



STATE OF DELAWARE
DEPARTMENT OF FINANCE
DIVISION OF REVENUE
DELAWARE STATE BUILDING
820 N. FRENCH STREET
WILMINGTON, DELAWARE 19801

TECHNICAL INFORMATION MEMORANDUM 83-1

January 4, 1983

SUBJECT: State Information Returns and Reporting

The Delaware Division of Revenue requires the same data and reporting of Forms 1087, 1096 and 1099 series information as reported to the federal government, to the extent described below. The purpose of this technical information memorandum is to highlight the present policy and encourage the new "combined federal/state information return" reporting.

To reduce the burden of reporting both to the federal government and to the State of Delaware, and to encourage the use of reporting on magnetic tape (computer tape), the Delaware Division of Revenue has entered into a joint agreement with the Internal Revenue Service which allows for combined federal/state information return reporting under certain conditions described below.

Combined Federal/State Information Return Reporting

The Division of Revenue will accept combined reporting Forms 1099 and 1087 series information returns. Under this system payers will submit to the IRS, in a magnetic media format, one return containing Federal and State information. IRS will forward information designated by the payer to Delaware. The data submitted by the payers will be in the format described in the current Revenue Procedure on Magnetic Tape Reporting for Information Returns (Forms 1087 and 1099).

Delaware Annual Information Returns

Copies of the federal information returns, Forms 1087, 1096 and 1099, should be submitted to Delaware Division of Revenue on or before February 28.

Companies reporting to the federal government on magnetic tape should report in the same manner to the State of Delaware, provided the data presented is on 9 tract, 800bpi or 1600bpi. Alternatively, companies are encouraged to utilize the combined reporting described above.

Annual Information Returns are required from domestic and foreign corporations making payments during the preceding year to residents and non-residents of Delaware, to the extent described below.

The following payments to Delaware residents, whether in cash or property, and whether paid or merely made subject to withdrawal, are to be reported:

- (a) Salaries, pensions, fees or other compensation aggregating \$600 or more to officers and employees on which income tax has not been withheld.
- (b) Interest payments of \$10 or more.
- (c) Rents, royalties and all other determinable income aggregating \$600 or more.
- (d) Dividend payments of \$10 or more.

The following payments to non-residents, whether in cash or property are to be reported: Salaries, fees or other compensation aggregating \$600 or more to non-resident officers and employees for personal services performed in Delaware on which the income tax has not been withheld.

Returns are to be filed with: Delaware Division of Revenue, P.O. Box 8995, Wilmington, Delaware 19899. However, if the business files in accordance with combined reporting, the magnetic tape sent to the Internal Revenue Service is all that is required, i.e., no tape is sent to the Division of Revenue.



Robert W. Chastant
Director of Revenue

25/06/83/10/02