An Introduction to Filing Federal Form 1099-S (Proceeds from Real Estate Transactions) to Arizona

December 2024

Form 1099-S Filing Requirement

If a federal Form 1099-S is required to be filed to the IRS and the address or legal description is in Arizona, Form 1099-S must be filed to Arizona.

How to File Form 1099-S with Arizona

The Arizona Department of Revenue (ADOR) maintains a website that permits a user to file Form 1099-S electronically. The web address for electronic filing is https://AZTaxes.gov/Home/Loginazfset.

NOTE ON SPECIAL USE BY A REGISTERED USER: The landing page states that AZ Web File (AZFSET) is available for "Payroll Service Providers" and for filing and paying "Employer Withholding." Despite the landing page heading, a person that must file federal Form 1099-S will register through this portal because federal 1099 forms are filed through the portal *even if the user is not a payroll service provider*.

A person that must file Form 1099-S will complete registration and filing through the following steps:

Step	Description
1	Complete the Payroll Service Company Registration found at https://efile.AZTaxes.gov/AZFSETPortal/Account/Register. Select Web Upload or Transmitter, whichever applies.
2	Receive the ADOR confirmation email, complete and return the signature card.
3	Receive a second email confirmation from ADOR that enables a user to generate a valid password. Be sure to check spam for agency email. Add ADOR to email contacts to ensure receipt of future emails.
4	Complete registration by creating a valid password.
5	Click "Home" on the left-side menu of the "Registration Complete" screen.
6	Navigate to AZFSET. Do not log on.
7	Under "Upload/Transmit W2 and 1099?," select "Click Here."
8	Log on with username and password on the "AZ Web File User Login" screen.

9	**a. Web Upload User –**
	  i. Click "Continue" on the "Welcome to Web Upload" screen.
	  ii. Choose Form 1099-S from drop-down menu and upload each applicable federal Form. A user will be required to navigate through two subsequent system validations to ensure that file upload was successful and complete.
	
	b. Transmitter –
	  i. In the left menu, click "Resources" to access the WSDL used for transmissions.

For additional information on registration, refer to the supplementary documentation entitled Preparer User Guide under "Resources" at https://efile.AZTaxes.gov/AZFSETPortal. The 1099-S File Layout is available for download at https://azdor.gov/e-file-process/e-services-w-2-1099.