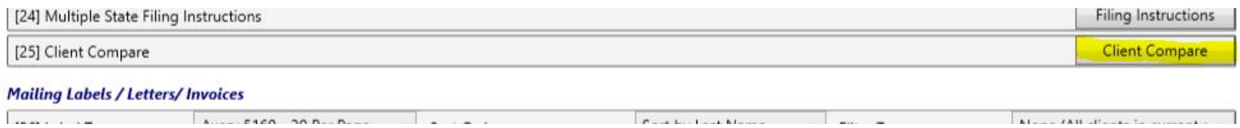
Extensions in A Snap!

Toward the end of tax season, we field some telephone calls helping clients transmit extension form 4868 for their clients. When the telephone call is about finished the client will make a comment something along the lines of “thanks, one down 40 to go!”. It’s about that time Taxware customer support becomes their best friend when they let them know that there is an easier way to do all their extensions in a batch.

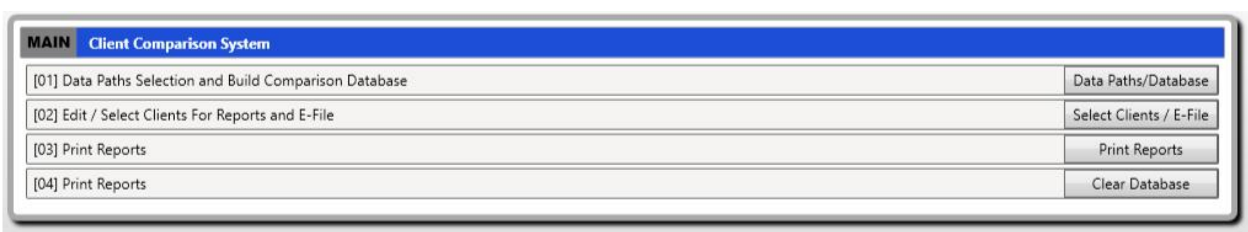
In the program we have a utility that compares your current year data folder with your prior year data folder to build a database of the tax payers you haven’t recalled and worked with yet. With this database you can send extensions in a batch. In addition to its main functions there are some other great reports and tools.

To access this utility, go to REPORTS from the start page, scroll down until you see option (25) Client Compare and click that button.



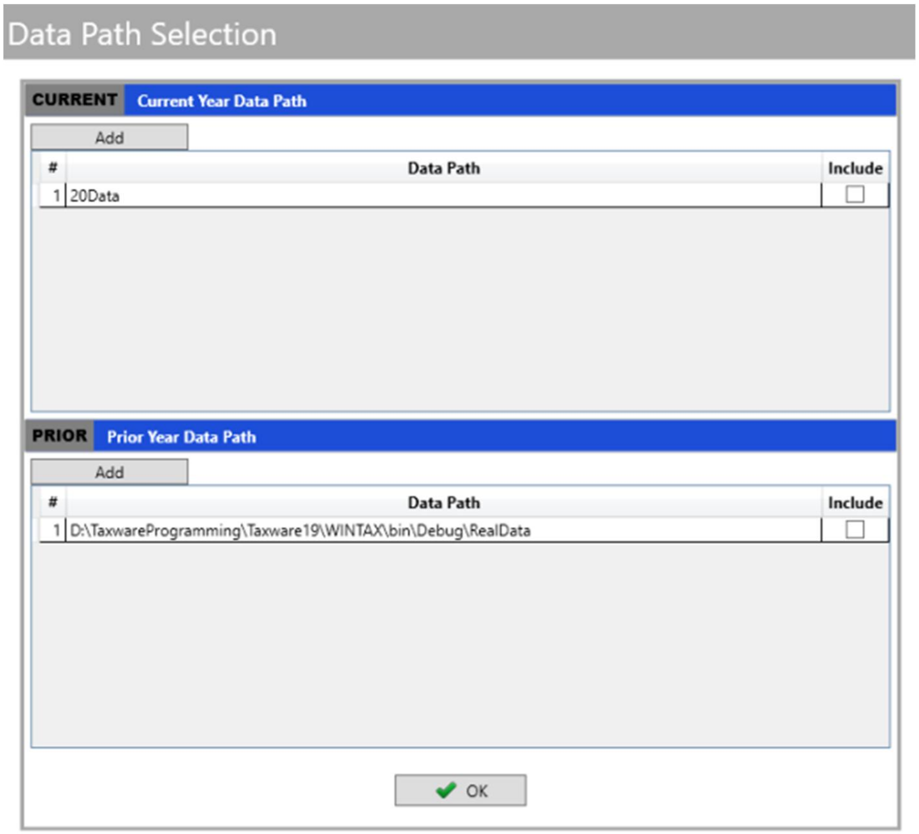
The Compare utility can also be accessed by selecting BATCH E-FILE from the start page and then selecting option (06) E-File Form 4868.

