TAXWARE SYSTEMS INC.

TAX YEAR 2020

Taxware Quickstart

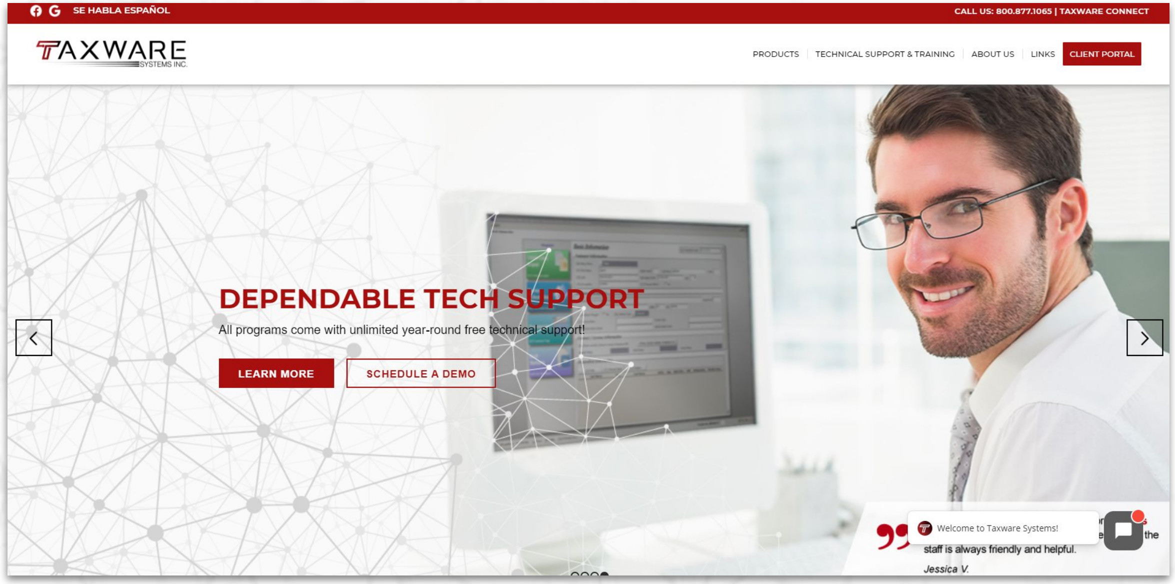
with Matt

Installation and Setup

Topics covered in this section:

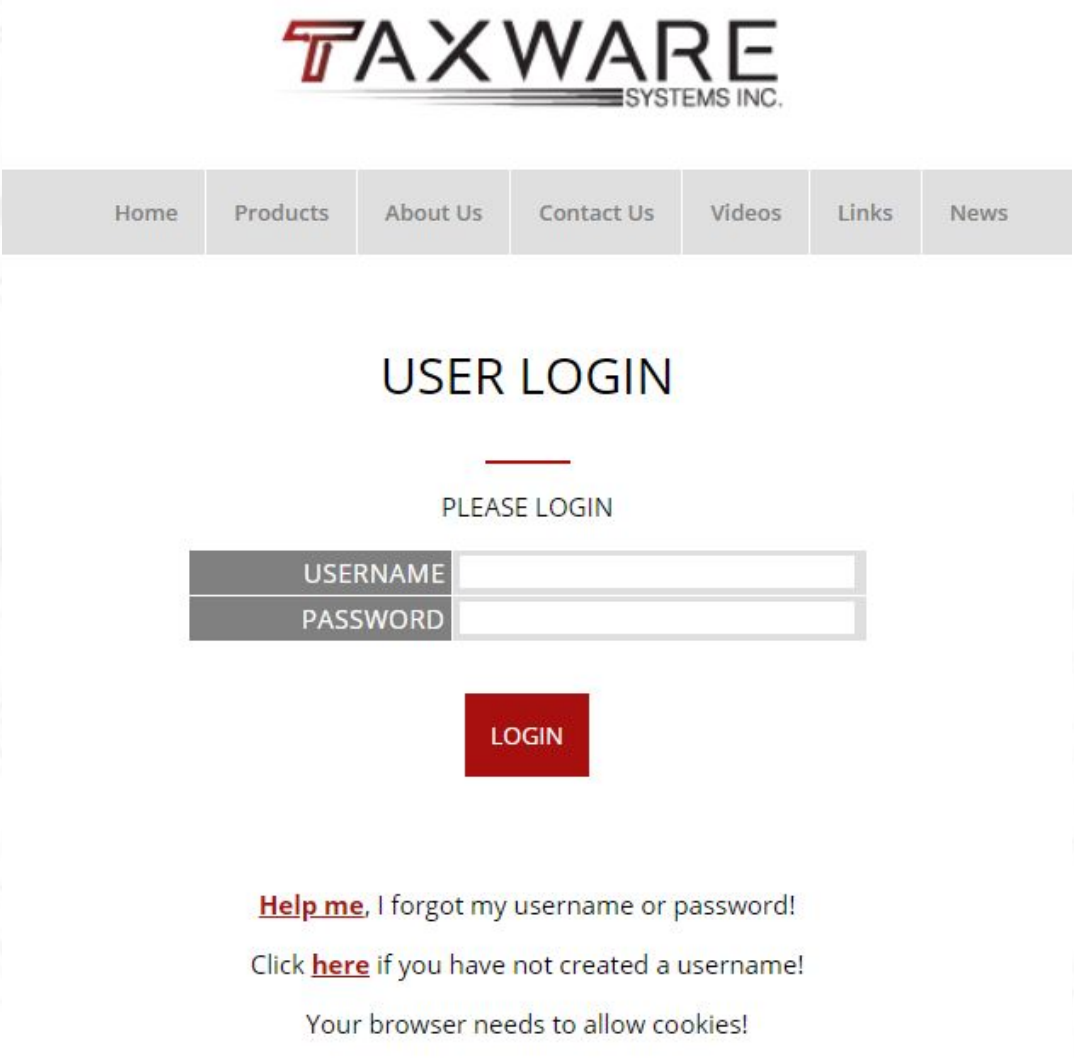
- Website Download
- Logging In
- Current vs Archive
- Downloading
- New Installer

