

# OHIO AUDITOR OF STATE

## KEITH FABER



**TO:** UAN Users  
**FROM:** UAN Support  
**DATE:** December 8, 2025  
**SUBJECT:** Version 2026.1 Overview

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### GENERAL

#### FORMS 1099-NEC AND 1096

The IRS filing deadline for 1099-NEC & 1096 Forms is January 31, 2026 for both paper and electronic filings. UAN has updated the forms and electronic file for 2025. The updated 1099-NEC forms will print 3 per page on the preprinted forms. The IRS has not authorized UAN to print these forms on plain paper. As with the previous year, you may only print forms 1099-NEC and 1096 on the preprinted red ink laser forms. Instructions are available in the 2025 Year End Procedures.

**Important:** Only the first line of the address will print on the updated 1099-NEC forms. The Vendor/Payee 'Address Line 2' will no longer print on the 1099-NEC 3-part forms. Line 2 is not widely used by UAN clients so most will be unaffected. You should confirm whether your entity has any vendors with essential 1099-NEC address information in Line 2 and then edit to include that information on Line 1 before printing any 1099-NEC forms.

#### FORMS 1099-MISC AND 1096

The IRS filing deadline for 1099-Misc & 1096 Forms is February 28, 2026, if filing using the paper form and March 31, 2026 if filing electronically. UAN has updated the forms and electronic file for 2025. The IRS has not authorized UAN to print these forms on plain paper. As with previous years, you may only print forms 1099-Misc and 1096 on the preprinted red ink laser forms. Instructions are available in the 2025 Year End Procedures.

#### PRINT LAYOUT: 1099-NEC & 1099-MISC

UAN's standard layout for printing Forms 1099-Misc & 1099-NEC corresponds to the IRS guidelines. Unfortunately, it has come to our attention that there are some 1099 Forms commonly

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available from print companies that do not exactly fit the IRS format – even some which are advertised as ‘IRS certified’ or ‘IRS Approved’. This means the vendor name and other data could print in the wrong place on the form. Given the above possibility, we recommend testing with one page of 1099 data to confirm that the standard layout of the 1099 Form in UAN corresponds to your IRS 1099 Form. If all fields print to the right places on the form, you can confidently print larger batches. Otherwise, if a problem is detected, UAN provides a means to customize the form layout so that you can still print to forms that have minor variations from the standard. Guidance for this is included in the Year End Procedures if you find you need to customize the layout of either form.

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## IRS E-FILING REQUIREMENTS & PREPARATIONS

UAN Support receives many inquiries about the IRS electronic filing threshold. To clarify for newer fiscal officers, an entity that has a **combined total** of ten or more ‘information returns’ such as W-2 & W-3, 1099 NEC, 1099 Misc, 1094 and 1095 forms is required to file electronically. In addition, your entity might have other IRS ‘information returns’ that you complete outside of the UAN application that also count towards the threshold of ten. Review IRS form instructions for details.

If 2026 will be the first year that you will submit any of the above-mentioned IRS forms electronically for filing year 2025, then you need to make sure you **register well ahead of time** with the appropriate online system. New fiscal officers or those with any doubt about their status should **confirm** that they are properly registered. The registration deadlines for some of these online systems are fast approaching and processing wait time can be significantly long in some cases. **UAN Support urges you to review your status sooner rather than later.** The following links should help you get started:

- 1099-NEC & 1099-Misc: <https://www.irs.gov/FIRE>
- W-2 & W-3: <https://www.ssa.gov/employer/>
- 1095 & 1094: <https://www.irs.gov/air> (Only a small number of UAN clients in past years have been required to file these).

