

SBCTC-IT

1098-T IRS Requirement: Student's taxpayer identification number and checkbox

User Documentation

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IRS Requirement

The 2016 IRS Instructions for Forms 1098-E and 1098-T include a requirement of a new checkbox on the form. The checkbox has been added to the Student's taxpayer identification number box on the form. This checkbox is for the purpose of certifying that colleges have complied with the standards publicized by the Secretary for obtaining the student's TIN.

The reporting college is to enter the student's taxpayer identification number, as provided on Form W-9S, Request for Student's or Borrower's Taxpayer Identification Number and Certification, or other form. If the college solicited the student's TIN in writing, check the box. By checking the box and filing Form 1098-T with the IRS (for electronic filers), the college certifies under penalty of perjury that they have in good faith complied with the standards in regulation section 1.6050S-1 governing the time and manner of soliciting the taxpayer identification number of the student. Filers who transmit paper forms to the IRS will make such certification by signing Form 1096 in conjunction with filing the returns with the boxes checked in the field designated for the student's identification number.

Overview

In order to identify students who should have the new checkbox activated on their 1098-T forms, SBCTC will be adding a field to the extract files produced to print the forms. The extract files are produced via SBCTC developed IRS Tuition Tax Credit jobs BM1745J and BM1747J, which identify qualifying students and then create the properly formatted file for the state printers.

Students with missing Social Security Numbers (TINS) must first be associated with a system-wide Unusual Action Code of "S+". The changes to BM1747J will include a look-up for the "S+" Unusual Action Code. Students eligible for the tax credit and who are associated with the Unusual Action Code will have the new checkbox activated on Form 1098-T. **The "S+" is the only means for ensuring the new**

checkbox will be checked on Form 1098T. Colleges must use this unusual action code and must assign it to students from whom they have tried to solicit the SSN. There will be no new requirements for running these jobs, therefore instructions are not included in this document. Instructions for running jobs BM1747J (and associated job BM1745J) can be found on the SBCTC-IT web site.

To assist colleges in identifying students who are missing a SSN, SBCTC has developed a multi-pass DataExpress procedure. The output file will be used as input to job SM5230J to assign the "S+" UA Code.

The "S+" code will be associated with all students missing a SSN for the period (YRQ's) selected by the college. The UA Code is not exclusive to students eligible for the tax credit. Colleges are not required to use the supplied DataExpress procedures to identify students with no SSN. However, it is recommended that all students with no SSN be associated with the "S+" Unusual Action Code.

The instructions below provide two options. The first option includes the step-by-step instructions for running the two-pass DataExpress procedure and using job SM5230J to associate the "S+" Unusual Action Code. In addition to the two-pass DataExpress procedure, a third DataExpress procedure is available for reading and reviewing the results before assigning the S+ Unusual Action code via job SM5203J.

Both of the two-pass DataExpress and SM5230J may be run at the colleges discretion (quarterly, annually, etc.).

The second option includes instructions for manually adding the S+ Unusual Action Code to students. A DataExpress procedure has been developed to provide a list of students who have been assigned the S+ UA code.

OPTION ONE

DataExpress Procedure to Identify Students with no SSN

This two pass DataExpress procedure extracts the SID and YRQ for students with active enrollment records during a college specified period. Optionally, the college can filter on additional fields as noted below. The end result extract is an ASCII fixed format file intended to be used as input to job SM5230J for the purpose of assigning Unusual Action Code S+ to student records in the file. To run the two-pass procedure, log into DataExpress and follow these steps:

1. **2:** RUN an existing procedure
2. RUN procedure name **BM1747SSN1**
3. Catalog directory **../..//PLIB/INFORM**
4. USER name *Enter the database username associated with your college's SM database*
5. USER password *Enter your college specific SM database password*
6. Enter values for the run-time filters noted below. These will be different for each college but some examples have been provided. Leave value blank if you do not wish to limit the records. You may enter multiple YRQ's if desired. Then, run job SM5230J for once for each unique YRQ value in the file.

