



# SHAZAM Core

Everything you need to  
know about year-end

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# Disclaimer

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This presentation is based on industry and financial information available at the time of its creation; this information may be subject to change at any time.

# Agenda

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- What's New for 2025
- Getting Ready for Year End

What  
we'll  
learn  
today.

# What's New for 2025

# State Tax Parameter Change

## TXSTAT

IRS Publication 1220 states changes to the Combined Federal and State Filing;

- Adding State Code 41 (Oregon)
- Removing State Code 29 (Missouri).



# Auto Interest Tax Deduction

**New tax deduction of \$10,000 maximum on auto loan interest.**

## **Qualifying Auto Loan Interest Criteria**

- Originated after December 31, 2024
- Final assembly in the United States
- Used to purchase a new vehicle (used vehicles do not qualify)
- Personal use vehicle (not for business or commercial use)
- Secured by a lien on the vehicle

Additional information on the new deduction can be found at

[IRS.gov](https://www.irs.gov)



**AUTO LOAN  
INTEREST**

# 1099-Q Form Update

## Enhancements have been made to update the 1099 Q-Payee Record (Qualified Education Programs).

- A new reporting selection has been added within the Special Data Entries accordion. Customer level Tax Information changes have been implemented.
- **“QTP to a Roth IRA Transfer”** option has been added within the Trustee/Trustee Transfer field.

The screenshot shows a web interface titled "Edit Tax Record" with a close button (X) in the top right corner. Below the title bar are three accordion sections: "General", "Amount Lines", and "Special Data Entries". The "Special Data Entries" section is expanded and contains the following fields:

- Special Data Entries: [Text input field]
- Trustee/Trustee Transfer: [Dropdown menu with a downward arrow]
- Type of Tuition Payment: [Dropdown menu with "Choose One" selected]
- Designated Beneficiary: [Dropdown menu with "Trustee rollover" and "QTP to a Roth IRA Transfer" options]

At the bottom of the form are two buttons: "Submit" and "Cancel".

# 1099-Q Form Update

When generating Form 1099-Q, the selected transfer type will appear on the TX6121/TX6121E – 1099-Q Plain Paper Notice.

- The field will reflect the correct value (1, 2 or blank) based on the user’s selection.

## Section 4 heading will read “Type of Transfer”.

- Subtype A will read “Trustee-to-Trustee”.
  - An “X” will print as an indicator if 1 is chosen.
- Subtype B will read “QTP to Roth IRA”.
  - An “X” will print as an indicator if 2 is chosen.

Re: Payments From Qualified Education Programs (Under Sections 529 and 530)  
Form 1099-Q, Copy B, For Recipient Tax Year: «YEAR»

TIN: «TINFMT»	Account Number	«ACCT»	«PRTEXT»
-----			
1. Gross distribution:			«AMT11»
-----			
2. Earnings:			«AMT12»
-----			
3. Basis:			«AMT13»
-----			
4. Type of Transfer:			
a. Trustee-to-trustee:			
b. QTP to Roth IRA:			X
-----			
5. Check one:			
<input type="checkbox"/>	Qualified tuition program	State	
	Private		
	«PB20TUIT1»		«PB20TUIT2»
	Coverdell ESA		
	«PB20TUIT3»		

# Golden Parachute Payments

Golden Parachute payments can no longer be filed through the FIRE System. This includes current year and prior year payments. Golden Parachute payments must be filed using the Information Returns Intake System (IRIS) or on paper. Payments filed through the FIRE System that need to be corrected must be filed on paper.

The 1099-MISC has been updated to remove the Golden Parachute payment field (box 14). The field has added to the 1099-NEC (box 3).

**Re: Miscellaneous Information**  
**Form 1099-MISC**  
**Copy B, for IRS if any money is withheld**  
**Tax Year: «YEAR»**

"This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported."

TIN: «TINFMT»  
 Account Number «ACCT» «PRTEXT»

1. Rents	
2. Royalties	12. Section 409A deferrals «AMT42»
3. Other income	13. FATCA filing requirement: <input type="checkbox"/>
	14.
	15. Nonqualified deferred compensation «AMT53»
	16 State tax withheld «AMT54»
	17. State / Payers state no. «STAX»

**Re: Nonemployee Compensation**  
**Form 1099-NEC**  
**Copy B, for IRS if any money is withheld**  
**Tax Year: «YEAR»**

"This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported."

You received this form instead of Form W-2 because the payer did not consider you an employee and did not withhold income tax or social security and Medicare tax. If you believe you are an employee and cannot get the payer to correct this form, report this amount on the line for "Wages, salaries, tips, etc." of Form 1040, 1040-SR, or 1040-NR.