Taxware Website



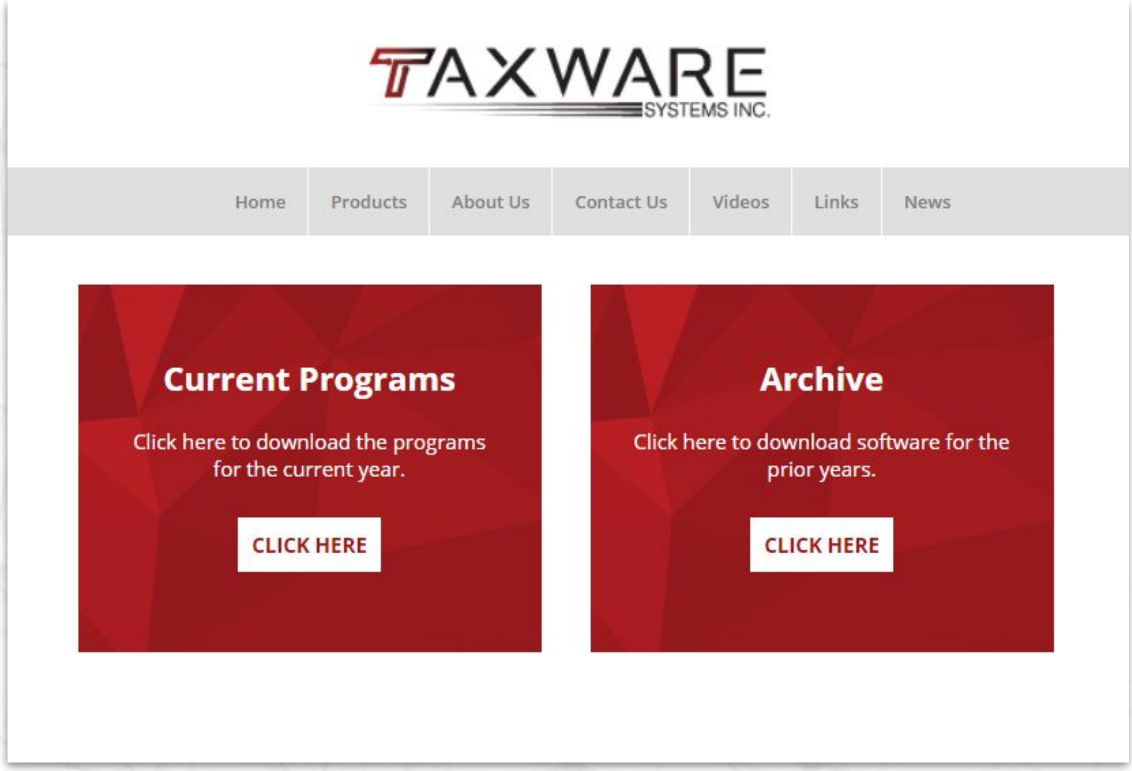
- www.taxwaresystems.com
- Video tutorials are available
- Blogs and Bulletins
- Help Forums

Logging In



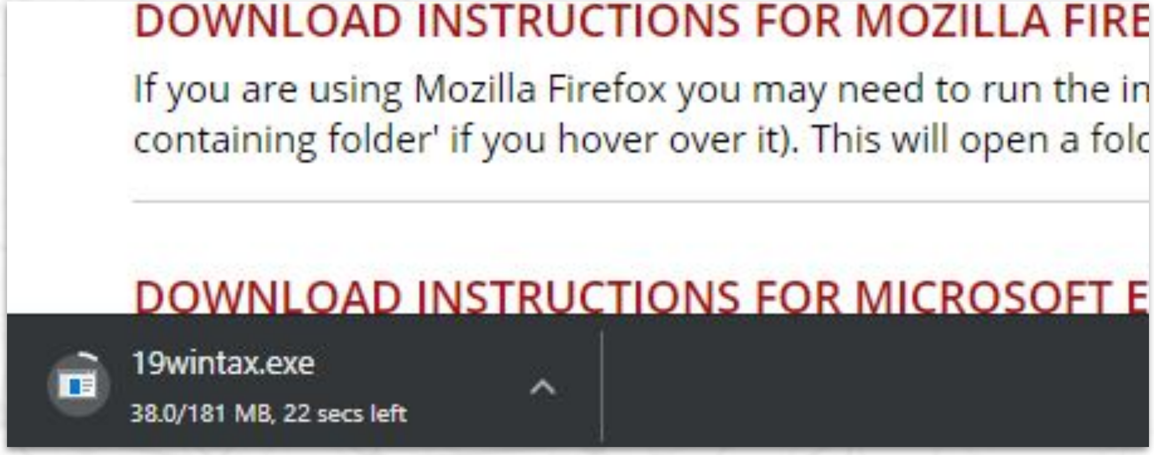
- Client Portal in the top right
- Login
  - Forgot Password?
  - New Client?

Current vs Archive



- Current Programs
  - All programs available to your account
- Archive
  - Programs back to 2013

Downloading



- Click on the program
- Click Run or the Name on the bottom
- Will open once done downloading

New Installer

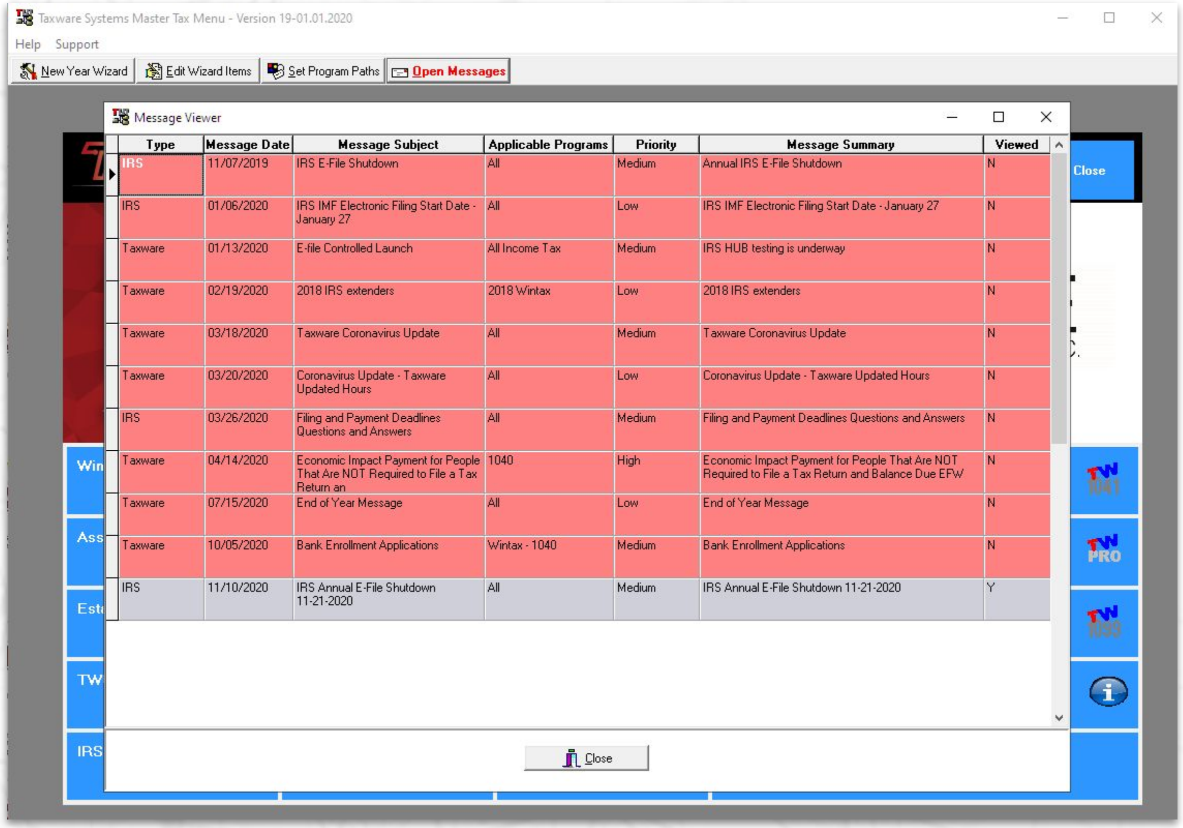
- Same steps as old installer
- Next, next, next
- Desktop Icons
- Master Tax Menu

Master Tax Menu

Topics covered in this section:

- Messages
- New Year Wizard
- Program Paths
- Support

Messages



Messages From Taxware

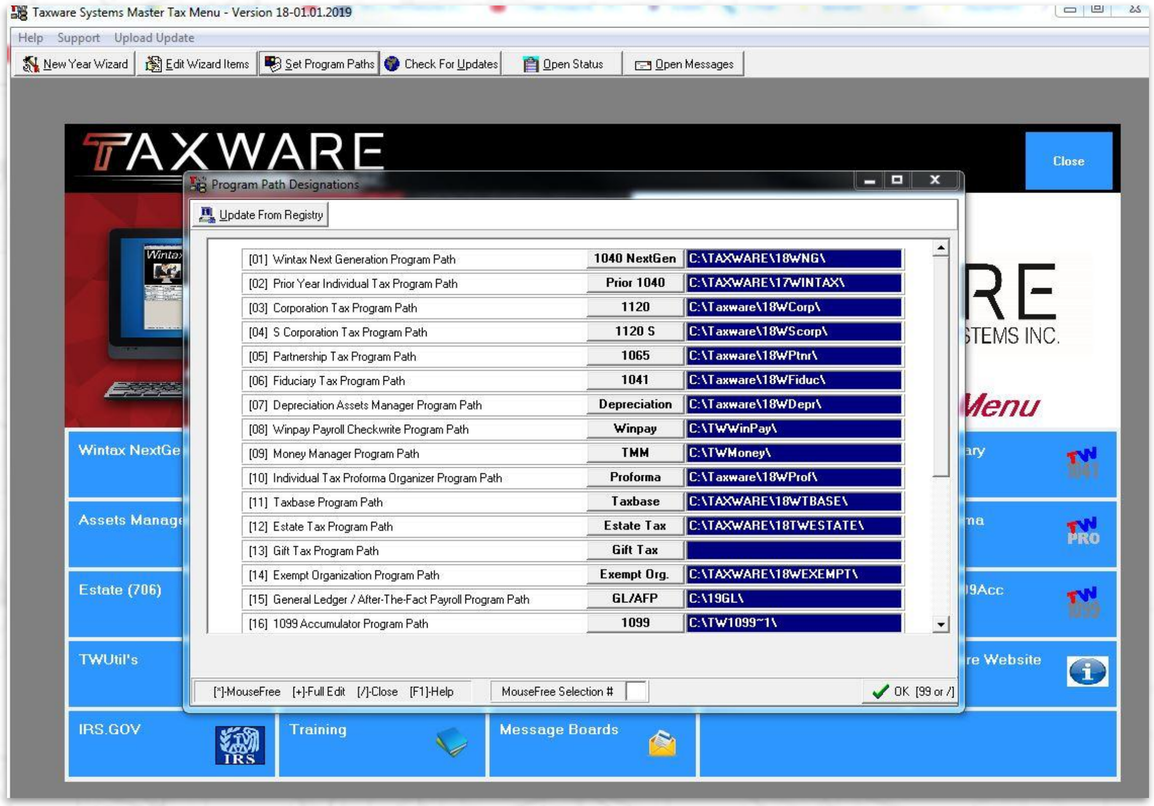
- Deadline updates
- E-File changes
- Major tax change news midseason
- IRS shutdowns
- Master Menu and all five tax programs

New Year Wizard

Carry over the basics from the prior year

- Preparer information
- ERO information
- Transmitter information
- Billing defaults

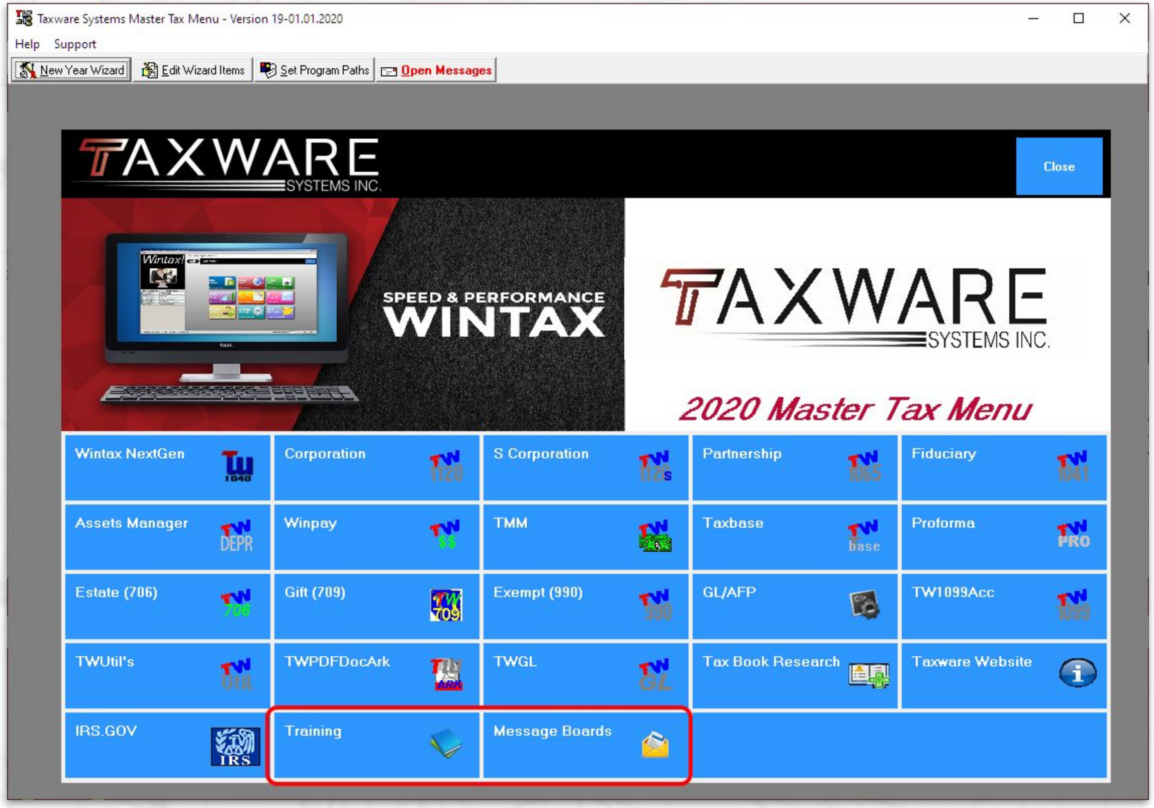
Program Paths



Program Paths

- If you have non-default program paths you may enter them here
- If your program paths have issues, click Update from registry in the top left

Support



- Training Videos
  - Training on the Basics
- Message Board
  - Comments
  - Questions
  - Help other Preparers

