
Pub. 1179 (Rev. Proc. 2003–28), *General Rules and Specifications For Substitute Forms 1096, 1098, 1099, 5498, W–2G and 1042–S*; Updated

Announcement 2003–75

In response to Notice 2003–67, 2003–40 I.R.B. 752, the IRS announces that Publication 1179 (Rev. Proc. 2003–28), *General Rules and Specifications for Substitute Forms 1096, 1098, 1099, 5498, W–2G, and 1042–S*, is revised.

The changes made by the Jobs and Growth Tax Relief Reconciliation Act of 2003 (JGTRRA), P. L. 108–27, for the tax treatment of individuals receiving substitute payments in lieu of dividends required that IRS revise the instructions for the 2003 Form 1099–MISC, *Miscellaneous Income*. The revised instructions require that substitute payments in lieu of dividends paid to individuals now be reported in Box 8 of Form 1099–MISC, and not on Form 1099–DIV, *Dividends and Distributions*.

The brokerage community has requested that the composite substitute statement procedures, outlined in Pub. 1179, be revised to allow composite substitute statements to be furnished for Form 1099–DIV and Form 1099–MISC reporting substitute payments in lieu of dividends. The IRS has decided to allow these composite statements beginning with statements required to be furnished for 2003. As a result, the following bullet

should be added to the bulleted list in Section 4.2.2 of Pub. 1179 under **Exceptions**:

- Substitute payments in lieu of dividends reported in Box 8 of Form 1099–MISC may be reported on a composite substitute statement with Form 1099–DIV.

This change will be reflected in the next version of Pub. 1179. In addition, the next version of Pub. 1179 may allow additional forms to be furnished on substitute composite statements.

The rules and specifications for preparing the other forms discussed in Publication 1179 remain the same. If you are uncertain of any specification and need clarification, please submit a letter citing the specification, state your understanding and interpretation of the specification, and enclose an example of the form (if appropriate) to:

Internal Revenue Service
Attn: Substitute Forms Program
SE:W:CAR:MP:T:T:SP
1111 Constitution Ave., NW
Room 6411
Washington, DC 20224

Note: *Allow at least 45 days for the IRS to respond.*

You may also contact the Substitute Forms Program Unit via email at **taxforms@irs.gov*. Enter “Substitute Forms” on the subject line.