*The webpage links above are current as of this notice date.*

### **Transmitter Control Codes (TCC) are NOT interchangeable.**

In the last few years, many UAN fiscal officers reported trouble navigating online options for 1099-NEC & 1099-Misc forms. The IRS maintains two independent systems for filing 1099 Forms electronically, ‘FIRE’ and ‘IRIS’. UAN generally recommends using the FIRE system because you can use UAN created files for FIRE uploading but you cannot for IRIS uploads. The IRS requires a TCC specifically for FIRE. The FIRE TCC is not interchangeable with an IRIS TCC. In addition, the few UAN clients that file 1095 & 1094 forms will need a separate TCC to file those through the IRS ‘AIR’ system. *UAN Support cannot assist with further clarification about the IRS or SSA online filing process; please review the IRS / SSA websites above or contact the IRS with questions.*

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## OHIO E-FILE SUBMISSIONS OF IRS FORM 1099

You can create e-files using UAN to submit IRS Forms 1099-NEC & 1099-MISC data on OH|Tax eServices in the format the Ohio Department of Taxation (ODT) requires. Follow the instructions in the Year End Procedures Appendix 2. The steps to create the Federal and Ohio E-file versions start on page 64 for 1099-NEC and on page 68 for 1099-MISC. There is a drop-down menu to select the Federal or Ohio format when creating an e-file for each type.

Note: **you cannot use** the old ‘Ohio 1099 Utility’. UAN provided this utility in early 2025 as a temporary method to create the file for the brand-new Ohio filing requirement. Now that it is built into the UAN application, the utility is not functional.

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## PAYROLL

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### OHIO AND FEDERAL TAX TABLES

Ohio income tax tables for 2026 are included in UAN version 2026.1. Federal income tax tables for 2026 will be accessible for download from the UAN website as a ‘software patch’ as soon as the tax tables become available. At that time, we will send an email with the download steps. The next UAN version 2026.2 will also include the same tax tables update.

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### FORMS W-2 AND W-3

The IRS filing deadline for W-2 and W-3 Forms is February 2, 2026. UAN has updated W-2 and W-3 forms and electronic files for 2025.

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### OHIO DEPARTMENT OF TAXATION W-2 E-FILING REQUIREMENTS

The Ohio Department of Taxation (ODT) states that all employers who file and pay their employer withholding taxes electronically are required to upload their W-2 information electronically through OH|Tax eServices portal. If you do not currently file this way, review the 2025 Year End Procedures for details, starting on page 89.

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### RITA & CCA W-2/W-3 E-FILING REQUIREMENTS

If you do not have employees that report taxes for a municipality to the Regional Income Tax Agency (**RITA**) and/or the Central Collection Agency (**CCA**), then you may disregard the information that follows. Newer fiscal officers may be unaware that in 2024, RITA and CCA announced that they were applying the same IRS forms threshold (see the General section above) for determining whether employers will be required to file W-2 forms electronically. UAN can create a W-2/W-3 file for these agencies provided that certain data is input into UAN’s withholding settings for the local and school district taxes. Please review Appendix 3 Processing W-2 & W-3 Forms of the Year End Procedures, pages 74-76 and page 90 and following. Important: save time by verifying the relevant data is filled out ***before closing the fiscal year 2025***. Entering new information or corrections in work year 2026 will involve more time-consuming manual edits.

## “NO TAX ON OVERTIME” EDITS TO W-2 FORMS

UAN Support received many customer requests this year on how the ‘no tax on overtime’ provision of the federal One Big Beautiful Bill Act (PL 119–21) applies to their entity’s employees. UAN can only provide very general guidance for three common questions below:

### How much qualifies as a tax deduction?

The following is screen clip taken from the IRS website below, current as of this writing:

<https://www.irs.gov/newsroom/one-big-beautiful-bill-provisions>

#### No tax on overtime (Sec. 70202)

**New deduction:** Effective for 2025 through 2028, individuals who receive qualified overtime compensation may deduct the pay that exceeds their regular rate of pay (such as the “half” portion of “time-and-a-half” compensation) that is required by the Fair Labor Standards Act (FLSA) and reported on a Form W-2, Form 1099, or other specified statement furnished to the individual.