Wintax Setup

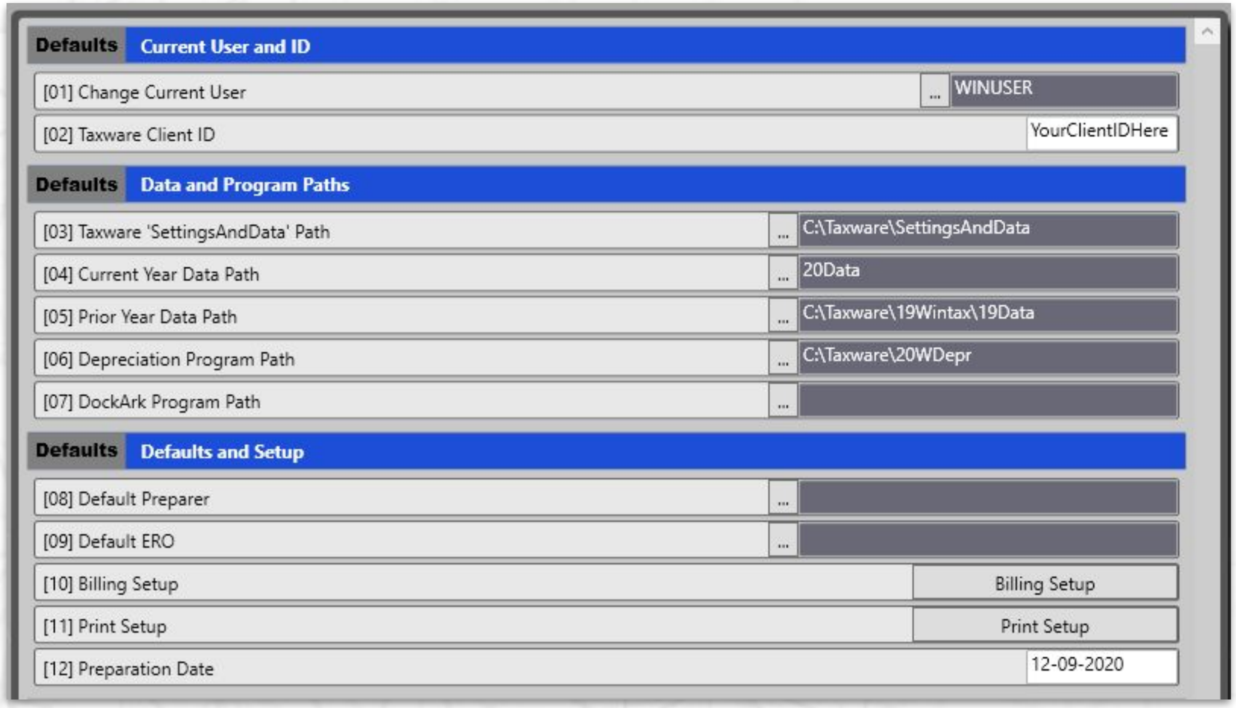
Topics covered in this section:

- Prep/ERO Setup
- Settings and Data Folder
- Defaults and Settings
- Billing Setup
- Print Setup
- Automatic Backups
- Letter Formatter

Prep/ERO Setup

- Preparer Setup
- ERO Setup
- Transmitter Setup
- Set Defaults

Settings and Data Folder



- Single Computer
  - Eliminate New Year Wizard Next Year
  - Data Folder Switching
- Networked Computers
  - E-File Tracker
  - Preparers
  - EROs
  - Billing and Print

Old vs New

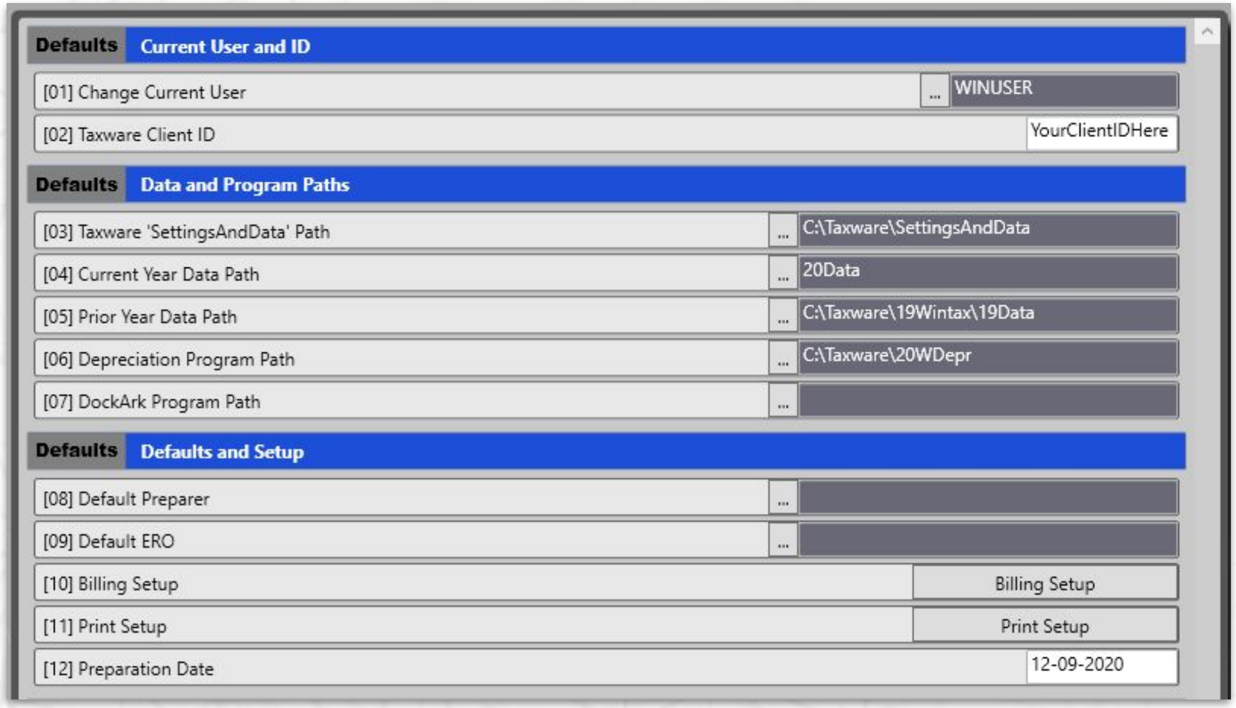
OLD:

- Each program points to its own folder

NEW:

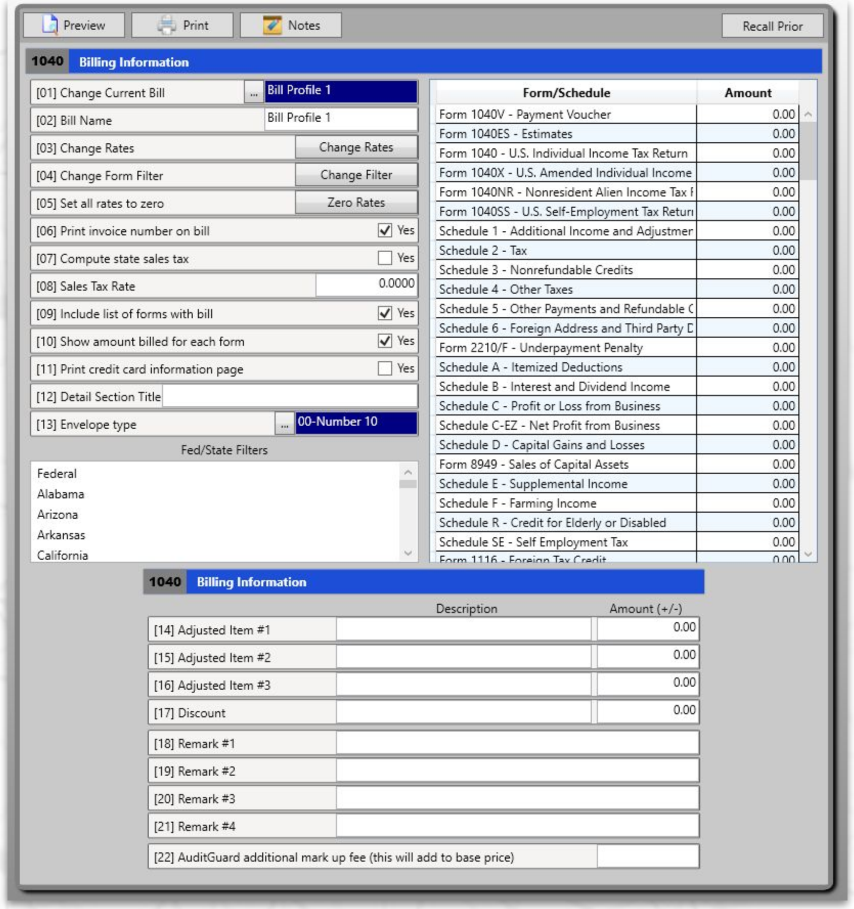
- Each program points to a central folder
- The program will then sort the folders correctly itself

