

**Commonwealth of Kentucky
Kentucky Department of Revenue**

Form 42A805 (K-5)

Software Developer Guidelines



**KENTUCKY DEPARTMENT OF
REVENUE**

**Tax Year 2020
Processing Year 2021**

**Version 1.0
September 17, 2020**

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About the Form

Form 42A805 (K-5) was developed in tax year 2018 as a required substitute for state copies of forms W-2, W-2G and the entire 1099 series. All employers who would file twenty-five (25) or fewer paper copies of these tax forms with Kentucky must use form K-5 in lieu of the aforementioned federal forms but not in addition to an electronic submission. Paper copies of forms W-2, W-2G and 1099 received by DOR will not be processed and will not be considered filed. However, employers should retain copies of those forms for their records, and must provide them to Kentucky upon request.

No K-5 should be printed “for your records” for taxpayers with more than 25 statements. Taxpayers with more than 25 statements should file electronically and receive applicable paper copies of forms W-2, 1099 or W-2G for their records.

What's New for Tax Year 2020

- 1099-NEC statements can be filed on the K-5 form using option 6 in the Statement Code section of the K-5 form and line 11 of the 2D barcode.

General Filing Tips

- Kentucky will not accept any paper copies of forms W-2, W-2G or 1099.
 - There are three acceptable wage and tax statement filing methods for vendors:
 - Paper form K-5
 - EFW2 file upload
 - CD, with form 42A806 attached.
 - For more information about these filing options, visit <https://revenue.ky.gov/Business/Pages/Employer-Payroll-Withholding.aspx>
- The electronic filing threshold for Kentucky is twenty-five (25).
 - That means that, if an employer has 26 W-2 employees to file for, then the employer needs to upload an EFW2 format file, or submit a CD. He cannot file paper form K-5 **and should not receive a copy of a K-5 for his records.**
- Only report Kentucky W-2, W-2G and 1099 data.
 - Data filed for other states may cause processing errors.
- Only report 1099 data that shows Kentucky tax withheld.
 - Kentucky requires that taxpayers file 1099 data only when Kentucky tax has been withheld.
- Do not file wage and tax data with Kentucky until a State EIN has been assigned.
 - “Applied For” is not a valid account number.
 - If taxpayers are unsure if they have a State EIN, they should call the Division of Registration and Data Integrity to verify at (502)-564-3306. Taxpayers should be prepared to answer verification questions from DOR staff.
 - If the taxpayer does not have a State EIN, then he or she should apply for one at <https://onestop.ky.gov>.

K-5 Filing Tips

- File a separate K-5 for each federal form type as specified in the K-5 instructions.
 - Example: An employer has five W-2 employees, five W-2G recipients, and thirty 1099-R recipients. The employer may file two K-5 forms: one for his W-2 employees, and one for his W-2G recipients. However, the employer must submit a CD containing a Publication 1220 format file for his 1099-R recipients. This is because the number of 1099-R recipients exceeds the electronic filing threshold of twenty-five.
- Transmitter Report 42A806 is not required when using form K-5.
- The tax year in the top right corner of the document must always equal the tax year present in the 2D barcode. So if a K-5 is filed for tax year 2020, the year in the top right corner of the K-5 should be 2020.
- You may file form K-5 for prior years. Please include the prior year in both the 2D barcode and at the top of the K5. Please contact DOR for guidance on filing prior year forms.
- K-5 corrections may be submitted on form K-5C. Form K-5C is a non-scannable form and does not require a 1D or 2D barcode. Contact Melissa.Perry@ky.gov for approvals.
- Employers filing electronically should **not** receive a copy of form K-5. They should only file electronically and receive copies of W-2s, 1099s or W-2Gs for their records.
- W2C copies should be sent to the Kentucky Department of Revenue. Do not report W2C on K5C.

Form Layout Tips

Substitute forms of the K-5 should follow the guidelines set forth in the TY2020 Substitute Form Development Guide, found on the KYST State Exchange System, unless otherwise specified in this document.

