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

Announcement 2003-55

After Revenue Procedure 2003-28 was released for print, the Jobs and Growth Tax Relief Reconciliation Act (JGTRRA) of 2003 (Public Law 108-27), was signed into law. Effective for transactions after May 5, 2003, the new law reduced capital gain rates and applied the new rates to qualified dividends. This required the IRS to revise forms and procedures affected by the changes. This document describes the changes and provides updated requirements for Form 1099-B, Proceeds From Broker and Barter Exchange Transactions, and Form 1099-DIV, Dividends and Distributions. The rules and specifications for preparing the other forms discussed in Rev. Proc. 2003-28, 2003-16 I.R.B. 759 remain the same.

Form 1099–B. Brokers and others reporting the gain or (loss) on regulated futures or foreign currency contracts report the profit or (loss) realized in 2003 in box 6 and the portion of that amount that is post-May 5, 2003, is reported in box 6a. Likewise, the aggregate profit or (loss) is reported in box 9, and the portion of that amount that is post-May 5, 2003, is reported in box 9a.

Form 1099–B has been reformatted to two forms per page to allow for the additional reporting. Exhibit 1 provides an example of the new form with the proper dimensions. Copy A of privately printed continuous substitute forms must be perforated at each 11" page depth. No perforations are allowed between the 5½" forms on a single copy page of Copy A.

Form 1099–DIV. Form 1099–DIV was reformatted to two forms per page to allow reporting of qualified dividends and post-May 5, 2003, capital gain distributions at the new rates. Form 1099–DIV boxes and their titles are as follows (boxes 2c–2f have been rearranged):

- Box 1a Total ordinary dividends
- Box 1b Qualified dividends
- Box 2a Total capital gain distr.
- Box 2b Post-May 5 capital gain distr.

- Box 2c Qualified 5-year gain
- Box 2d Unrecap. Sec. 1250 gain
- Box 2e Section 1202 gain
- Box 2f Collectibles (28%) rate gain
- Box 3 Nontaxable distributions
 Box 4 Federal income tax withheld
- Box 4 Federal income tax withheld
- Box 5 Investment expenses
- Box 6 Foreign tax paid
- Box 7 Foreign country or U. S. possession
- Box 8 Cash liquidation distributions
- Box 9 Noncash liquidation distributions
 Exhibit 2 provides an example of the

new form with the proper dimensions. Copy A of privately printed continuous substitute forms must be perforated at each 11" page depth. No perforations are allowed between the 51/2" forms on a single copy page of Copy A.

If you are uncertain of any specification and want it clarified, 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 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.

Exhibit 1

	7979	3125" VOID CORRE	.50"						
	PAYER'S name, street address, city, s		1a Date of sale		Proceeds From Broker and arter Exchange				
	3.40"		1b CUSIP no.	<u> </u>	Transactions				
5.50"				Form 1099-B Reported Gross proceeds less companies of the less co	ommissions and option premiums .25'				
	PAYER'S Federal identification number RECIPIENT'S identification number		\$ 3 Bartering	4 Federal income tax withheld					
	RECIPIENT'S name		\$ 5 Description	\$	Copy A For Internal Revenue				
	Street address (including apt. no.)	4.50"	2.80		Service Center File with Form 1096.				
	Street address (including apt. 110.)		6a Profit or (loss) realized in 2003	6b Post–5/5/2003 profit or (loss) realized	For Privacy Act and Paperwork				
	City, state, and ZIP code		7 Unrealized profit or (loss) on open contracts—12/31/2002	8 Unrealized profit or (loss) on open contracts—12/31/2003	Reduction Act Notice, see the 2003 General				
•	Account number (optional)	2nd TIN not	\$. 9a Aggregate profit or (loss)	9b Post-5/5/2003 aggregate profit or (loss)	Instructions for Forms 1099, 1098, 5498, and W-2G.				
			\$	\$					
	Form 1099-B	P. Forms, on This Page	at. No. 14411V	Department of the Treasury -	Internal Revenue Service				
	Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page								
	7979 ▼ PAYER'S name, street address, city,	VOID CORRI	7						
	PATEN 3 harne, street address, city,	state, ZIP code, and telephone no.	1a Date of sale	OMB No. 1545-0715	Proceeds From Broker and Barter Exchange				
			1b CUSIP no.		Transactions				
			2 Stocks, bonds, etc.	Form 1099-B					
	PAYER'S Federal identification number	RECIPIENT'S identification number	\$ 3 Bartering	Reported Gross proceeds to IRS Gross proceeds less commissions and option premiums 4 Federal income tax withheld					
					Copy A				
.50"	RECIPIENT'S name		5 Description	\$	For Internal Revenue Service Center				
	Street address (including apt. no.)		6a Profit or (loss) realized in 2003	6b Post-5/5/2003 profit or (loss) realized	File with Form 1096.				
	City, state, and ZIP code		\$ 7 Unrealized profit or (loss) on	\$ 8 Unrealized profit or (loss) or	and Paperwork Reduction Act				
	Account number (optional)		open contracts—12/31/2002	open contracts—12/31/200	Notice, see the 2003 General Instructions for				
	Account number (optional) 2nd TIN not		vt. 9a Aggregate profit or (loss)	9b Post-5/5/2003 aggregate profit or (loss)	Forms 1099, 1098, 5498, and W-2G.				
				1.7					
	Form 1099-B Ca		Cat. No. 14411V	Department of the Treasury - Internal Revenue Service					