Defaults & Settings



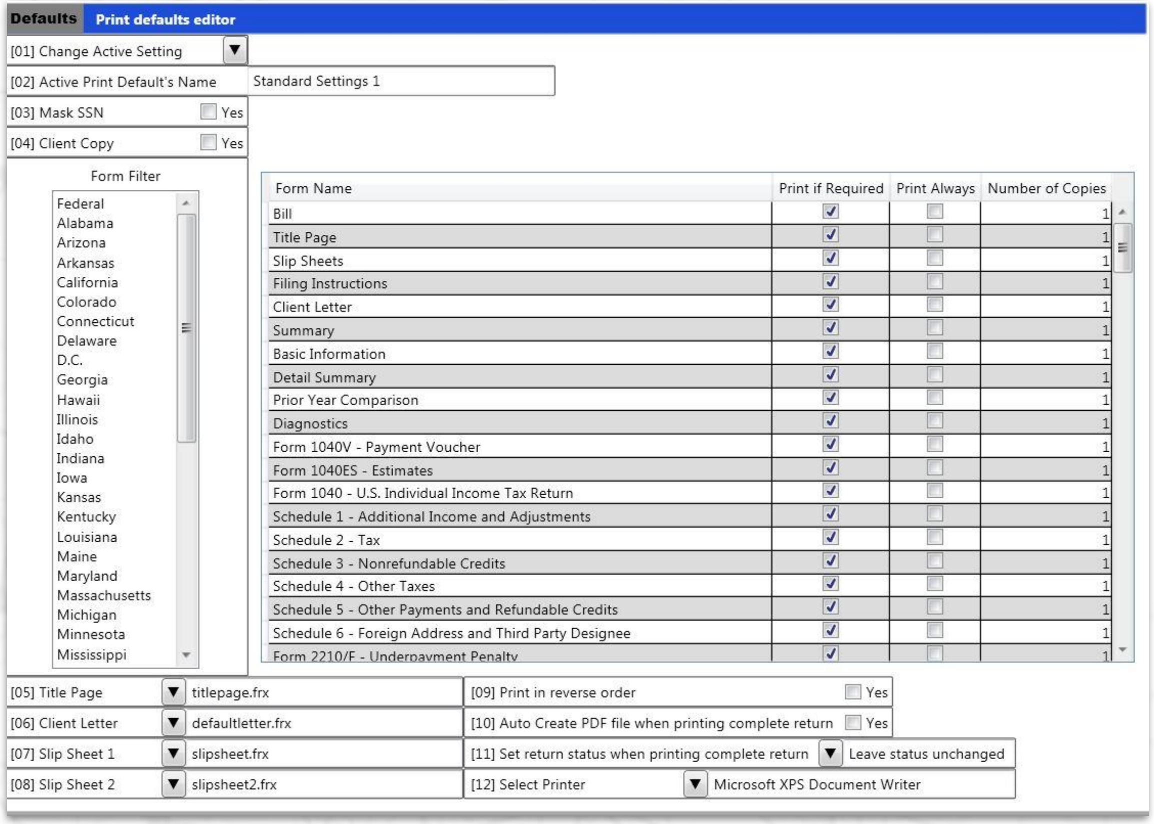
- Billing and Print Setup
- Client ID and Auto-updates
- Default Preparer & ERO
- 1040 Defaults
  - Default Spanish LEP
- Print Defaults
- Textellent Integration

Billing Setup



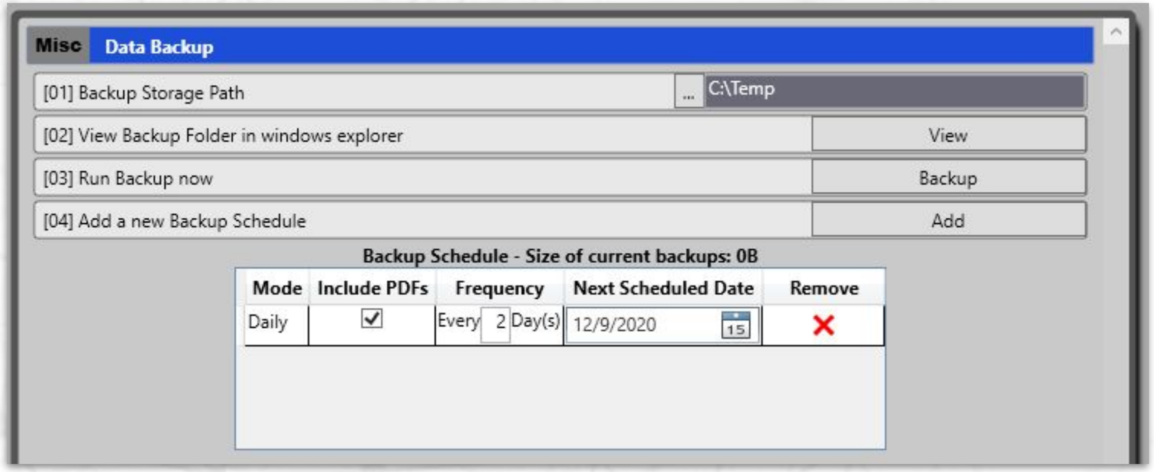
- Profiles
- Misc settings
- Per form pricing
- States
- Default adjustments and remarks
- Snapshot Nature

Print Setup



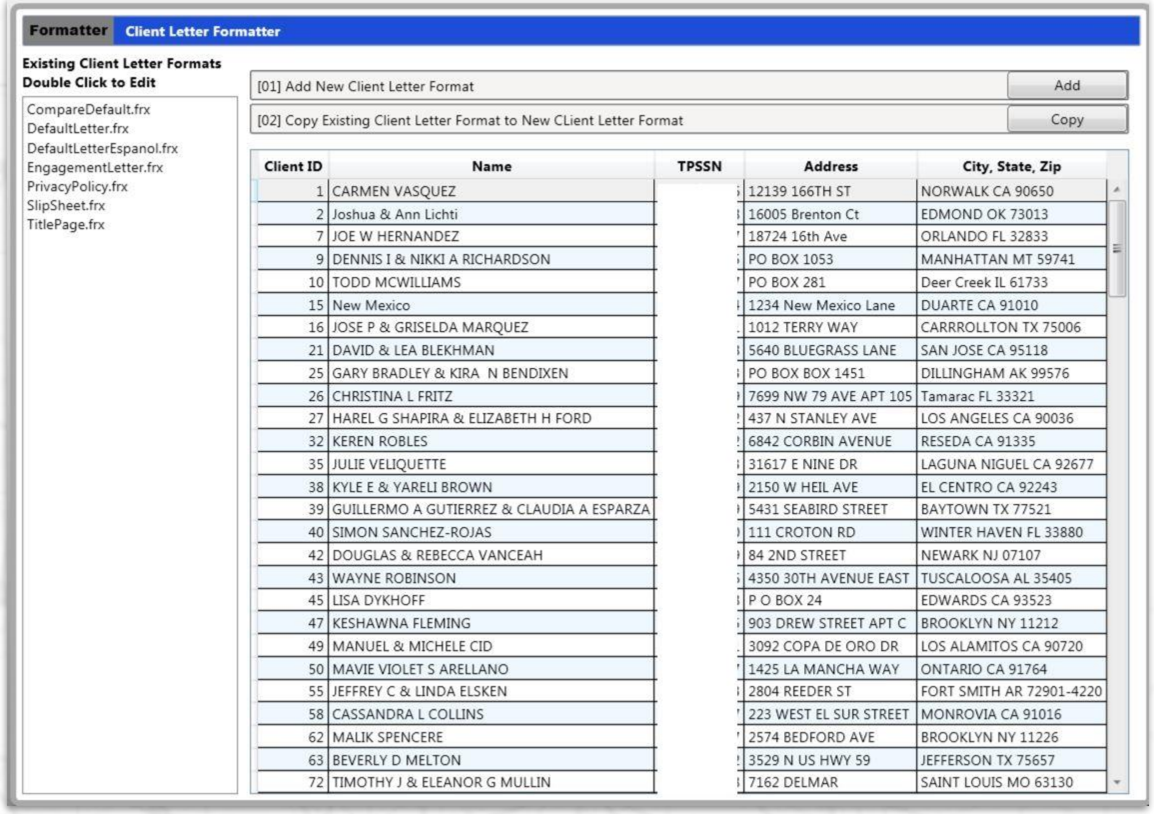
- **Required vs Always**
- **States**
- **Default Letters**
- **Mask SSN**
- **Client Copy**
- **Auto Create PDF**