- Maximum annual deduction is \$12,500 (\$25,000 for joint filers).

It appears that for *qualifying* overtime compensation, only the employee pay that exceeds their regular rate of pay can be deducted on the **employee’s Form 1040 federal tax return** (e.g. the ‘no tax’ deduction only applies to federal income tax on the 0.5 portion of an employee paid at a 1.5 overtime rate). Review the rest of the information on the IRS website and / or contact a qualified tax advisor for more complex questions on this subject. For example, does it apply to shift differentials? Holiday-work OT rates? Double-time or other types of overtime rates? UAN Support cannot answer these questions.

### Is our entity responsible for reporting this on the 2025 W-2 Form?

Please view page 13 of the IRS publication which you can open here:

<https://www.irs.gov/pub/irs-drop/n-25-62.pdf>

In brief, it appears that in the paragraph above section 5 of page 13 of the publication: (paraphrased) the IRS is *encouraging* employers to include qualified overtime compensation in **box 14 of Form W-2**. For an expert interpretation and clarification, please contact the IRS or a qualified tax advisor.

### Are there any reports in UAN that calculate the ‘half-portion’ of the ‘time and a half’ compensation?

There are no reports that separate out the ‘half-portion’ but there is at least one report that will separate out the overtime from regular hours. Based on their titles, the Wages and Overtime Summary or the Wages and Overtime Detail reports seem like they would be the best options, but **UAN Support recommends the Wage Earnings Export** instead, as explained below:

- **Wages and Overtime Summary or Detail:** If you use one of these reports, always do so in conjunction with Wage Earnings Export. Either report will provide overtime hours and wages *per paycheck* which might be helpful in some situations. However, use it with **caution** because

it will separate overtime hours from regular hours **only if** the employee overtime was set up using the default overtime earning ‘Type 3000’ series (3000, 3001, etc.). See Payroll – Maintenance – Earnings & Leave to review earning types.

- **Wage Earnings Export (recommended):** This exports information to an Excel spreadsheet. Follow the steps below to access the Wage Earnings Export spreadsheet:



Make sure to select fiscal year 2025 and the entire ‘☉Year’ as the date-range.

Again, this will report the overtime earnings – you will have to calculate the ‘.5’ from the ‘1.5’ overtime earnings.

- The advantage of this report is that it will separate the annual total hours and gross pay by the earning type e.g. 2000 Hourly, 3000 Overtime, etc. This enables you to identify overtime that your entity might have set up using something other than the default ‘Type 3000’ series.
- For example, an entity uses earning ‘Type 2000’ which is typically setup for an employees’ regular hourly earnings. But they also set up an earning in the 2000 series as ‘Type 2001’ and give it a custom description such as ‘Road Overtime’ (not a typical use of this type of earning). The Road Overtime would be listed in a separate row in the spreadsheet than the employee’s normal hourly earnings. This enables you to identify it as overtime pay. This is unlike the Wages and Overtime Summary report which would lump it in with the rest of the employees’ regular hourly earnings because both earnings in the example are set up under the type ‘2000’ series (2000, 2001, etc.)

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## FORMS 941 AND 944

The next UAN version 2026.2 (i.e., *not this year-end version 2026.1*) will include the 941 Federal Quarterly Tax Return for the first quarter of 2026.

**Please Note:** UAN does not produce the rarely used Form 944 Federal Annual Tax Return. Form 944 is designed so the smallest employers will file and pay federal taxes only once a year instead of every quarter. Only entities notified by the IRS in writing will need to file the 2025 annual Form 944 instead of filing quarterly Forms 941. If needed, information about completing the 944 form is available on two federal tax reports within UAN. Refer to the 2025 Year End Procedures for detailed

instructions. For more information, please consult with your tax advisor and/or please click or type the following link to reference the IRS website: <http://www.irs.gov>.

