentation (e.g, travel reimbursements, uniform allowances, petty cash, etc.). Generally, the Department of Finance (DOF) disseminates Form 1099-MISC to each person (i.e., independent contractor) or entity which it paid during the year:

- At least \$600.00 in rents, services (including parts and materials), prizes and awards, other income payments, medical and health care payments to corporations, or, generally, the cash paid from a contract to an individual, partnership, or estate;
- Gross proceeds to an attorney; and
- At least \$10.00 in royalties or broker payments in lieu of dividends or tax-exempt interest.

While DOF is required by law to report, as miscellaneous income, any of the aforementioned payments via Form 1099-MISC, we recognize the possibility that errors may occur, which requires the assistance of DOF to rectify.

Given that the information found on Form 1099-MISC is forwarded to the Bureau of Internal Revenue (BIR) and Department of Treasury, Internal Revenue Service (IRS), we strongly recommend the return of any incorrect Form 1099s to DOF, accompanied with the enclosed “1099-MISC Request Form (DOF 01-2010),” which is also located on our website at <http://www.usvifinance.info/html/Financial-Policies.html>. Form DOF 01-2010 provides the procedures to be followed by the affected individual or entity to correct any inaccurate reporting of miscellaneous income to BIR and IRS and serves as documentation of their request for assistance.

Thus, to reiterate, since the BIR and IRS receives copies of Form 1099-MISC, individuals or entities that contact departments and agencies, when they receive an erroneous Form 1099-MISC are advised **NOT to ignore or discard** this information. Through the use of the 1099-MISC Request Form (DOF 01-2010), DOF will formally update any inaccuracies found within Form 1099-MISC. Moreover, the underlying cause of any errors found will be properly researched by DOF and immediately corrected to ensure that our vendor maintenance file within the Enterprise Resource Planning system is kept up-to-date.

We appreciate your assistance in this matter and respectfully request that you contact Ms. Clarina Modeste-Elliott, Director of Accounting at 774-4750 Ext. 2313, if you have any further questions, comments or concerns.

GOVERNMENT OF THE VIRGIN ISLANDS
DEPARTMENT OF FINANCE
1099-MISC REQUEST FORM

Note: This form should be used to request a copy of a 1099-MISC or for assistance with a problem related to a 1099-MISC form and must be hand delivered to the Department of Finance, Accounting Division, along with supporting documentation (e.g., attach incorrect 1099, if applicable).

The Department of Finance will provide a response via phone call or e-mail within ten (10) business days.

NAME _____

TAX ID # _____
(SS# or EIN)

E-MAIL _____

PHONE _____

ADDRESS _____

CITY _____ STATE _____ ZIP CODE _____

TAX YEAR _____ AGENCY/DEPT. _____ DATE _____

REASON FOR CORRECTION:

- _____ DID NOT RECEIVE 1099-MISC
- _____ LOST OR STOLEN 1099-MISC
- _____ NAME/ADDRESS CORRECTION NEEDED
- _____ RECEIVED 1099 BUT SHOULD NOT HAVE
- _____ DISCREPANCY IN AMOUNT
- _____ REPORTED AS WRONG TYPE OF INCOME
- _____ OTHER _____

*****Please note: This form should be completed by the individual or entity requesting 1099-MISC tax form assistance.**

FOR DEPARTMENT OF FINANCE USE ONLY

ENTERED BY: _____

DATE _____

COMMENTS _____