

Daily Operations Section
State Accounting Bureau

1042 Reporting:

Part 4 – End of Year reporting





Objectives

- Important 1042 Reporting dates
- 1042 Reporting Form
- 1042 reporting Process
- Agency Responsibility
- DOS Support



1042 Reporting Important dates!

For all reporting dates & deadlines visit our website – sfsd.mt.gov/sab/resources

The screenshot shows the website for the State Financial Services Division (SFS) under the Montana Department of Administration. The page title is "STATE FINANCIAL SERVICES DIVISION" with the tagline "Deliver services that support the transparency, accountability, and effective management of public funds". The navigation menu includes HOME, WHAT WE DO, BUREAU WEBSITES, RESOURCES, and CONTACT US. A search bar is present with the text "Search SFS". The breadcrumb trail is "SAB / Resources / Resources". A blue banner contains the text: "The term annual comprehensive financial report and acronym ACFR have been established to replace the report name and acronym previously used for the comprehensive annual financial report. The structure and contents of the report remain the same. For more information on the change, visit the Governmental Accounting Standards Board." Below this is a table of resources:

CALENDAR DATES	□
AGENCY REPORTS, FORMS, SCHEDULES & TEMPLATES	□
SERVICENOW	□
FISCAL YEAR-END	□

At the bottom right, there is a red-bordered box containing a "Print" icon and buttons for "Week", "Month", and "Agenda" with a dropdown arrow.

DAILY OPERATIONS SECTION | STATE ACCOUNTING BUREAU (SAB)



