Revised

Product:	Version #:	To be released to:	On date:
CU*BASE® GOLD	20.12	Online CUs	December 13, 2020
Year-End Release		Self-Processors	December 13, 2020
Updated booklets will be posted on o than: December 11, 2020	our website no later	Key to the symbols: You'll see it immediate You'll need to activate You'll need to work wi	it th a CSR to set it up

All Staff

☑ It's Me 247 Message Center Initial Clean-up and Continued Purges

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Of the upwards of 28.3 million messages that currently reside in the **It's Me 247** Message Center, more than half are older than two years, and many of those are unread. As many members and credit unions have requested a clean-up of these retained messages, we will purge all existing messages that are dated December 31, 2018 and before during the implementation of the 20.12 release for all online and Site-Four credit unions.

Then, beginning January 2021, CU*Answers will begin routinely purging online banking messages older than 18 months, each month, during the EOM processing period.

Self-processing credit unions who wish to implement both the initial and monthly purge should contact CU*Answers Operations for assistance with configuration.

Tax and Year-End

1099-MISC Changes and New Form 1099-NEC

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The IRS introduced form 1099-NEC Non-employee Compensation. The new form reports non-employee compensation that was previously reported on the 1099-MISC. This new form will mirror existing tax maintenance in **Tool #922** *Update 1099-A, C, MISC, NEC Form Data*, by selecting the 1099-NEC option and entering the amounts. Just like with 1099-MISC forms, 1099-NEC forms are generated using a combination of records entered manually via the tax maintenance feature, plus vendor records from **Tool #990** *Work With Accounts Payable Vendors* that are marked to designate non-employee compensation.

We will be converting data (for tax year 2020 only) from the existing 1099-MISC table (TAXADD2) for non-employee compensation (field NONEMP) and convert it to the new TAXADD5 table for 1099-NEC forms.

Due to the creation of Form 1099-NEC, the IRS revised Form 1099-MISC and rearranged box numbers for reporting certain income, as seen here.

Refer to the IRS website for further instructions on specific box requirements. You can find the IRS 1099-MISC or IRS 2099-NEC instructions each year at www.irs.gov.

		OMB No. 1545-0115	1 Rents	country, ZIP	e or province,		AYER'S name, street address, city r foreign postal code, and telephor
Miscellaneous	1	2020	\$				
Income		<u> </u>	2 Royalties				
		Form 1099-MISC	S				
Copy A	withheld	4 Federal income tax	3 Other income				
Fo		\$	\$				
Internal Revenue Service Cente	payments	6 Medical and health care	5 Fishing boat proceeds		T'S TIN	RECIPIEN	AYER'S TIN
		\$					
File with Form 1096		+	7 Paver made direct sales of				ECIPIENT'S name
For Privacy Ac		8 Substitute payments dividends or interest	\$5,000 or more of consumer products to a buyer				ECIPIENT'S name
Reduction Ac		\$	(recipient) for resale				
Notice, see the 2020 General	id to an	10 Gross proceeds pai attorney	9 Crop insurance proceeds				treet address (including apt. no.)
Instructions for		\$	8				
Certaii Informatioi	rals	12 Section 409A defen	1	City or town, state or province, country, and ZIP or foreign postal code			
Returns		\$					
1	ed	14 Nonqualified deferre	3 Excess golden parachute payments	2nd TIN not	FATCA filing requirement		ccount number (see instructions)
		\$					
17 State income	no.	16 State/Payer's state	5 State tax withheld				
\$			5				
\$			8				

Updated Tax File Includes DIVAPL Type for Easier Verification

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The TAX file has been updated to file TAXACCTSUM, which includes fields *Dividend Application Type, Last Update Date, Last Update Time, Last Update User ID*, and the *Time Stamp* of the change. While this change is largely for our internal teams, data analysts and query-users will want to use the new TAXACCTSUM table for report building and verification.

✓ Loans Created in Tax Year to Use EOM Balance of Creation Month for 1098 Reporting

Learn more: online help

The 1098 form requires the mortgage balance from Jan 1 of the tax year, or from the Loan Creation Date for loans created in the tax year. Following this release, all loans created in the tax year will report the end of month balance for the month the loans was created - pulling the information from MBRBAL. There is no change to loans created prior to the current tax year.

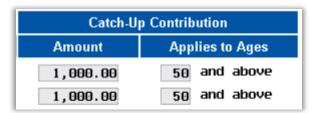
Required Minimum Distribution Report Now Reflects Age 72

Learn more: online help

Tool #416 *IRA Required Minimum Distribution Report* has been updated to reflect the changes to the upper age for Traditional Catch-Up Contributions.

IRA Catch-Up Contribution High Age Adjustment

Learn more: online help



The Catch-Up Contribution upper limits in **Tool #414** *IRA Plan Type Activation* have been updated to adjust for changes to the high age in the Traditional IRA type. The beginning-of-year processes have also been adjusted to eliminate the cap age that currently assigns a 0.00 limit in the IRABL record and assign the catch-up contribution limit for all traditional IRABL records above the configured 'low' age.

For more information regarding these updates and other tax-related processes, refer to the year-end guide for your credit union,

<u>Year-End Processing Guide for Online Credit Unions</u> <u>Year-End Processing Guide for Self-Processing Credit Unions</u>