This will open the CLIENT COMPARISON page.



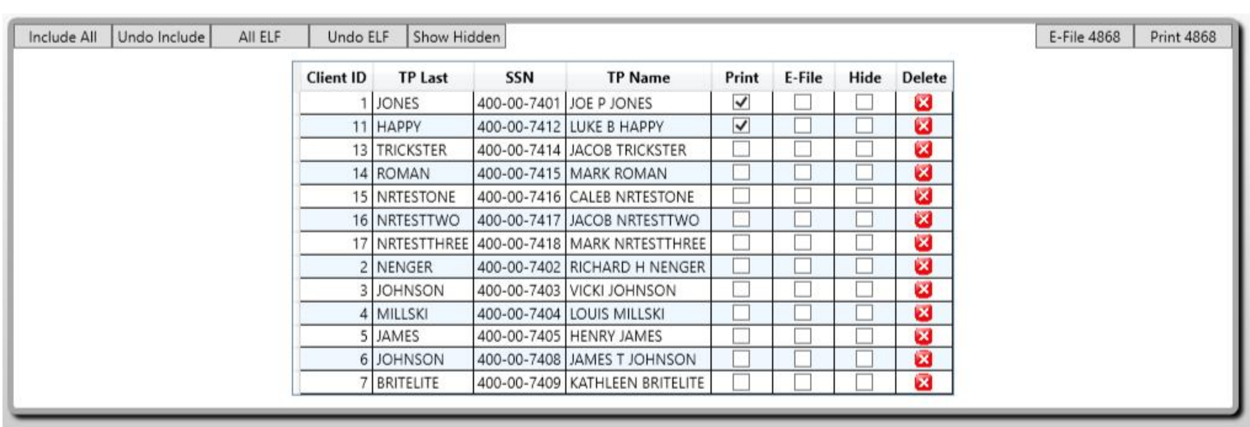
The first thing to do is build the comparison database. Like the legacy version, the program compares the selected data folders and creates a list of tax clients you have not worked with in the current year.

Select (01) Data Paths/Database. This will open a “Data Path Selection” page.



Click the checkboxes in the data grid to indicate which data folders you want to build your comparison database. Clicking "OK" will then compare the selected data folders to see if a prior year client is NOT found in your current year. If it is NOT found then it will automatically be added to the database.

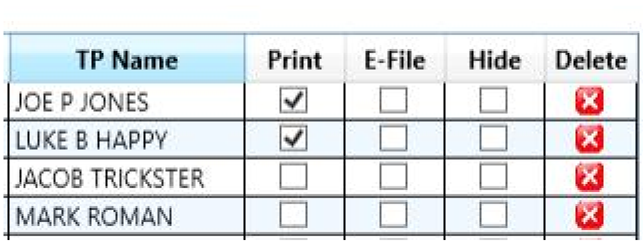
Next click (02) Select Clients. This will open your current compare database.