- a. YRQ (example: B564, B671,B672,B673,B674)
 - NOTE: Job SM5230J can only process a single YRQ. If you wish to extract data for multiple YRQ's you may enter more than one value here. Then, enter a single value in the YRQ-FOR-UA-ASSIGNMNT prompt. This will result in a single S+ Unusual Action Code assignment for each student extracted with the ACTN-ENTR-DATE value equal to the value entered for YRQ-FOR-UA-ASSIGNMNT.
 - b. FEE-PAY-STAT (from STU-YRQ-M)
 - c. STU-TYP
 - d. ENR-CR (examples: GT 0, or GT .5)
 - e. DEPT-DIV (example: NE ABE* and NE ESL*)
 - f. SECT (example: T#P for tech prep)
 - g. YRQ-FOR-UA-ASSIGNMENT (example: B672).
 - NOTE: This is the value that will be associated to all records in file NOSSN2, consumed by job SM5230J.
7. DOWNLOAD/SAVE/APPEND file (D/s/a)? **S**
 8. NAME FOR GENERATED FILE **NOSSN**
 9. PURGE EXISTING FILE (N/y)? **Y** *You may not see this prompt the first time the process is run.*
 10. REUSE EXTRACT FILE (N/y)? **N**
 11. REPEAT PROCEDURE RUN (N/y)? **N**

NOTE: If the colleges prefers to associate the S+ Unusual Action Code with the student multiple times, once for each quarter they attend, enter a single value in the YRQ prompt. Enter the same value in the YRQ-FOR-UA-ASSIGNMENT prompt. Then run job SM5230J with the same value for parameter SM5230-ENTR-DATE. This value will appear as the ACTN-ENTR-DATE on the Student Unusual Action screen (SM5003). For this approach, the multi-pass DataExpress procedure must be repeated for each quarter in which you wish to assign the S+ UA code.

12. *From the DataExpress main menu, 2: RUN an existing procedure*
13. RUN procedure name **BM1747SSN2**
14. Catalog directory **../.. /PLIB/INFORM**
15. USER name *Enter the database username associated with your college's SM database*
16. USER password *Enter your college specific SM database password*
17. Enter any Unusual Code Values you wish to include or exclude. For example, some colleges assign an UA Code for students signing waivers that they do not wish to disclose their SSN.
18. DOWNLOAD/SAVE/APPEND file (D/s/a)? **S**
19. NAME FOR GENERATED FILE **NOSSN2**
 - a. *NOTE: The filename NOSSN2 must be used if you wish to run the review DataExpress procedure described next.*
20. **EXIT DATA EXPRESS.**

NOTE: Colleges may opt to develop their own processes for identifying students with missing SSNs.

DataExpress Procedure to REVIEW Students Extracted for Job SM5230J

After running the two-pass DataExpress procedure above and before running job SM5230J, you may wish to review the students who will be assigned the S+ Unusual Action Code. It is assumed that S+ coded students will be solicited for their SSN. The instructions below provide the step-by-step instructions for running a DataExpress procedure that will provide a list of the students extracted in the two-pass DataExpress procedure. Included in the output are the YRQ, SID, student name, and full mailing address. Colleges may opt to use this report for mailing the SSN solicitations.

IMPORTANT: DataExpress procedures BM1747SSN1 and BM1747SSN2 must be run before running the following:

1. Be certain you have exited DataExpress prior to running BM1747SSNR.
2. Log bac into DataExpress.
3. **2:** RUN an existing procedure
4. RUN procedure name **BM1747SSNR**
5. Catalog directory **.././PLIB/INFORM**
6. At the output file format options screen, select an option that best meets your needs. For example, to view the data on the screen select option 1. To download the information in Excel, select option 19.
7. USER name *Enter the database username associated with your college's SM database*
8. USER password *Enter your college specific SM database password*
9. The procedure will run. When finished you will be prompted to either list on printer or download, depending on your selected output option in step 4.

SM5230J Unusual Action Update from DataExpress

Before running job SM5230J to add the "S+" Unusual Action Code to students, please be certain that you have done the one-time add on screen SM5021. See Appendix A.