Automatic Backups



- Backup Path
- View
- Backup
- Add new schedule

Letter Formatter



Client ID	Name	TPSSN	Address	City, State, Zip
1	CARMEN VASQUEZ		12139 166TH ST	NORWALK CA 90650
2	Joshua & Ann Lichti		16005 Brenton Ct	EDMOND OK 73013
7	JOE W HERNANDEZ		18724 16th Ave	ORLANDO FL 32833
9	DENNIS I & NIKKI A RICHARDSON		PO BOX 1053	MANHATTAN MT 59741
10	TODD MCWILLIAMS		PO BOX 281	Deer Creek IL 61733
15	New Mexico		1234 New Mexico Lane	DUARTE CA 91010
16	JOSE P & GRISELDA MARQUEZ		1012 TERRY WAY	CARRROLLTON TX 75006
21	DAVID & LEA BLEKHMAN		5640 BLUEGRASS LANE	SAN JOSE CA 95118
25	GARY BRADLEY & KIRA N BENDIXEN		PO BOX BOX 1451	DILLINGHAM AK 99576
26	CHRISTINA L FRITZ		7699 NW 79 AVE APT 105	Tamarac FL 33321
27	HAREL G SHAPIRA & ELIZABETH H FORD		437 N STANLEY AVE	LOS ANGELES CA 90036
32	KEREN ROBLES		6842 CORBIN AVENUE	RESEDA CA 91335
35	JULIE VELIQUETTE		31617 E NINE DR	LAGUNA NIGUEL CA 92677
38	KYLE E & YARELI BROWN		2150 W HEIL AVE	EL CENTRO CA 92243
39	GUILLERMO A GUTIERREZ & CLAUDIA A ESPARZA		5431 SEABIRD STREET	BAYTOWN TX 77521
40	SIMON SANCHEZ-ROJAS		111 CROTON RD	WINTER HAVEN FL 33880
42	DOUGLAS & REBECCA VANCEAH		84 2ND STREET	NEWARK NJ 07107
43	WAYNE ROBINSON		4350 30TH AVENUE EAST	TUSCALOOSA AL 35405
45	LISA DYKHOFF		P O BOX 24	EDWARDS CA 93523
47	KESHAWNA FLEMING		903 DREW STREET APT C	BROOKLYN NY 11212
49	MANUEL & MICHELE CID		3092 COPA DE ORO DR	LOS ALAMITOS CA 90720
50	MAVIE VIOLET S ARELLANO		1425 LA MANCHA WAY	ONTARIO CA 91764
55	JEFFREY C & LINDA ELSKEN		2804 REEDER ST	FORT SMITH AR 72901-4220
58	CASSANDRA L COLLINS		223 WEST EL SUR STREET	MONROVIA CA 91016
62	MALIK SPENCERE		2574 BEDFORD AVE	BROOKLYN NY 11226
63	BEVERLY D MELTON		3529 N US HWY 59	JEFFERSON TX 75657
72	TIMOTHY J & ELEANOR G MULLIN		7162 DELMAR	SAINT LOUIS MO 63130

- What Can You Change?
- Basic Steps
- For more information see the video on our website

Preparing a Return

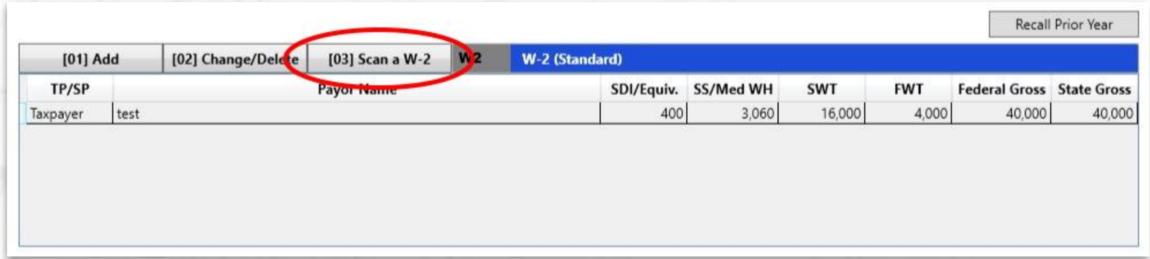
Topics covered in this section:

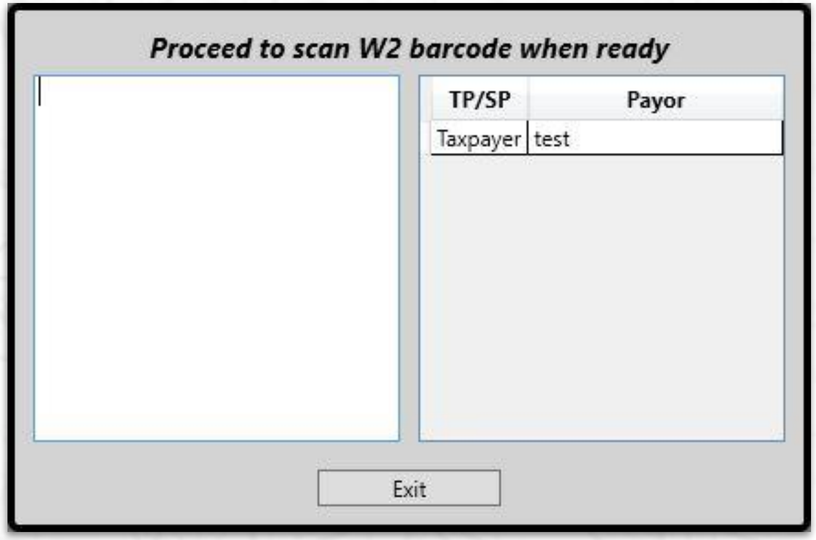
- Starting a client
- Basic Information
- Program Flow Overview
- Other Income, Adjustments & Payments
- American Opportunity Credit
- EIC, 8867, Due Diligence and DOB
- Premium Tax Credit 8962