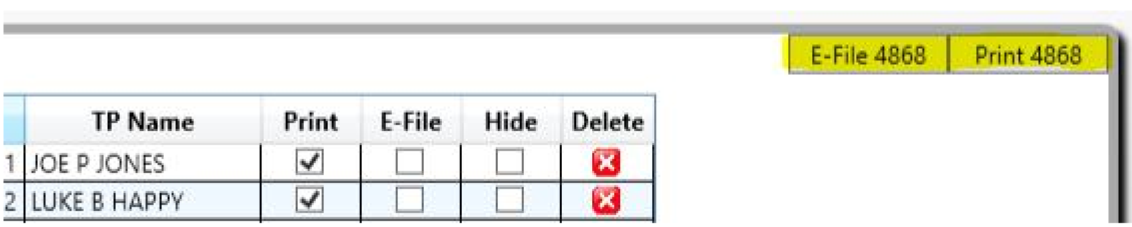
Client ID	TP Last	SSN	TP Name	Print	E-File	Hide	Delete
1	JONES	400-00-7401	JOE P JONES	☑	☐	☐	☒
11	HAPPY	400-00-7412	LUKE B HAPPY	☑	☐	☐	☒
13	TRICKSTER	400-00-7414	JACOB TRICKSTER	☐	☐	☐	☒
14	ROMAN	400-00-7415	MARK ROMAN	☐	☐	☐	☒
15	NRTESTONE	400-00-7416	CALEB NRTESTONE	☐	☐	☐	☒
16	NRTESTTWO	400-00-7417	JACOB NRTESTTWO	☐	☐	☐	☒
17	NRTESTTHREE	400-00-7418	MARK NRTESTTHREE	☐	☐	☐	☒
2	NENGER	400-00-7402	RICHARD H NENGER	☐	☐	☐	☒
3	JOHNSON	400-00-7403	VICKI JOHNSON	☐	☐	☐	☒
4	MILLSKI	400-00-7404	LOUIS MILLSKI	☐	☐	☐	☒
5	JAMES	400-00-7405	HENRY JAMES	☐	☐	☐	☒
6	JOHNSON	400-00-7408	JAMES T JOHNSON	☐	☐	☐	☒
7	BRITELITE	400-00-7409	KATHLEEN BRITELITE	☐	☐	☐	☒

Note the buttons in the top of this page. Using them you can quickly select a batch of clients in your compare database.

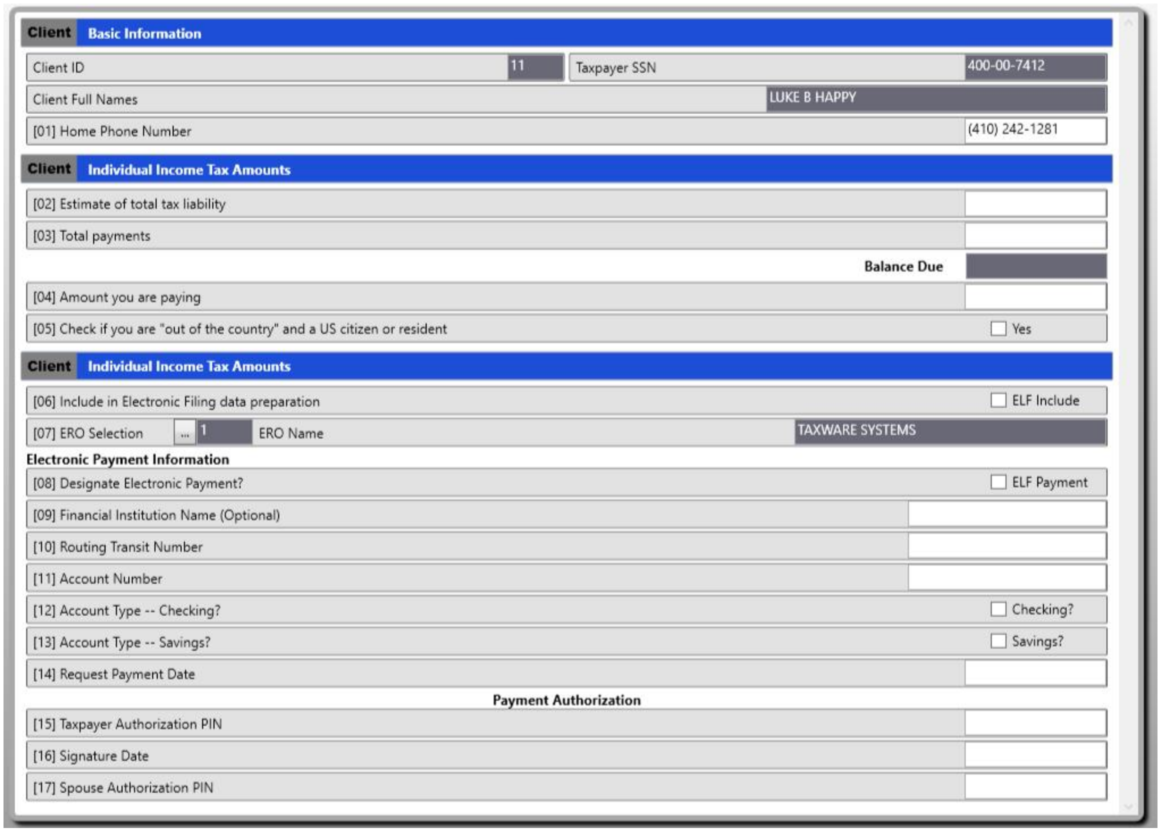
This page does need a little further explanation in regard to the “Print”, “EFile”, and “Hide” columns. The “Print” column indicates that this client will be added when doing various print functions like printing form 4868, client letters, etc. The “EFile” column indicates that this client will be added during the batch electronic filing process. The “Hide” column indicates to the program that you don’t want to see this client in your grid, print, or e-file. This feature is so that if you re-build your compare database that client won’t come back into the database if you were to delete them. The primary example of this use is a taxpayer that is deceased. You know they won’t be coming in to see you this year but they are in your prior year data folder.