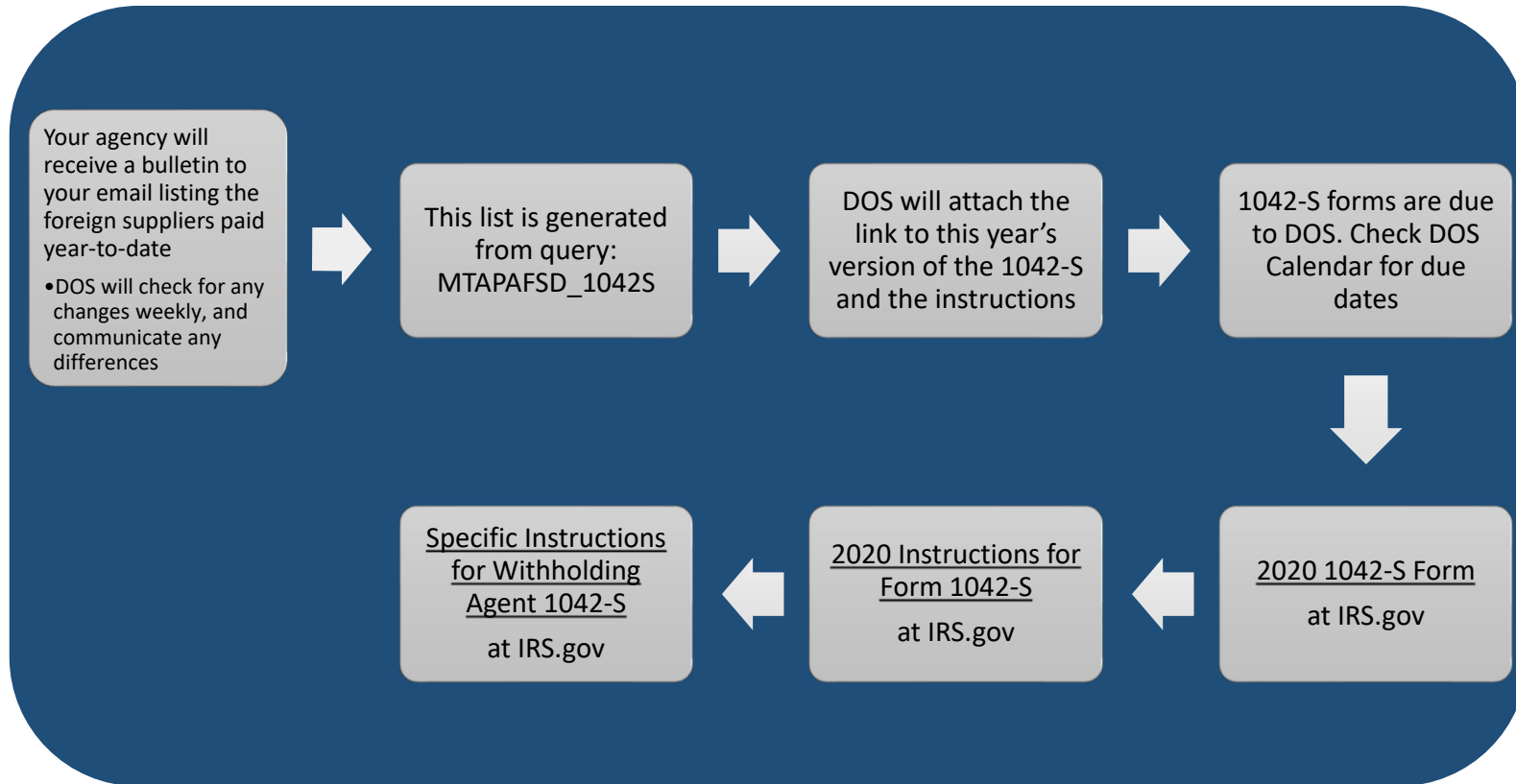
1042-S Form

Form 1042-S		Foreign Person's U.S. Source Income Subject to Withholding 2020			OMB No. 1545-0096	
Department of the Treasury Internal Revenue Service		▶ Go to www.irs.gov/Form1042S for instructions and the latest information.			Copy A for Internal Revenue Service	
		UNIQUE FORM IDENTIFIER			AMENDED <input type="checkbox"/> AMENDMENT NO.	
1 Income code	2 Gross income	3 Chapter indicator. Enter "3" or "4"	13e Recipient's U.S. TIN, if any		13f Ch. 3 status code	
		3a Exemption code	4a Exemption code	13g Ch. 4 status code		
		3b Tax rate	4b Tax rate	13h Recipient's GIIN	13i Recipient's foreign tax identification number, if any	13j LOB code
5 Withholding allowance				13k Recipient's account number		
6 Net income				13l Recipient's date of birth (YYYYMMDD)		
7a Federal tax withheld						
7b Check if federal tax withheld was not deposited with the IRS because escrow procedures were applied (see instructions) <input type="checkbox"/>						
7c Check if withholding occurred in subsequent year with respect to a partnership interest <input type="checkbox"/>						
8 Tax withheld by other agents				14a Primary Withholding Agent's Name (if applicable)		
9 Overwithheld tax repaid to recipient pursuant to adjustment procedures (see instructions) ()				14b Primary Withholding Agent's EIN		
10 Total withholding credit (combine boxes 7a, 8, and 9)				15 Check if pro-rata basis reporting <input type="checkbox"/>		
11 Tax paid by withholding agent (amounts not withheld) (see instructions)				15a Intermediary or flow-through entity's EIN, if any		
				15b Ch. 3 status code		
				15c Ch. 4 status code		
12a Withholding agent's EIN	12b Ch. 3 status code	12c Ch. 4 status code		15d Intermediary or flow-through entity's name		
12d Withholding agent's name					15e Intermediary or flow-through entity's GIIN	
12e Withholding agent's Global Intermediary Identification Number (GIIN)					15f Country code	
12f Country code	12g Foreign tax identification number, if any				15g Foreign tax identification number, if any	
12h Address (number and street)					15h Address (number and street)	
12i City or town, state or province, country, ZIP or foreign postal code					15i City or town, state or province, country, ZIP or foreign postal code	
13a Recipient's name		13b Recipient's country code		16a Payer's name		16b Payer's TIN
13c Address (number and street)				16c Payer's GIIN		16d Ch. 3 status code
13d City or town, state or province, country, ZIP or foreign postal code				16e Ch. 4 status code		
				17a State income tax withheld	17b Payer's state tax no.	17c Name of state

For Privacy Act and Paperwork Reduction Act Notice, see instructions. Cat. No. 11386R Form **1042-S** (2020)



1042 Reporting Process





Form 1042-S Required Fields

You must Complete all required fields

- At a minimum, you must enter information in
 - Box 1 – income code
 - Box 2 – gross income; cannot be zero
 - Box 3 – chapter indicator; either 3 or 4, not both
 - Box 7 – federal tax withheld; if any, if not 0.00
 - Box 12a – withholding agent’s EIN; 81-0302402
 - Box 12d – withholding agent’s name; State of Montana
 - Box 12h-i – withholding agent’s address; PO BOX 200102, Helena, MT 59620-1020
 - Box 13a – payee name
 - Specific instruction for withholding agent 1042-S
 - Depending on the status of each supplier, other entries may apply



1042 Reporting Agency Responsibility

Never pay foreign suppliers with a ProCard

Verify and procure correct and complete W-8

Determine the type of payment being made and identify the income source

Collect invoices that specify "not from U.S. sources" if supplier has not made a valid treaty claim – submitting them to DOS

Withholding 30% if supplier has F.D.A.P income and has not provided appropriate documentation

Reporting withholding amount immediately and sending to DOS

Submit 1042-S for all reportable suppliers to saccounting@mt.gov using file transfer service



DOS Agency Support





THANK YOU!

Thank you for watching!

Questions? Please submit an [Other Accounting/SABHRS Questions](#) request in ServiceNow or call 406-444-3092