Starting Returns

- New Client
- Recall Prior
- Recall Current
- Client ID Importance and Overwriting

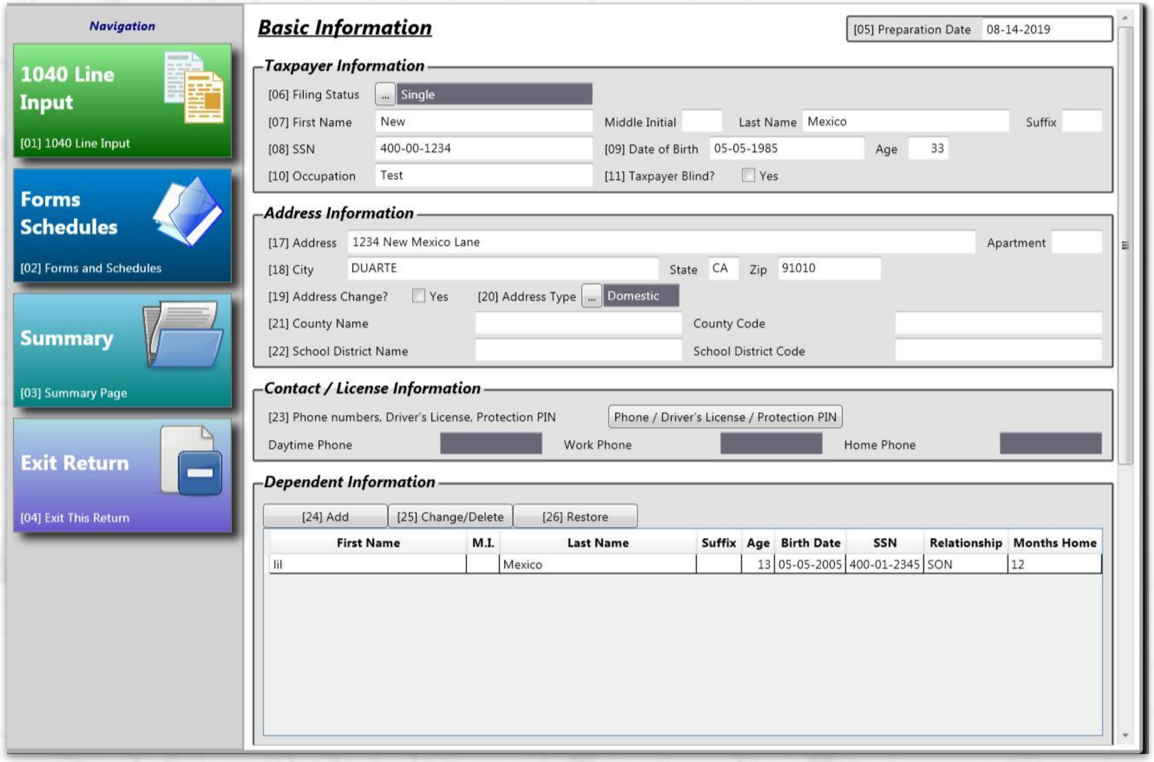
W-2 Scanner





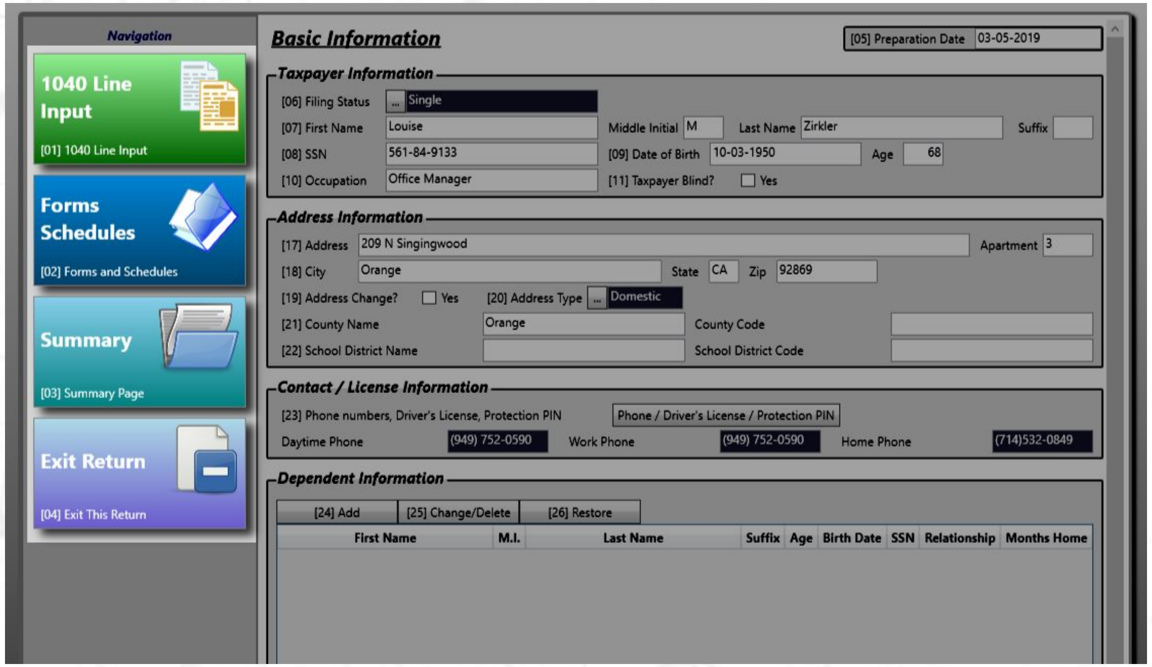
- Instantly start a new client
- Bring over the basics
- Fill out W-2 instantly

Basic Information



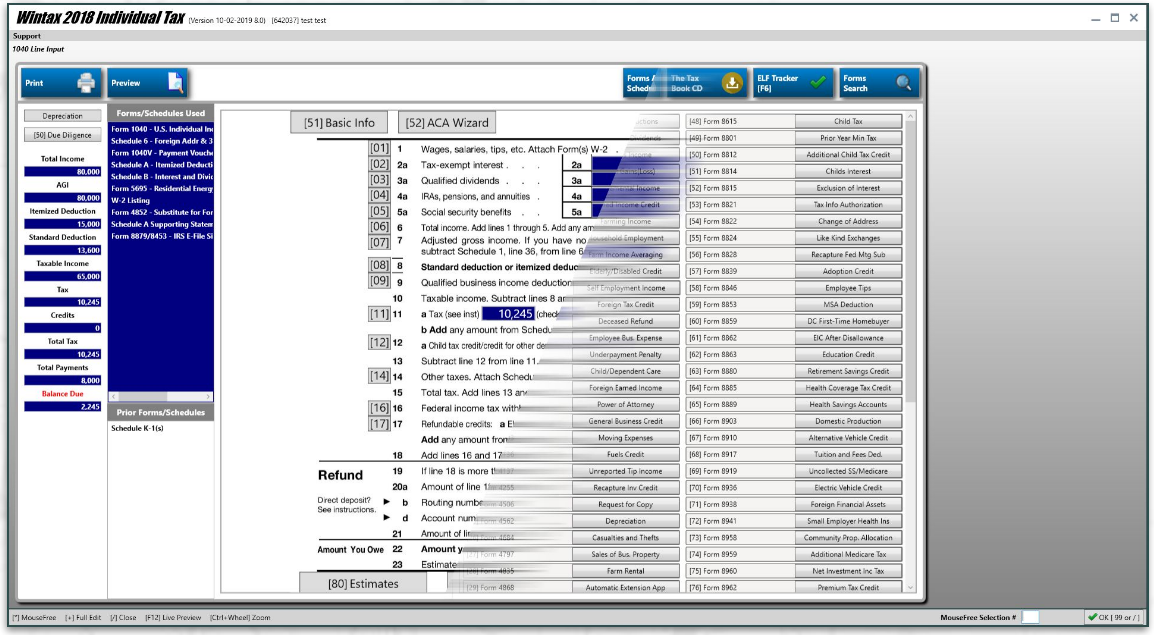
- SSN, Address, and School Codes
- License and IP PIN
- Dependent Information
- Special Filing Categories
- Preparer, ERO, and Status
- Depreciation File Name