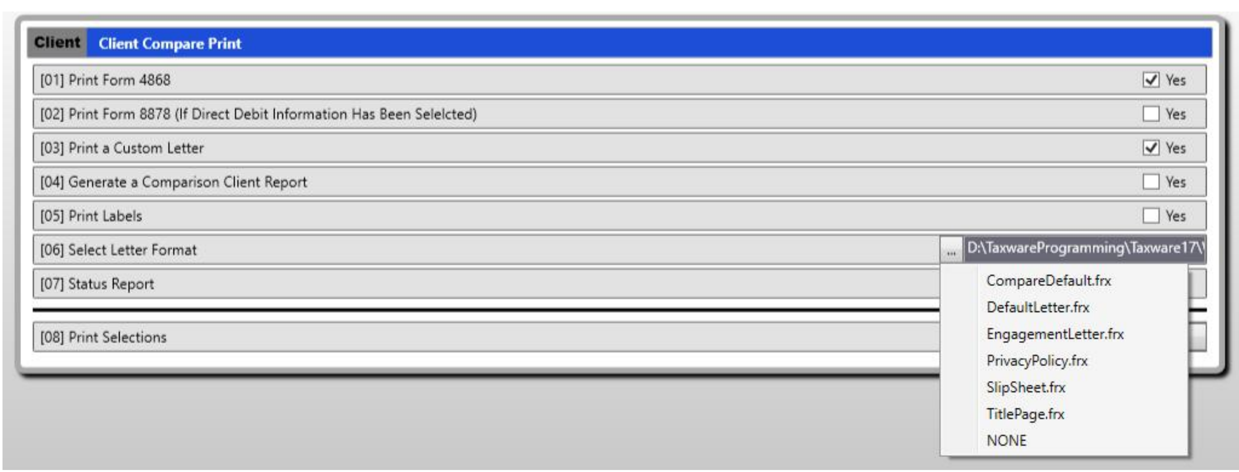
If you want to bypass the rest of the functions available in the compare utility and either e-file or print 4868’s, this can be achieved by clicking the buttons in the top right of this page after your grid selections have been made.



Double clicking a client will open access to edit information specific to that client. An example would be if this taxpayer did or wanted to include a payment with their extension. Another example would be if you wanted to change the default ERO for electronic filing. For the most part this page doesn't need accessed.



Now that you have your compare database setup, and have selected which clients you want to include, you are ready to print your reports, extensions, and or electronically file. First let's go into the "Print Reports" page and talk about the options available to you.



Make your applicable selection using items 1 through 7 checkboxes to indicate which forms and reports you want then click the “Print” button. Using the “Print” checkbox we talked about earlier, the program will produce the forms, letters, and reports based on your client selections.

The print options include Form 4868 and 8878 as well as a range of reports including compare database client listing, status reports, labels, and client letters.

One note about the letter format in the comparison utility. The comparison utility uses a different database than the normal Wintax client data. Because of these differences the compare letter default is already selected for you. If you use Wintax’s default letter, the compare program **will error** because it uses a lot of fields that are NOT in the compare utility database.