- All taxpayer and wage and tax information typed into the fields on form K-5 should appear in Courier font size twelve.
- Do not print “dropout” boxes on form K-5. In the instance of a missing or damaged 2-D barcode, black and white printed text boxes may prevent OCR from capturing the data.
- Do not round monetary values to the nearest whole dollar.
- Negative values are not accepted.
- Monetary values of \$0.00 may not be blank within the 2-D barcode.
- The vendor ID number should be present in the bottom left corner with sufficient white space between it and the reference mark.
- In the bottom right corner of the form should be the text 42A05-K5 (08-14-19 VENDOR).

1-D Barcode

This form requires a 1-D barcode that will include the form ID 42A805182PP.

Components of the Form ID	
Form Number	42A805
Year of Form Version	18
Vendor Indication Number	2
Page Number	01 or 02

Note that the following barcode positions are approximate. Please see the sample K-5 with gridlines posted to the SES for reference.

Page	Left	Right	Top	Bottom
1	44	72	2	5.5
2	44	72	2	5.5

The 1-D barcode on page one is required. The 1-D barcode on page two is only required if there is a page two, and if page two has tax data on it.



42A80518201



42A80518202

2-D Barcode

This form requires a 2-D barcode, which will capture all data represented on the form. A 2-D barcode on page one is required. A 2-D barcode is only required on page two if it exists, and if it has tax data on it.

Note that the following barcode positions are approximate. Please see the sample K-5 with gridlines posted to the SES for reference. The barcode should stay within the bounds provided on the sample K-5; however, larger or smaller barcodes may be tested and approved on a case-by-case basis.

2-D Barcode Position on the Form				
Page	Left	Right	Top	Bottom
1	5	81	59.5	63.5
2	6	82	53	57

2-D Barcode Technical Design Specifications	
Delimiter Type	Tab or Carriage Return
Delimiter Required for Blank Fields	Yes
Trailer Required	No
Fixed Field Length	No
Page 1 Number of Fields (no trailer)	47
Page 2 Number of Fields (no trailer)	84



1 Sample of Data Version 3 2D Barcode generated by DOR.

2-D Barcode Field Descriptions

Field Name	Field Description
Timestamp	<ul style="list-style-type: none"> • Numeric field. • No required format. • Must be unique to the K-5. • Must be the same for both page 1 and 2 barcodes.
Data Version	<ul style="list-style-type: none"> • The current data version is "3"
Vendor ID	<ul style="list-style-type: none"> • Required • Numeric • Format: 9999 • 4-digit vendor ID number assigned by NACTP. • The vendor ID number of the company who designed the 2D barcode.
Account	<ul style="list-style-type: none"> • State EIN. • String field. • Numeric. • Exactly six digits required. • If the number appears fewer than six digits, add leading zeroes. • If the number is greater than six digits, it is invalid. • 000000, 999999 are invalid. • Text entries are invalid. • Account 150000 is invalid. • Account 123456 is invalid.
FEIN	<ul style="list-style-type: none"> • String field. • Numeric. • Exactly nine digits required. • Format: 999999999
Business Name	<ul style="list-style-type: none"> • Thirty-four character limit.
Address	<ul style="list-style-type: none"> • Fifty character limit. • May be blank.
City	<ul style="list-style-type: none"> • Twenty-five character limit. • May be blank.
State	<ul style="list-style-type: none"> • Two character limit. • May be blank.
Zip Code	<ul style="list-style-type: none"> • Five character limit. • May be blank.
StatementCode	<ul style="list-style-type: none"> • One statement code per K-5. The numeric value of the code is mandatory; the detail (written form type) is required. Codes are: <ul style="list-style-type: none"> ○ 1: W-2 ○ 2: W-2G ○ 3: 1099-R ○ 4: 1099-MISC ○ 5: All other 1099 ○ 6: 1099-NEC
TotalStatements	<ul style="list-style-type: none"> • Must equal the count of all employee / payee statement lines.
TotalPayments	<ul style="list-style-type: none"> • Must equal the sum of all employee / payee wages or payments.
TotalTax	<ul style="list-style-type: none"> • Must equal the sum of all employee / payee state income tax withheld.
SSN	<ul style="list-style-type: none"> • Nine-digit account number. • Format: 999999999 • Note: If the payee is a business, then use the business' FEIN.
Payee	<ul style="list-style-type: none"> • Nine-digit name. • If the name is greater than nine-digits then use the first nine-digits only.

