



Publication 1220

Specifications for Electronic Filing of Forms
1097, 1098, 1099, 3921, 3922, 5498, and W-2G

Tax Year 2015

Sec. 11 Combined Federal/State Filing Program

.01 General

The Combined Federal/State Filing Program (CF/SF) was established to simplify information returns filing for payers. Through CF/SF, the IRS electronically forwards information returns (original and corrected) to participating states.

The following information returns may be filed under the CF/SF:

- Form 1099-B, *Proceeds from Broker and Barter Exchange Transactions*
- Form 1099-DIV, *Dividends and Distributions*
- Form 1099-G, *Certain Government Payments*
- Form 1099-INT, *Interest Income*
- Form 1099-K, *Payment Card and Third Party Network Transactions*
- Form 1099-MISC, *Miscellaneous Income*
- Form 1099-OID, *Original Issue Discount*
- Form 1099-PATR, *Taxable Distributions Received From Cooperatives*
- Form 1099-R, *Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.*
- Form 5498, *IRA Contribution Information*

.02 Testing

To request approval to participate, an electronic test file coded for this program must be submitted to the FIRE Test System at <https://fire.test.irs.gov>. The FIRE Test System is available from November 2, 2015, through February 19, 2016. The FIRE Test System will be down from 6 p.m. (Eastern) December 11, 2015, through January 3, 2016, for yearly updates.

If the test file is acceptable, an approval letter will be sent. There is no charge to use CF/SF for approved participants.

A test file is only required for the first year a filer participates in the program; however, it is highly recommended that a test file be submitted every year. Records in the test and actual file must conform to current procedures.

Within two business days, the results of the electronic transmission(s) will be sent to the email address that was provided on the "Verify Your Filing Information" page in the FIRE Test System. If using email-filtering software, configure the software to accept email from fire@irs.gov and irs.e-helpmail@irs.gov.

If the file is bad, the filer or transmitter must return to <https://fire.test.irs.gov> and select "Check File Status" to determine what errors are in the file. See [Part B, Sec. 3, Connecting to FIRE](#). If the test file was unacceptable, a new test file can be transmitted no later than February 19, 2016.

If a payee has a reporting requirement for more than one state, separate "B" Records must be created for each state. Payers must prorate the amounts to determine what should be reported to each state. Do not report the total amount to each state.

Some participating states require separate notification that the payer is filing in this manner. The IRS acts as a forwarding agent only. It is the payer's responsibility to contact the appropriate state(s) for further information.

Participating states and corresponding valid state codes are listed below in Table 1, Participating States and Codes. The appropriate state code must be entered in fields requesting a CF/SF code. Do not use state abbreviations.

Each state's filing requirements are subject to change by the state. It is the payer's responsibility to contact the participating state(s) to verify their criteria.

Upon submission of the files, the transmitter must be sure of the following:

1. All records are accurate.
2. State Total "K" Record(s) for each state(s) being reported follows the "C" Record.
3. Payment amount totals and the valid participating state code are included in the State Totals "K" Record(s).
4. The last "K" Record is followed by an "A" Record (if there are more payers to report) or an End of Transmission "F" Record (if this is the last record of the entire file).

The following table provides codes for participating states in the CF/SF Program.

Table 1: Participating States and Codes *					
State	Code	State	Code	State	Code
Alabama	01	Kansas	20	Nebraska	31
Arizona	04	Louisiana	22	New Jersey	34
Arkansas	05	Maine	23	New Mexico	35
California	06	Maryland	24	North Carolina	37
Colorado	07	Massachusetts	25	North Dakota	38
Connecticut	08	Michigan	26	Ohio	39
Delaware	10	Minnesota	27	South Carolina	45
Georgia	13	Mississippi	28	Vermont	50
Hawaii	15	Missouri	29	Virginia *	51
Idaho	16	Montana	30	Wisconsin	55
Indiana	18				

*The codes listed only apply to the CF/SF Program and may not correspond to state codes of agencies or programs outside of the IRS.

Sample File Layout for Combined Federal/State Filing Program

Transmitter "T" Record	Payer "A" Record coded with 1 in position 6	Payee "B" Record with state code 01 in positions 747-748	Payee "B" Record with state code 06 in positions 747-748	Payee "B" Record, no state code	End of Payer "C" Record
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State Total "K" Record for "B" Records coded 01. "K" Record coded 01 in positions 747-748	State Total "K" Record for "B" Records coded 06. "K" Record coded 06 in positions 747-748	Record End of Transmission "F" Record
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* Virginia Note

If you participate in the Combined Federal / State Filing Program (CF/SF) for Form 1099-R and/or Form 1099-MISC, you do not need to file the forms/data with the Virginia Tax Department. This program does not include W-2 statements; you must still submit W-2 information separately.

- By January 15 of each year, you must notify the Department in writing of your intent to participate in the program. This must be done each year you participate.
- See the federal [Publication 1220](#) for information on how to participate. Then mail your intent to participate to:
Virginia Department of Taxation
1099 Combined Fed/State Processing
PO Box 27264
Richmond, Virginia 23218-7264