STATUS COMPARISON REPORT

COMPARISON STATUS REPORT

ID	TAXPAYER SSN	FULL NAMES	4868 PRINTED	E-FILED
1	400-00-6001	TEST A ANT & ANNIE A ALLEN	YES -- 04-03-2018	A -- 04-03-2018
12	400-00-6012	MARK & VICTORIA BROCK	YES -- 04-03-2018	A -- 04-03-2018
3	400-00-6004	TEST CROW & ASTHE CROWFLIES	YES -- 04-03-2018	A -- 04-03-2018
4	400-00-6008	TEST & OLIVER ST OCTOPUS	YES -- 04-03-2018	A -- 04-03-2018
5	400-00-6011	TEST WHALE JR	YES -- 04-03-2018	NO
6	400-00-6014	TEST YAK III	YES -- 04-03-2018	NO
7	400-00-6022	TEST ZEBRA	NO	NO
9	400-00-6005	TEST ANT & ANNIE ALLEN	YES -- 04-03-2018	NO

E-File 4868 Extensions

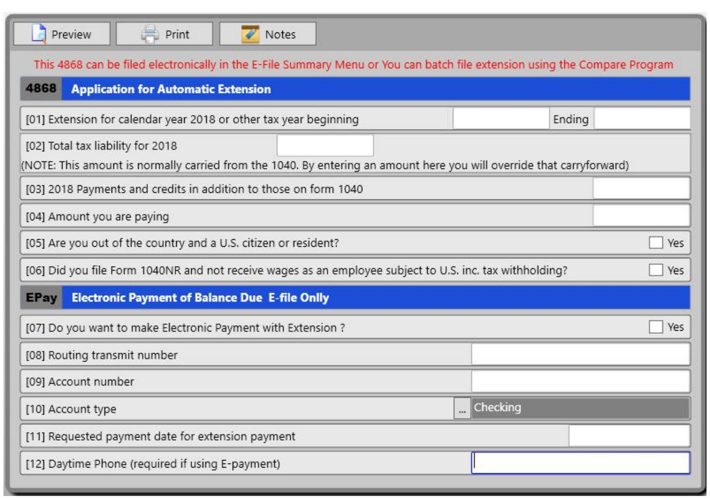
There are two methods to e-file extensions. There is the “Individual Method” and the “Batch Method” .

The Individual Method is done within the current year’s tax program and will be transmitted to the IRS using Taxware’s A2A system.

The Batch Method will use the “Comparison” utility which will compare the current year’s client listing with the prior year’s client listing and give you a list of clients that do not exist in the current year’s pick list. You will then mark the clients for which you would like to file an extension. The program will then batch these clients together and send them to the IRS by way of Taxware’s A2A or through the IFA system, whichever method that you have been using to file your 1040 returns.

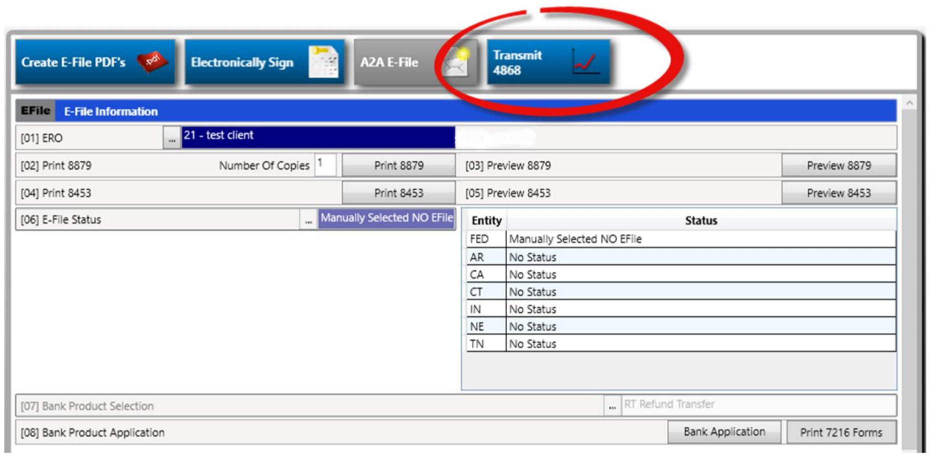
Filing 4868s using the Individual Method:

You will start the return in the same manner as if you were going to prepare the complete tax return. This is done by either “Recall Prior Year Return” or “Create a New Client Return”. Enter the 4868 information from option [29] Form 4868 from the *Forms and Schedules Menu*.