Once you have reviewed the results of DataExpress procedure BM1747SSNR you can then use the extract file from DataExpress BM1747SSN2 (above) to assign the "S+" Unusual Action Code. Run job SM5230J with the parameters noted below. The instructions below will assume a file name of NOSSN2. The college may opt to use a different file name in step 19 above.

Parameter:	Your response:
SM5230-ACTN	Enter S+ as the unusual action code that you want added to the records of the students in the file.
SM5230-ENTR-DATE	Enter a year-quarter that will be associated with the unusual action codes that get assigned to students in the file. This YRQ will appear in the ACTN ENTR DATE column on the Student Unusual Action screen (SM5003). The year-quarter MUST be the same value entered as YRQ-FOR-UA-ASSIGNMNT

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	in DataExpress BM1747SSN2.
SM5230-FILENAME	Enter the fully qualified file name: ../GEN/NOSSN2
SM5230-ORIG	Enter a 4-character name for the office or employee assigning the unusual action code to the students in the file. For example, LIB or CASH. This name will appear in the ACTN ORIG ID column on the Student Unusual Action screen (SM5003).
<i>NOTE: Complete job scheduling instructions for SM5230J are on the SBCTC-IT web site. The job produces the SM5230 – Student Records Update report, which lists all SIDs processed in the job run.</i>	

OPTION TWO

Manually Adding Unusual Action Code S+ to a Student

If the college prefers to manually add the S+ Unusual Action Code to a student's record, log into SMS and go to screen SM5003. Input data following the example below.

```
SM5003-005          STUDENT UNUSUAL ACTION

SID [123 ][45 ][6789 ]      Stu Name [ FUDD ELMER A ]
                               Actn Actn
Unusual   Abbr             Bad Debt   Pun             Orig       Entr
Actn      Title            Amt         Actn           Title      Id         Date
[S+ ]    [  ]              [  ]       [  ]           [  ]      [CASH]    [B672 ]
```

1. Enter the student SID and press the F2 Update key.
2. Type the S+ Unusual Action Code.
3. At the Bad Debt Amt prompt, press tab.
4. At the Orig Id prompt, enter the appropriate 4 character originator id code. For example, CASH for cashier.
5. At the Entr Date prompt, enter the appropriate YRQ value.
6. Continue to add records as needed.
7. Press Enter when finished.

NOTE: If an alternate UA Code (other than S+) was used previously to identify students with missing SSNs, please contact support@sbctc.edu. We will update your database with the new code.

Using DataExpress to Identify Students with the S+ Unusual Action Code

A DataExpress procedure has been developed to provide a listing of student records associated with the S+ Unusual Action Code. The output includes SID, student name, full address, Unusual Action Code, Action Entry Date, and Action Originator ID. Colleges may opt to use this report to assist in sending SSN solicitation notices to students. To run the DataExpress procedure and send the output to Microsoft Excel, follow these steps:

1. **2:** RUN an existing procedure
2. RUN procedure name **SM5045R**
3. Catalog directory **.././PLIB/INFORM**
4. At the output file format options screen, select an option 19 to download the results to Excel.
NOTE: Downloading to Excel is not required but will be used for this example.
5. USER name *Enter the database username associated with your college's SM database*
6. USER password *Enter your college specific SM database password*
7. At the Unusual Action prompt, enter S+.

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8. At the ACTN-ENTR-DATE enter the YRQ values you wish to extract. For example: B672, B673.
9. At the Download/save/append file (D/s/a)? prompt, type D.
10. At the PC file name prompt, provide the PC location and a filename. For example:
C:\MyDocuments\NOSSNFILE.
11. Open Excel and navigate to the file location specified in step 10 to review your results.

APPENDIX A

Adding Unusual Action Code S+ to the Database

Before associating Unusual Action Code S+ to any student records via job SM5230J, the UA Code must first be entered into the database. This is done on screen SM5021 as follows:

1. In SMS, go to screen SM5021
2. At the Unusual Actn. prompt, enter **S+**
3. Press the **F1** ADD button
4. At the Abbr Title... prompt, type **SSN RQUEST**
5. Press enter twice, leaving the Pun Actn and TTone Msg Id. prompts blank.

NOTE: It is only necessary to add the UA Code once. The code will remain in the database for future use.