TIN: «TINFMT»  
 Account Number «ACCT» «PRTEXT»

1. Nonemployee compensation	«AMT11»
2. Payer Made direct Sales totaling \$5,000 or more of consumer products to recipient for resale	<input type="checkbox"/>
3. Excess golden parachute payments	«AMT31»
4. Federal income tax withheld	«AMT41»
5. State tax withheld	«AMT51»
6. State/Payer's state no.	«STAX»
7. State income	«AMT13»

Bank telephone: «BNKFON»  
 Bank ID: «BBTIN»

# Base Template Updates

If you are an **IN-HOUSE** client, you will need to update the following base templates on your notice server.

- 1099-Q
- 1099-MISC
- 1099-NEC

These steps can be found in Core Resource > Year End Resource > Year End Notice Templates

The screenshot shows the SHAZAM website interface. At the top left is the SHAZAM logo. To the right are links for 'SHAZAM Access Home' and 'Contact Client Support'. A search bar contains the text 'What can we help you find?'. Below the navigation bar, a breadcrumb trail reads 'You are here: [Year End User Guide](#) > [Year-End User Guide](#) > Year-End Notice Templates'. The main heading is 'YEAR-END NOTICE TEMPLATES'. The introductory text states: 'The following information will cover all necessary steps for SHAZAM Core Service users to follow when updating the 2024 Year-End Notices. Base notice templates are maintained within a PWA Repository where the latest versions can be found. Templates are checked out when updates are required and modified as necessary. The updated Notice template is then checked in and copies provided for distribution to both "in-house" as well as data center notice servers.' The section is titled 'UPDATING BASE NOTICE TEMPLATES' and includes instructions for updating notices in the JAVA Notice Server. It lists two generations: '1st generation (.net)' and '2nd generation (Java)'. The 2nd generation section states: 'Base Notice Templates are distributed in ".doc" format by placing documents directly on the Notice Server file system. Each Notice Server imports Notice documents from C:\u01\prod\apps\NoticeServer\basetemplate.'

# IRA Statement Definition

## DDISTM Parameter changes have been implemented.

- Parameter Maintenance > Deposits > DDISTM(IRA Statement Definition Lines > Edit IRA Definition > Edit Amount Line
- 1099-R Code allows a **Y** field value for Qualified Charitable Distribution (QCD).

Parameter Maintenance

**Information**

Amount Line: AMT45

Description: Internal Transfer

Add/Subtract To Total: -

**1099-R Code:**

1099-R Box: 0

5498 Box: 0

Submit Cancel

# Getting Ready for Year End

# Resources

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- [IRS Publication 1179](#)
- [IRS Publication 1220](#)
- [SHAZAM Year End Resource](#)
- [Year End Checklist](#)

# Parameter Maintenance

- **Admin Console > XD Permissions**
  - Edit Role or User and select **Menu**
- Users responsible for tax reporting or balancing IRAs must have Parameter Maintenance as a menu option for their role or user.

The screenshot shows the 'Menu' configuration interface in the Admin Console. At the top, there is a 'Categories' dropdown menu set to 'Menu'. Below this, there are two main sections: 'Available Options' and 'Selected'. The 'Available Options' section contains a list of menu items: 'Add New Menu Header', 'GL Back Office', 'RVI', 'Platform Interface', 'Shareholder Back Office', 'ISeries Access', and 'OFAC Search'. The 'Selected' section contains a list of menu items: 'New Accounts XD (AccountLaunch)', 'General Ledger', 'Cross Application', 'Parameter Maintenance', 'Notices-Documents Management', 'Accounts Payable', 'Investment Back Office', 'Executive Review', 'Notices-Printing', and 'Card Processing'. The 'Parameter Maintenance' item in the 'Selected' list is highlighted with a red border. Between the two lists, there are 'Add' and 'Remove' buttons.