When you’re ready to e-file the 4868, access the “E-file Information Menu”, (option [20] on the Summary menu).

In the tool bar at the top of this menu and select “Transmit 4868 via A2A”.

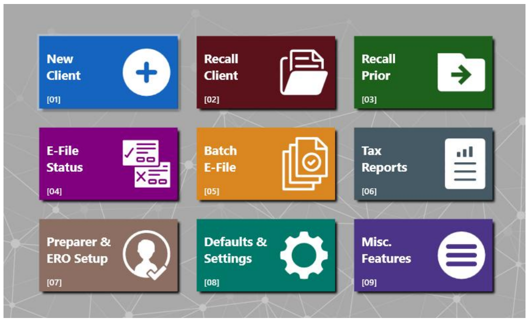


The program will then transmit this individual 4868 to Taxware’s A2A server and the extension will then be delivered to the IRS. You will download the acknowledgement files the same way that you would download 1040 acks.

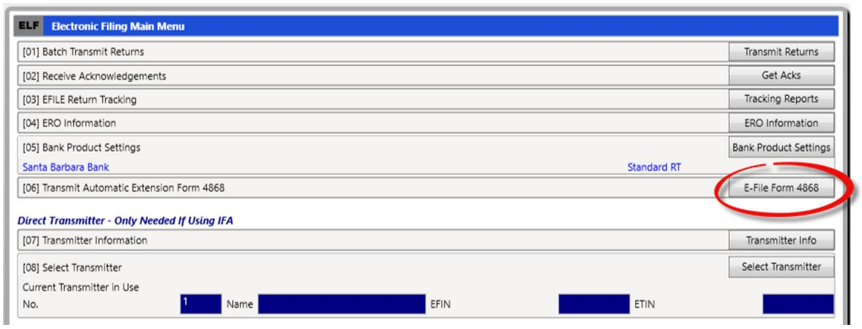
Filing 4868s using the Batch Method:

You will use the "Client Compare" utility to enter extension data and mark returns to be filed for extension. The batch method does not use 4868 information that is entered within the 1040 program.

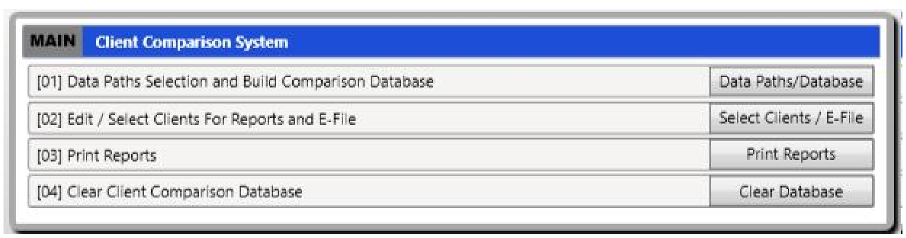
To access the Client Compare: Click on [05] "Batch E-File" from the Main Wintax menu.



