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FIRE to IRIS Transition for 1099 Pro Professional Edition Desktop Customers

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This webinar has been prepared for informational purposes only and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction.

Today's Speakers



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Agenda



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FIRE to IRIS What's Changed?

What the change means for Professional Edition desktop customers

02

The Path Forward: Desktop or Cloud

Overview of both options and full 1099 Pro Cloud demonstration

03

Next Steps

Resources to help you decide and move forward

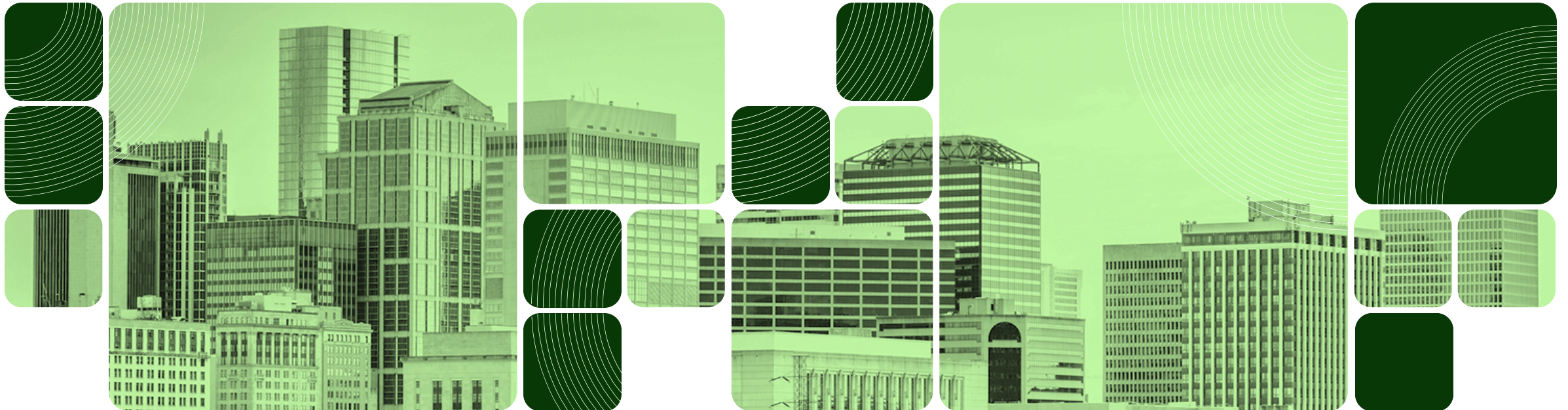
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Q&A

01

FIRE to IRIS What's Changed?

Impacts to 1099 Pro Professional Edition Customers





FIRE is going away. This is not optional.

Here's what you need to know and plan for:

The IRS FIRE system shuts down December 31, 2026

Everything you file in January 2027 and beyond goes through IRIS

Your existing FIRE credentials don't transfer

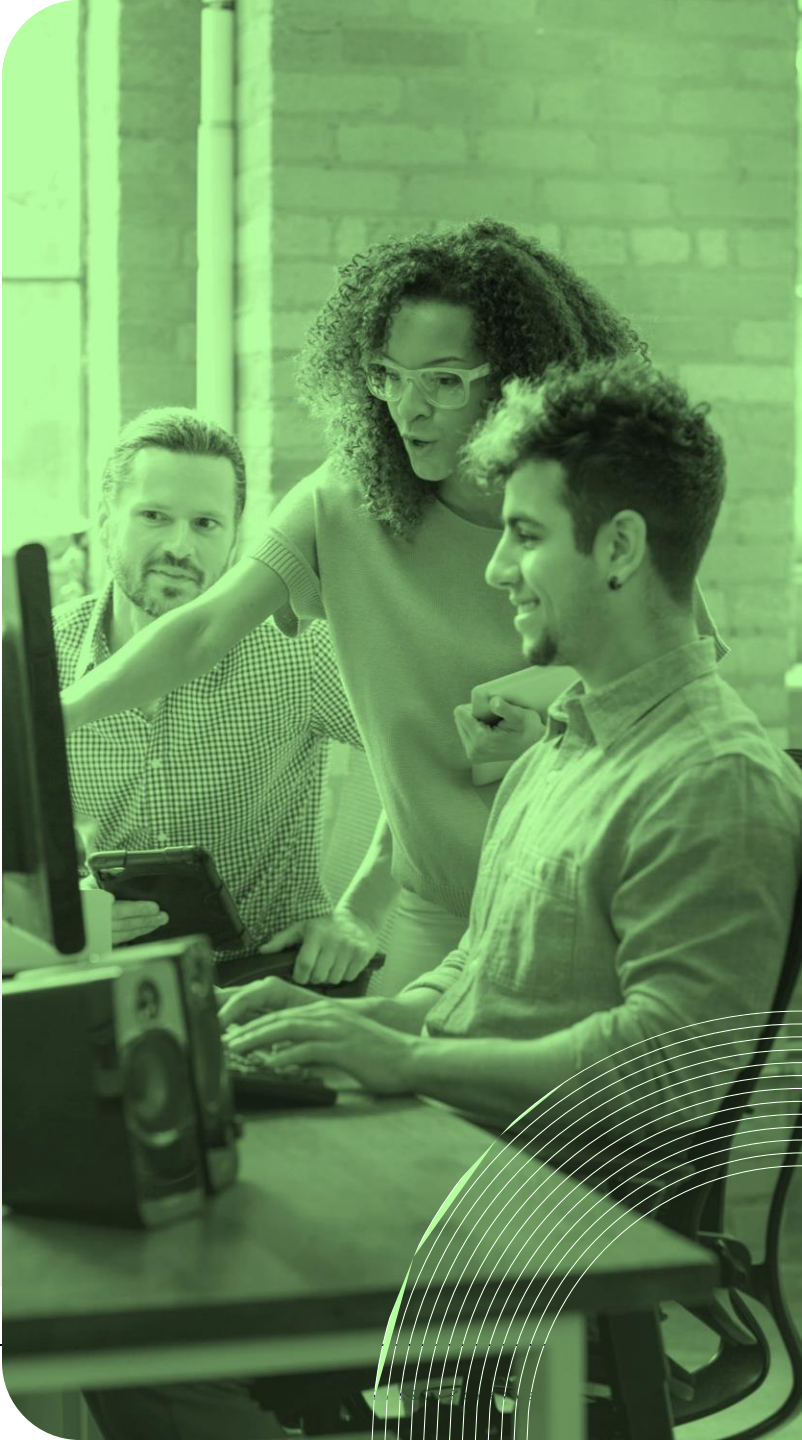
One filing season to make the change

IRIS built two doors. Only one fits you.

The free IRIS portal website was built for small filers. Capped at 250 forms per upload, manual review and processing and every correction typed in by hand.

If you file ...	That's...
5,000 forms	20 separate uploads, already unmanageable
50,000 forms	200 uploads
250,000 forms	1,000 uploads

The direct connection ("A2A") is the only path built for volume. It's a server-to-server integration with the IRS, not a website you log into.



What it takes to connect directly to the IRS

Five IRS required steps and approvals in sequence, each one gates the next

- **IRIS Application for TCC** - alone takes **up to 45 days**
- A **commercial security certificate you purchase**. The IRS won't accept self-signed certs
 - Signatures from corporate officers and notarized application
- Then a **cryptographic key file assembled by hand (JWK)** to an exact seven-part specification, in an exact order.
 - The IRS's instructions suggest using a text editor for this step
 - **The certificate expires**. Tracking that date is your responsibility and when it lapses, filing stops
- Build an IRIS API client. Engineering and potentially security or networking expertise
 - Annual updates and schema versioning
 - Response file retrieval and tracking
- Then **IRIS testing**, which typically opens in November, for a January deadline

What the change means for you



Here's what changes:

- **1099 Pro Professional has been sunset**
 - Prior year versions will continue to be accessible
- 1099 Pro Enterprise is our go-forward desktop solution
- Service Bureau filing is required
- 1099 Pro Cloud is available for clients looking for a modern, IRIS-native filing experience



How we're easing the transition:

- **Sovos files for you**
 - Sovos filed over 90 million forms through IRIS in tax year 2025
 - No IRS registrations, no certificates, no testing, no rule changes to chase.
- **You work in 1099 Pro Ent exactly as you do today!**
 - Load, validate, review, print, mail.

