





# 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 our website no later than:

**December 11, 2020**

Key to the symbols:

-  You'll see it immediately
-  You'll need to activate it
-  You'll need to work with a CSR to set it up
-  There may be related fees; contact a CSR

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### All Staff

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

Learn more: [online help](#)

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](http://www.irs.gov).

The image shows the front of Form 1099-MISC for the year 2020. The form is titled "Miscellaneous Income" and includes various boxes for reporting different types of income. The year "2020" is prominently displayed in the top right corner. The form includes fields for Payer's and Recipient's TIN, Recipient's name, and address. It also includes boxes for reporting Rents, Royalties, Other income, Fishing boat proceeds, Medical and health care payments, Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale, Crop insurance proceeds, Gross proceeds paid to an attorney, Section 409A deferrals, Excess golden parachute payments, Nonqualified deferred compensation, State tax withheld, State/Payer's state no., and State income. The form is labeled "Form 1099-MISC" and "Copy A For Internal Revenue Service Center".

### Updated Tax File Includes DIVAPL Type for Easier Verification

Learn more: [online help](#)

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

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**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](#)

Catch-Up Contribution	
Amount	Applies to Ages
1,000.00	50 and above
1,000.00	50 and above

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,**

[Year-End Processing Guide for Online Credit Unions](#)  
[Year-End Processing Guide for Self-Processing Credit Unions](#)

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