

**FORMS 1099-G AND 1099-INT FOR THE 2004 CALENDAR YEAR - MAILING
INFORMATION**

PURPOSE OF BULLETIN To provide our staff with information concerning the mailing of Forms 1099-G and 1099-INT for the 2004 calendar year.

BACKGROUND Each year, the department is required under federal law to mail a Form 1099-G, *Report of State Income Tax Refund, Credit, or Offset* and 1099-INT, *Statement of Interest Income* information statement to taxpayers who received a refund or interest of \$10 or more.

Forms 1099-G are issued by tax year. For example, a taxpayer who receives refunds in 2004 for overpayments on tax years 2003 and 2002 will receive two 1099-Gs; one for each tax year. In contrast, only one 1099-INT form is issued for all interest paid during the reporting year, regardless of the year for which the interest was paid.

Overpayments reported on Form 1099-G, or interest income reported on Form 1099-INT are considered to have been refunded, whether they are:

- Paid to the taxpayer by check or directly deposited into a bank account.
- Offset for other liabilities such as tax, penalties, or interest.
- Credited toward estimated tax payments.
- Intercepted by (offset to) a state, city, county agency, or the Internal Revenue Service.
- Elected as Use Tax payment.

The reported refund amount also includes any voluntary contributions the taxpayer designates on his or her tax return, but does not include refunded amounts that the taxpayer may have claimed as Child and Dependent Care Expense Credit on his or her return.

MAILING VOLUMES AND SCHEDULES On Thursday, January 20, 2005, we plan to begin mailing 101,474 Form 1099-INT and 4,695,430 Form 1099-G's for returns processed in 2004. Mailing should be completed by January 28, 2005.

TAXPAYER INQUIRIES Refer taxpayers with questions on how to report refund or interest income on their federal tax returns to the IRS. The toll-free public service number for the IRS is 1-800-829-1040.