Prepare Your Data for IRIS

Get Ready
for TY2026

⚠ Applies to ALL customers — Desktop and Cloud. IRIS will reject data that FIRE accepted. Clean data before filing season to avoid real-time rejections and penalties up to \$340/return.

1 Separate Name Fields	2 Run TIN Matching	3 Review Data Quality	4 Retain Your FIRE Data
IRIS requires separate First Name, Last Name & Business Name fields	IRIS validates Name/TIN combos in real time at submission	Review addresses, entity types and form amounts	Keep all prior FIRE filing data — do not delete
Combined fields (e.g. "John Smith" in one field) may result in errors	Desktop: bulk match via Service Bureau (additional charge)	High B-Notice or correction history = higher IRIS risk	IRS finalizing how FIRE-originated corrections work in IRIS
Most common data issue — fix this first	Cloud: real-time + bulk included in subscription	Early cleanup reduces real-time validation failures	You will need original filing data when that process is published

💡 Do this now — before renewal season. Both Desktop and Cloud customers benefit from cleaner data ahead of filing.

02

Desktop or Cloud?

Decision point for Tax Year 2026 Filing



Two Paths Forward: Desktop or Cloud

IRIS Ready

Stay on Desktop + Service Bureau

Keep your existing workflow | File via Sovos Service Bureau | 1099 Forms Only

- **IRIS filing:** Handled by Sovos Service Bureau — no TCC needed
- **Data format:** Sovos converts to XML; SB maintains live IRS connection - you work in familiar desktop workflow
- **TIN matching:** Bulk matching via Service Bureau (additional charge)
- **Corrections:** Available via Service Bureau (per-form charge)
- **State filing:** CF/SF included; 1099-NEC DSR available as add-on
- **Users:** License-based per-seat model
- **Print & mail:** Available via Service Bureau (additional charge), Online delivery also available
- **Updates:** Manual — download and install new updates

À la carte — pay per service ordered

Move to 1099 Pro Cloud

IRIS built-in | No software to install | 1099 / W-2 / 1042-S Included | Multi-year

- **IRIS filing:** Native — built directly into the platform
- **Data format:** Platform handles XML; browser-based, no install needed
- **TIN matching:** Real-time + bulk included in subscription
- **Corrections:** Included in subscription
- **State filing:** CF/SF included; 1099-NEC DSR available as add-on
- **Users:** Unlimited
- **Print & mail:** Included in subscription if ordered, Online delivery also available
- **Updates:** Automatic — always current

Annual subscription — most services included

1099 Pro Cloud

Product Overview and
Demonstration

Pricing Comparison

1099 Pro Enterprise Desktop – 300 Forms

- 1099 Pro Enterprise Single User Software – Early Renewal: \$359.00
- Bulk TIN Match: \$150.00
- Service Bureau eFile, Print & Mail: \$612.00
- Corrections Filing – 2x File Upload: ~\$200.00
- Direct State Filing Extra

Total: ~ \$1,321.00

1099 Pro Cloud – 300 Forms

- Annual Subscription – Software, eFile, Print & Mail: \$1,454.00
- Bulk & Real Time TIN Matching Included
- Corrections Included
- Direct State Filing Extra

Total: ~ \$1,454.00

In both cases there are no long-term contracts or agreements – your commitment is for a tax year and you can go a different direction if not satisfied