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### FORMS 1095 AND 1094

UAN has updated forms 1095-B, 1095-C, 1094-B, and 1094-C for 2025. In addition, UAN has added a 'Test File' button in the 1095 & 1094 Forms area which is only necessary to use if this is your entity's first year of E-filing these forms to the IRS.

**Reminder:** UAN can provide technical assistance for using the 1095 & 1094 area but **cannot** provide advice on whether the forms are applicable to your entity or on the content to enter. To determine whether your entity is required to file, start by reading pages 70-71 in the 2025 Year End Procedures. For more information, please consult with your tax advisor and/or type the following link to reference the IRS website: <http://www.irs.gov>.

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## REMINDERS

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### REMOVAL OF PRIOR YEAR 2018

Following the AOS retention policy of maintaining only seven years of prior year reporting in the application, UAN will automatically remove all reports older than seven years from the application upon closing of the fiscal year 2025.

You will have to checkmark an acknowledgment statement on the *Next Year FO & Details tab* of the Year End Checklist prior to closing 2025. This acknowledgment statement is regarding the removal of 2018 upon closing the year 2025.

**You will be unable to retrieve any reports from 2018 after closing fiscal year 2025.**

If some reports are missing from your entity archives (non-UAN application records), make sure to print and/or save them as PDF files before closing 2025. Please refer to the 2025 Year End Procedures page 19 for more detailed instructions on retrieving prior year reports to Print or Save to PDF.

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### UAN YEAR END UPDATE TRAINING MATERIALS

The **UAN Year End Update** will be recorded and posted approximately one week after the event. To view the UAN Year End Update presentation, please click or type the following link into your web browser: <https://uanlink.ohioauditor.gov/training/yearend/default.html>

**Please Note:** You can view UAN training videos on **any device** with high-speed internet.

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### AUDITOR OF STATE (AOS) YEAR END FILING DEADLINE

Each local government is required to submit its Annual Financial Report (AFR) to the Auditor of State within **sixty (60) days of the end of the fiscal year**. Financial penalties may be assessed for

late filings. The final 2025 ‘AFR-AOS Backup’ internet (or disc) submission must include all that is applicable for your entity: Hinkle System data entry for Demographics & Debt, other manually input reports and compressed add-in documents – including the **Notes to the Annual Financial Statements**. See the important note in the 2025 Year End Procedures at the bottom of page 24. After you install version 2026.1, the 2025 Year End Procedures will be accessible from your desktop in **UAN Tools → Version Documentation → 2026.1**

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## ANNUAL FINANCIAL REPORT (AFR) PUBLICATION REQUIREMENTS

Each local government is required to publish a notice in the local newspaper that the Annual Financial Report is complete and that the report is available at the office of the fiscal officer. The notice needs to be published at the time the UAN member files their Annual Financial Report with the Auditor of State, which is accomplished by submitting the 2025 AFR – AOS backup by internet (or disc) submission to the Auditor of State.

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## INVOICE FOR UAN SERVICES

The **second** quarter invoice for UAN services (mailed in March 2026) is assessed using your 2025 Annual Financial Report (AFR) and **may change** from your first quarter invoice. We request that you file your 2025 Annual Financial Report before the filing deadline to ensure that your fees are calculated using your current financial information.

**Reminder:** The five percent UAN user fee reduction from March 31, 2014, remains in effect. For more information about the user fee reduction and a copy of the current UAN user fee schedule, please click or type the following link into your web browser:

[https://uanlink.ohioauditor.gov/communications/pdf/UAN\\_User\\_Notes\\_February\\_28\\_2014.pdf](https://uanlink.ohioauditor.gov/communications/pdf/UAN_User_Notes_February_28_2014.pdf)

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## HARDWARE INSURANCE COVERAGE

Although the State of Ohio is the owner of UAN hardware, your entity is responsible for adequate insurance coverage. Each entity is required to insure the **complete hardware package** for **\$2,000**.

**Please Note:** We do **not** require submission of a Certificate of Insurance; please do not send a copy.