Field Name	Field Description
Pay	<ul style="list-style-type: none"> • Kentucky taxable wages or payments. • Nine-digit limit. • Format: 999999999 or 9999999.99 • \$0.00 is not implied in blank fields. If a taxpayer has \$0.00 in wages then that data must be present in the barcode as 0. • Negative values are not accepted.
Tax	<ul style="list-style-type: none"> • Kentucky tax withheld. • Nine-digit limit. • Format: 999999999 or 9999999.99 • \$0.00 is not implied in blank fields. If a taxpayer has \$0.00 in tax withheld then the data must be present in the barcode as 0. • Negative values are not accepted.
TaxpayerSignature	<ul style="list-style-type: none"> • Fifty character limit.
TaxpayerSignatureDate	<ul style="list-style-type: none"> • MM/DD/YYYY
TaxpayerName	<ul style="list-style-type: none"> • Fifty character limit. • May be blank.
TaxpayerTitle	<ul style="list-style-type: none"> • Thirty character limit. • May be blank.
PreparerSignature	<ul style="list-style-type: none"> • Fifty character limit. • May be blank.
PreparerDate	<ul style="list-style-type: none"> • MM/DD/YYYY • May be blank.
PreparerName	<ul style="list-style-type: none"> • Fifty character limit. • May be blank.
PreparerID	<ul style="list-style-type: none"> • Format: P99999999. • May be blank.
PreparerEmail	<ul style="list-style-type: none"> • Alphanumeric • May be blank.
PreparerPhone	<ul style="list-style-type: none"> • Numeric • Format: 9999999999 • May be blank.
Discuss	<ul style="list-style-type: none"> • Required • Values may be “Yes” or “No” only.
TaxpayerPhone	<ul style="list-style-type: none"> • Numeric • Format: 9999999999 • May be blank.
TaxYear	<ul style="list-style-type: none"> • YYYY • Required • The year in the 2D barcode must match the year printed in the top right corner of the form. EX – if the taxpayer is filing a form for tax year 2020, then the form should say 2020 and the 2D barcode should say 2020.

2-D Barcode Field Assignments

Page 1		Page 2	
Number	Name	Number	Name
1	Timestamp	1	Timestamp
2	Data Version	2	Data Version
3	VendorID	3	VendorID
4	Account	4	Account
5	FEIN	5	SSN
6	Business Name	6	Payee
7	Address	7	Pay
8	City	8	Tax
9	State	9	SSN
10	Zip Code	10	Payee
11	StatementCode	11	Pay
12	TotalStatements	12	Tax
13	TotalPayments		etc.
14	TotalTax	81	SSN
15	SSN	82	Payee
16	Payee	83	Pay
17	Pay	84	Tax
18	Tax		
19	SSN		
20	Payee		
21	Pay		
22	Tax		
	etc.		
35	TaxpayerSignature		
36	TaxpayerSignatureDate		
37	TaxpayerName		
38	TaxpayerTitle		
39	PreparerSignature		
40	PreparerDate		
41	PreparerName		
42	PreparerID		
43	PreparerEmail		
44	PreparerPhone		
45	Discuss		
46	TaxpayerPhone		
47	TaxYear		

Testing and Approval

Before testing, vendors must complete the Substitute Forms Development LOI and required attachment, posted on the SES.

Vendors must provide DOR with copies of all types of the K-5 form that they plan to develop. *This includes "for your records" copies.* DOR requests at least two samples with mock test data, one with a complete 2-D barcode for both pages and one with a partially filled page two. No X & 9 or blank samples are required. Part I values must match the values in the statement lines in all test samples. Email samples to the contact below in PDF format.

Contact Information

Technical Specifications/Assistance and Acceptance Testing
Help Desk Phone # 502-564-5370 (Option 2, then Option 4); Fax # 502-564-0230

Primary Contact:

Caitlin Branco

Department of Revenue
Division of Operations
Electronic Commerce Branch
501 High Street, Station 22
Frankfort, KY 40601-2103
Phone: 502-564-5370, Option 4
Email: Caitlin.Branco@ky.gov