03

Next Steps

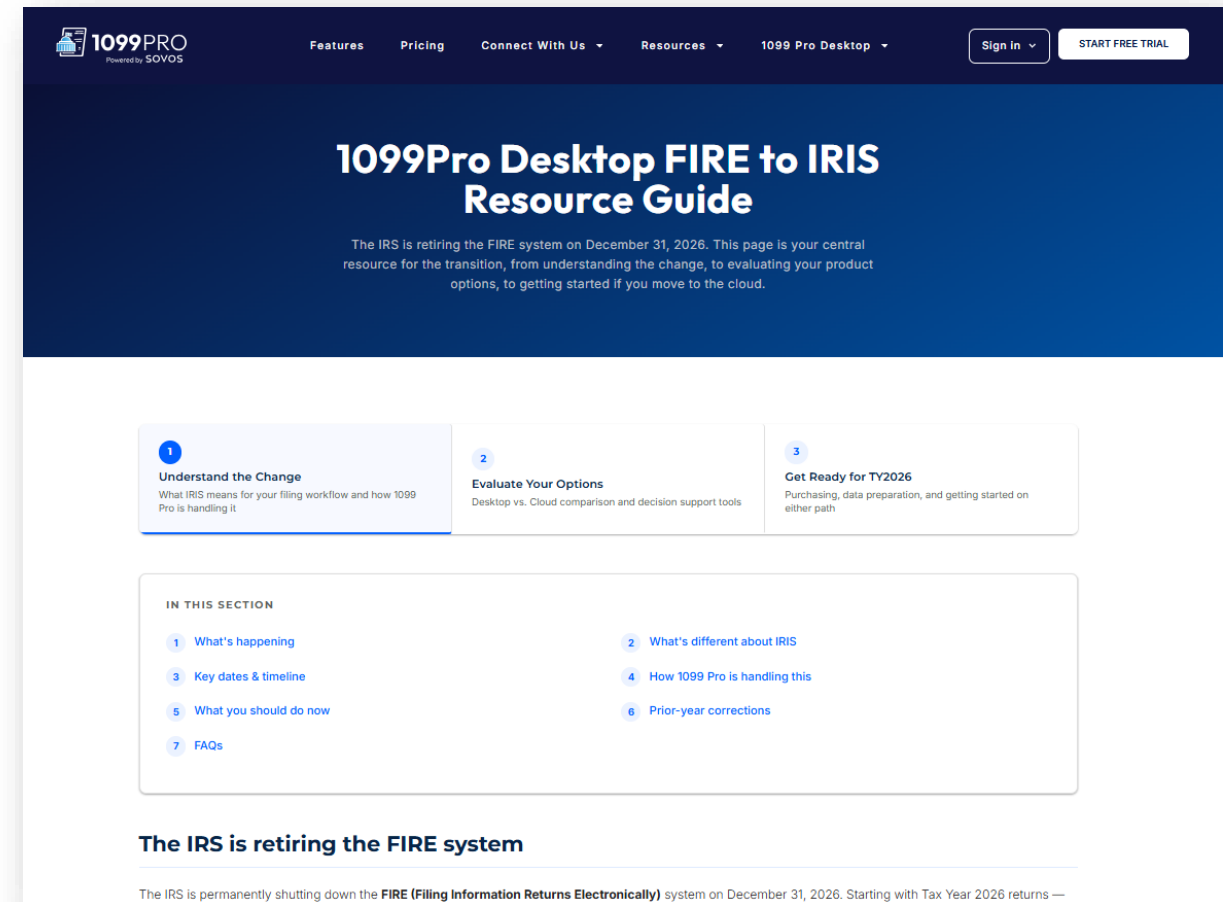
Resources and timing to help you move forward



Resources

1099Pro Desktop FIRE to IRIS Resource Guide

- Bookmark this page: <https://1099pro.com/1099pro-desktop-fire-to-iris-resource-guide/>
- Your guide to:
 - What is happening FIRE to IRIS
 - Changes for Tax Year 2026
 - Tools to evaluate your options
 - FAQ's
 - Communication channels to get help moving forward
- Security Documentation



Timing / Next Steps

1099 Pro Enterprise Desktop – Service Bureau

- Tax Year 2026 Renewal Program for the desktop software will be released in early September (1099, W-2, 1042-S)
- Renewal orders will be updated with the relevant Enterprise Desktop product:
 - 1099 Pro Professional Edition – will be automatically updated to 1099 Pro Enterprise Edition
 - 1099 Pro Professional Edition – Multi-User will be automatically updated to 1099 Pro Enterprise Edition – Multi-User. Etc.
- The same early renewal discount program will apply
 - Phase 1: Sept – October 15th – Up to 20%
 - Phase 2: October 16th – November 30th – Up to 10%

1099 Pro Cloud / TIR Enterprise

- Review resources and FAQ's – most common questions will be answered
- Fill out the Contact Form in the Resource Guide
- The Sovos team will reach out to answer open questions and complete the evaluation of which Product / Services would be the best fit
- Will help you through the purchase and access process
- Immediate access to the software with 7 Day Free Trial

Polling Question: How is your organization planning for the change to IRIS?

- A. Continue using 1099 Pro Desktop / Service Bureau
- B. Looking to migrate to a Sovos cloud software
- C. Not yet determined – still in the learning phase
- D. Other

Questions?

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Thank You