Exhibit 2

1		.3125"		.50"			
	9191	VOID CORRE	CTE				
	PAYER'S name, street address, city,	state, ZIP code, and telephone no.	1a	Total ordinary dividends	OMB No. 1545-0110		
			\$		0000		Dividends and
			_	Qualified dividends	2003	•	Distributions
	3.40"						2.00.1300.10
			\$	Total capital gain distr.	Form 1099-DIV	anin dintu	
				Total capital gain distr.	2b Post-May 5 capital	gain distr.	Copy A .25
	PAYER'S Federal identification RECIPIENT'S identification		\$ 20	Qualified 5-year gain	\$ 2d Unrecap. Sec. 13	250 gain	For Internal Revenue
	number number						Service Center
			\$	1.40"	1.40"		File with Form 1096.
	RECIPIENT'S name		_	Section 1202 gain	2f Collectibles (28%) gain	
5.50"		4.50"	\$		\$		For Privacy Act
			\$	Nontaxable distributions	4 Federal income tax	k withheld	and Paperwork Reduction Act
	Street address (including apt. no.)				5 Investment exper	nses	Notice, see the
							2003 General
	City, state, and ZIP code		6	Foreign tox poid	\$ Foreign country on U.S.		Instructions for Forms 1099,
	,, ,		\$	Foreign tax paid	7 Foreign country or U.S.	possession	1098, 5498,
	Account number (optional)	2nd TIN not		Cash liquidation distributions	9 Noncash liquidati	on	and W-2G.
				distributions	distributions		
			\$ //////		\$ ////////////////////////////////////		
	Form 1099-DIV						
	Do Not Cut or Separate			. 14415N — Do Not Cut		-	Internal Revenue Service
•	1.00'	_	_	- Do Not Cut	or Separate	Forms	on This Page
	9191	□ VOID □ CORRI	ECTE	D			
-	PAYER'S name, street address, city,			Total ordinary dividends	OMB No. 1545-0110		
			\$				Dividends and
			-	Qualified dividends	2003		Distributions
							*
			\$	Total conital coin dist	Form 1099-DIV		
				Total capital gain distr.	2b Post-May 5 capita	l gain distr.	Copy A
	PAYER'S Federal identification	RECIPIENT'S identification	\$ 20	Qualified 5-year gain	\$ 2d Unrecap. Sec. 1	1250 goin	For Internal Revenue
	number	number	-	Quained 5-year gain	zu onrecap. Sec.		Service Center
			\$		\$		File with Form 1096.
	RECIPIENT'S name		_	Section 1202 gain	2f Collectibles (289	%) gain	
			\$		\$		For Privacy Act
			\$	Nontaxable distributions	4 Federal income to	ax withheld	and Paperwork Reduction Act
₹	Street address (including apt. no.)				\$ 5 Investment expe	enses	Notice, see the
.50"							2003 General
	City, state, and ZIP code				\$		Instructions for Forms 1099,
	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		\$	Foreign tax paid	7 Foreign country or U.S	. possession	1098, 5498,
	Account number (optional)	2nd TIN no		Cash liquidation	9 Noncash liquida	tion	and W-2G.
				distributions	distributions		
			\$ //////		\$ 		
	Form 1099-DIV Cat. No. 14415N Depa					Treasury -	Internal Revenue Service