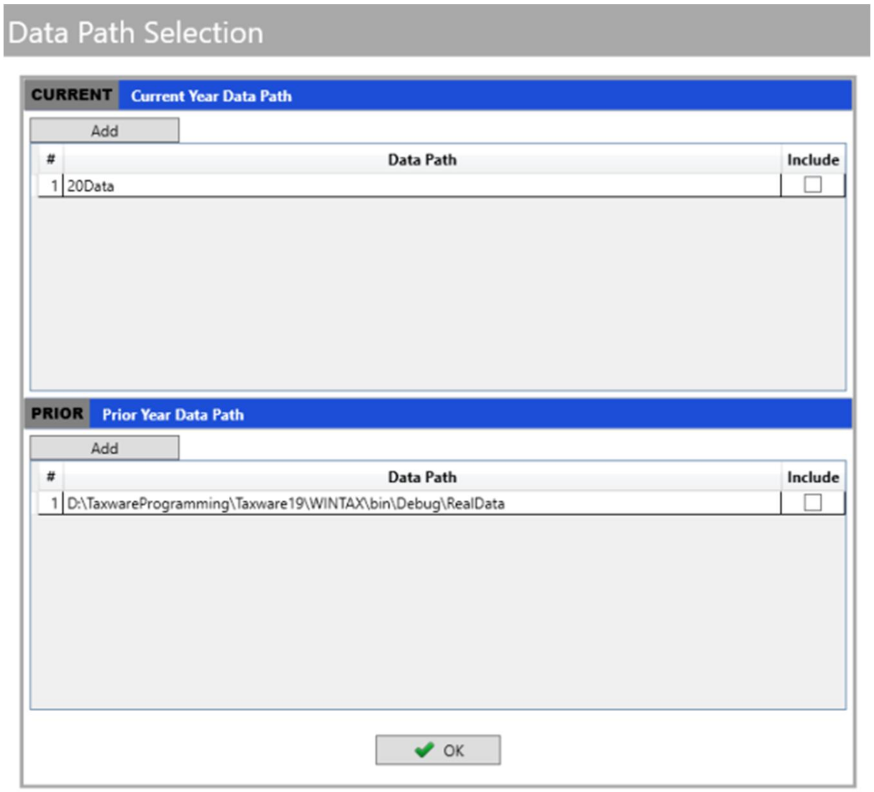
Then click on option # [06] "Transmit Automatic Extensions Form 4868"



The First thing you will need to do once you are in the Comparison program is to build the Database of clients.



Select [01] Data Path selections and Build Database Comparison.

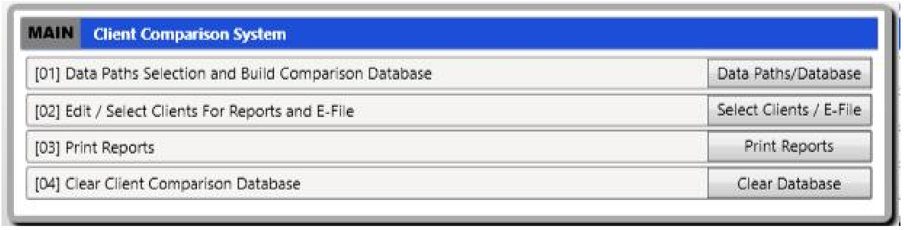


The top half of the menu will show "Current" data paths, and the lower half will show the "Prior" year data paths.

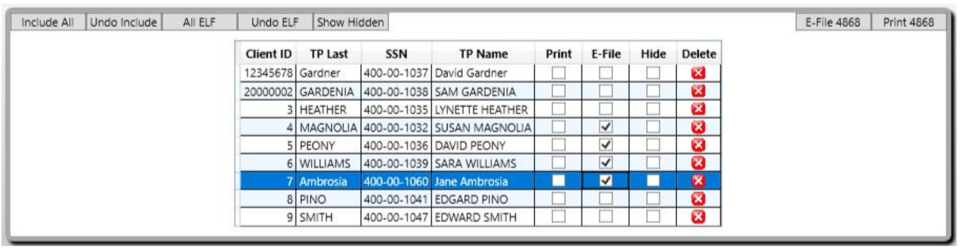
Click on the box to include which paths you want to compare. You can select multiple data paths for both current and prior year if you store data in more than one path.

When you click "OK" the program will then create a list of clients that are in the Prior year data path(s), but does not exist in the current year data path(s).

Return to the Main Menu of Comparison.