# Tax Reporting

- **Admin Console > XD Permissions**
  - Edit Role or User and select **Role Permissions**
- Tax Reporting should be enabled within the following Role Permissions:
  - Tax Information
  - Customer Inquiry
  - Deposit Account
  - Loan Account
  - Shareholder Account (if applicable)

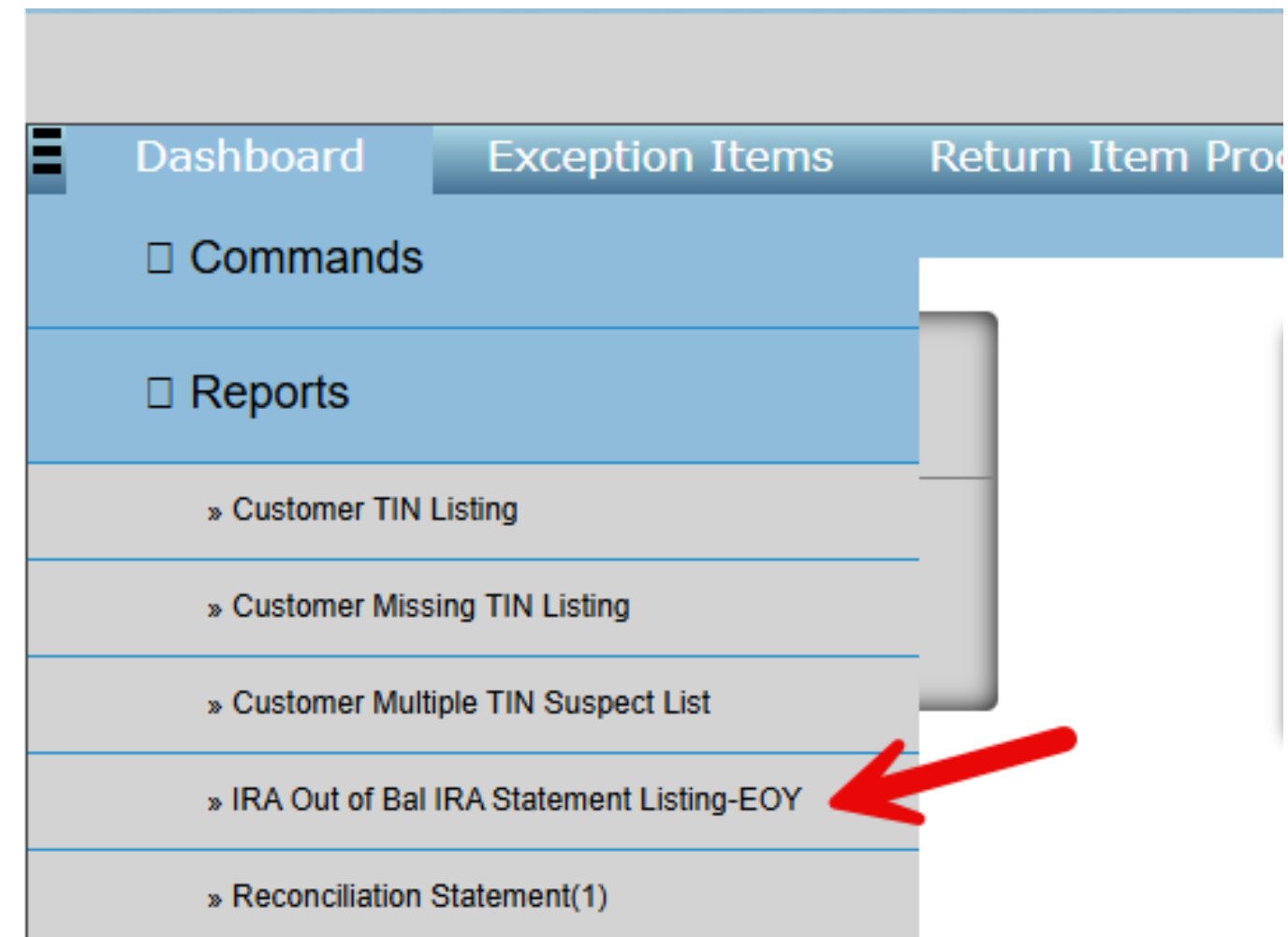


**PERMISSIONS  
& SECURITY**

# IRA Balancing

## Generate the Out of Balance IRA Statement Listing

- To generate the IRA statement file:
  - Deposit Back Office > More... > IRA Plans > Statements > Submit**
- Once the Program Complete message is received, select the mini toggle menu in Deposit Back Office.
  - Select **Reports > IRA Out of Bal IRA Statement Listing – EOY**
  - Report DD5131 Out of Balance IRA Statement Listing – EOY will print based on your specific print settings.
- Refer to the 2025 Year End User Guide for details in resolving out of balance issues.



# Year-End Checklist

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- The Year-End Checklist can be found in the Year End User Guide.



# Thank you!

For additional assistance contact SHAZAM Core Client Support:

- Call 800-537-5427
- Visit [www.SHAZAM.net](http://www.SHAZAM.net) > Service Expert to open a support ticket