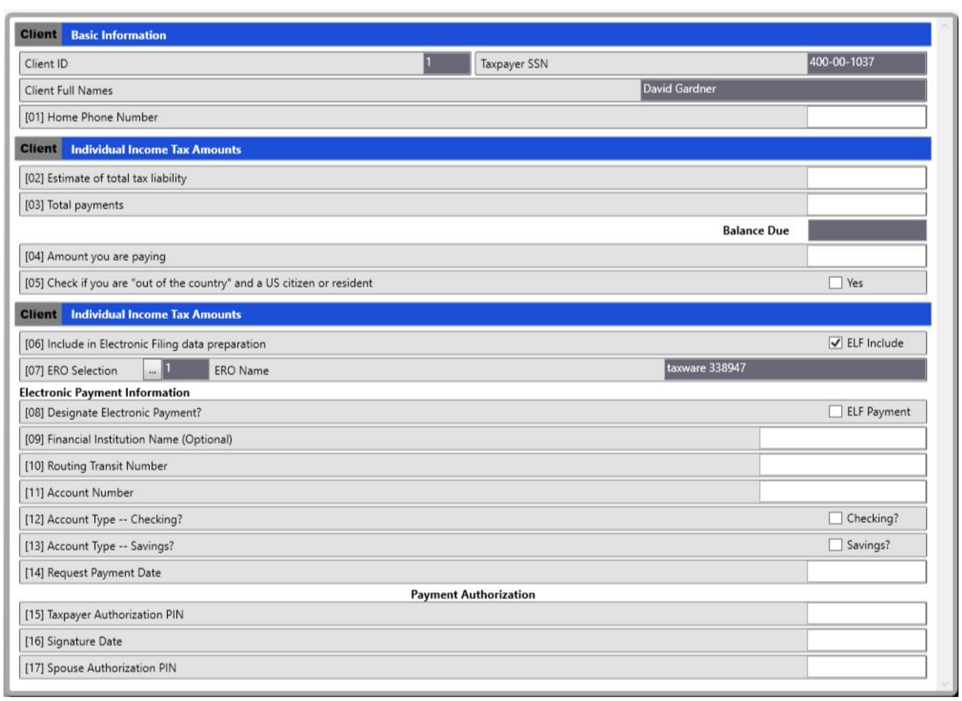


Now select [02] Edit / Select clients.



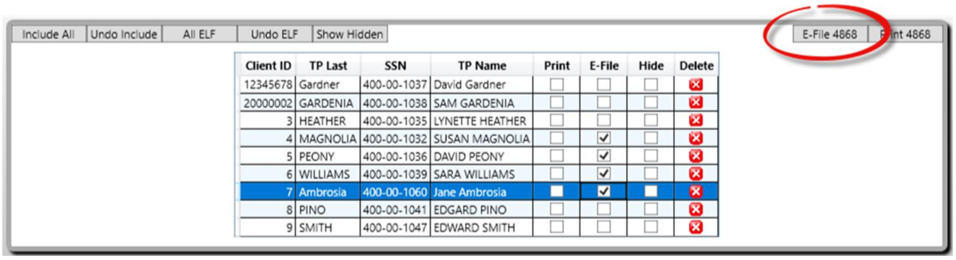
In the “Client Selections” menu, single click the “E-File” checkbox for each client that you would like to include in the electronic transmission. If you would like to assign an ERO other than the default ERO, or need to enter dollar or debit information, double click the selected client for the “Client Information” menu. If an ERO is not set individually the program will assign the default ERO that has been designated in the Defaults and Setting menu in the Individual Tax Program..

On Double Click, you will see this menu. You can enter dollar amounts and direct debit information.

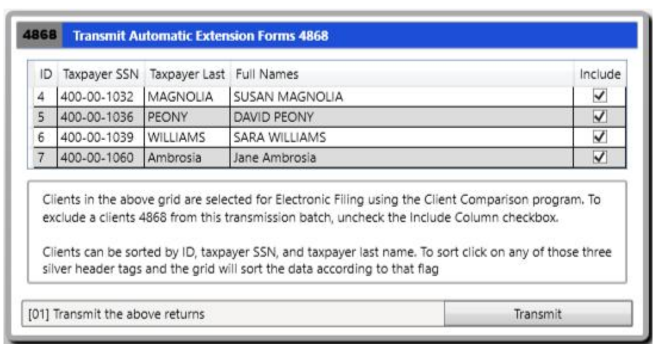


After selecting the client to file and entering estimate and payment information, you are now ready to Transmit the Extensions.

To batch transmit the clients selected, click on the "E-File 4868" button.



After you click the E-File 4868 button, you will see the following menu with just the clients that have been chosen.



If you are satisfied with list, hit the "Transmit" button at the bottom and the group of extensions will be transmitted.

Acknowledgements will be picked up when you request your normal acks. Acknowledgements will be noted as "4868".