Program Flow



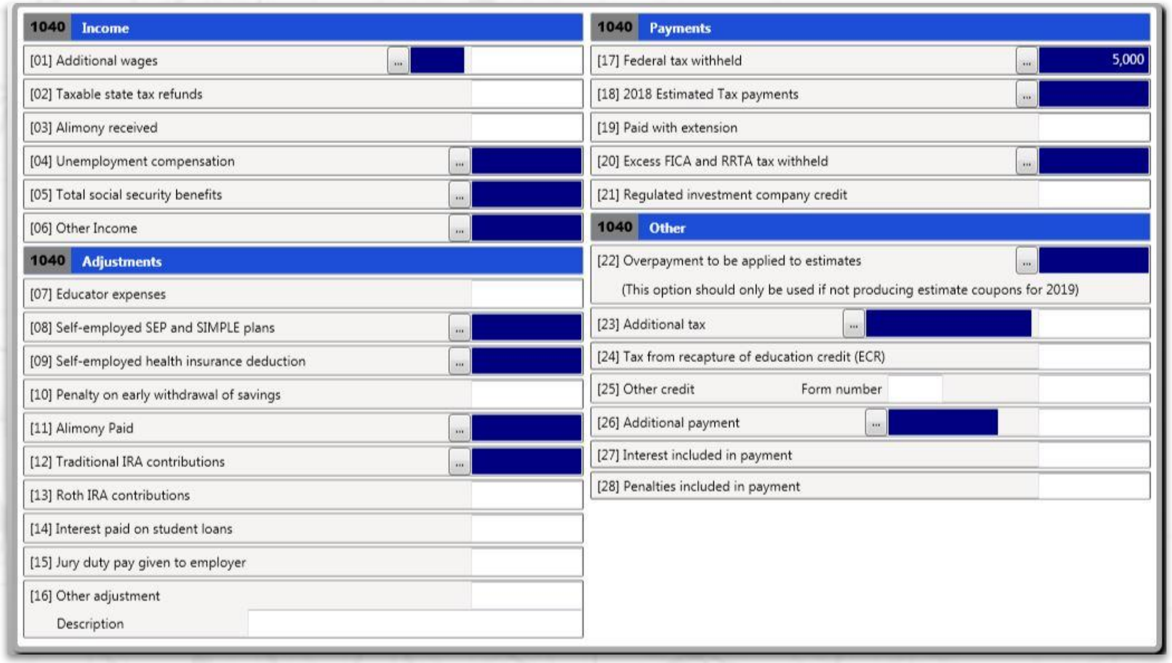
- **Basic Information**
- **Line Input or Forms/Schedules**
- **Summary Menu**
  - **Validation**
  - **Bank Products**
  - **E-File**

Line Input vs Form/Schedules



- Line Input
  - Follow the 1040
  - Line by Line
- Forms/Schedules
  - Enter Forms Directly
  - Enter Forms Without Line Input
- Forms Search In Both
- Forms Used In Both

Other Inc/Adj/Payments



1040 Income

[01] Additional wages
[02] Taxable state tax refunds
[03] Alimony received
[04] Unemployment compensation
[05] Total social security benefits
[06] Other Income

1040 Adjustments

[07] Educator expenses
[08] Self-employed SEP and SIMPLE plans
[09] Self-employed health insurance deduction
[10] Penalty on early withdrawal of savings
[11] Alimony Paid
[12] Traditional IRA contributions
[13] Roth IRA contributions
[14] Interest paid on student loans
[15] Jury duty pay given to employer
[16] Other adjustment
Description

1040 Payments

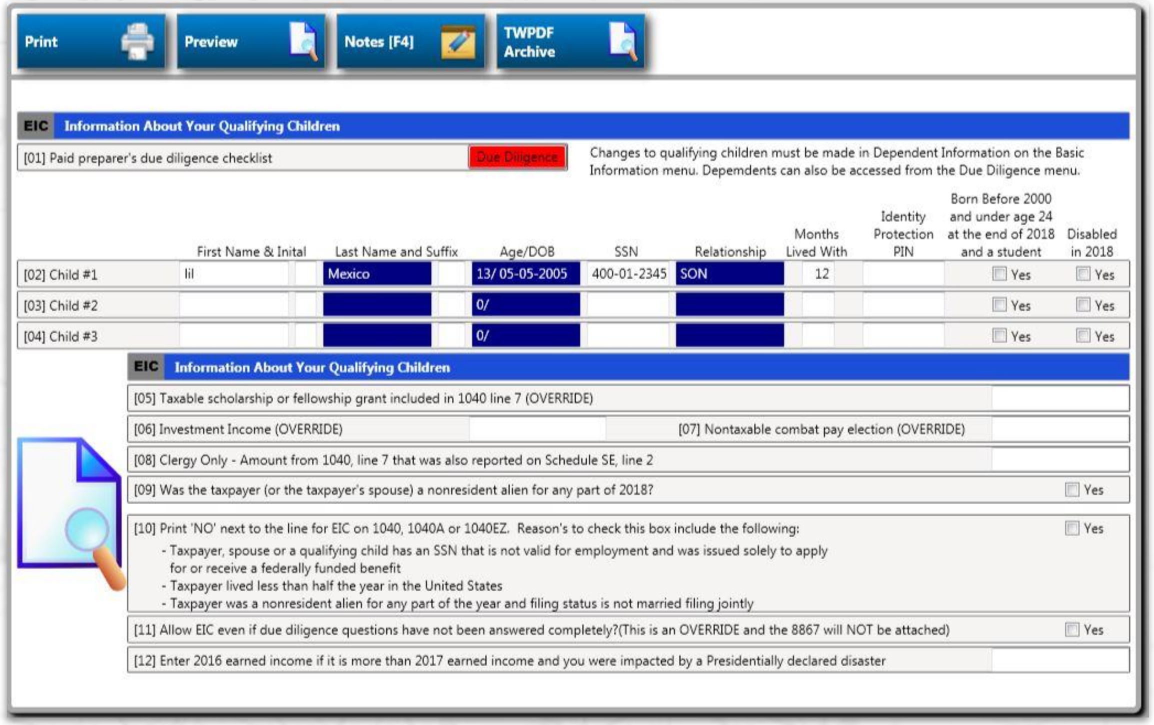
[17] Federal tax withheld 5,000
[18] 2018 Estimated Tax payments
[19] Paid with extension
[20] Excess FICA and RRTA tax withheld
[21] Regulated investment company credit

1040 Other

[22] Overpayment to be applied to estimates
(This option should only be used if not producing estimate coupons for 2019)
[23] Additional tax
[24] Tax from recapture of education credit (ECR)
[25] Other credit Form number
[26] Additional payment
[27] Interest included in payment
[28] Penalties included in payment

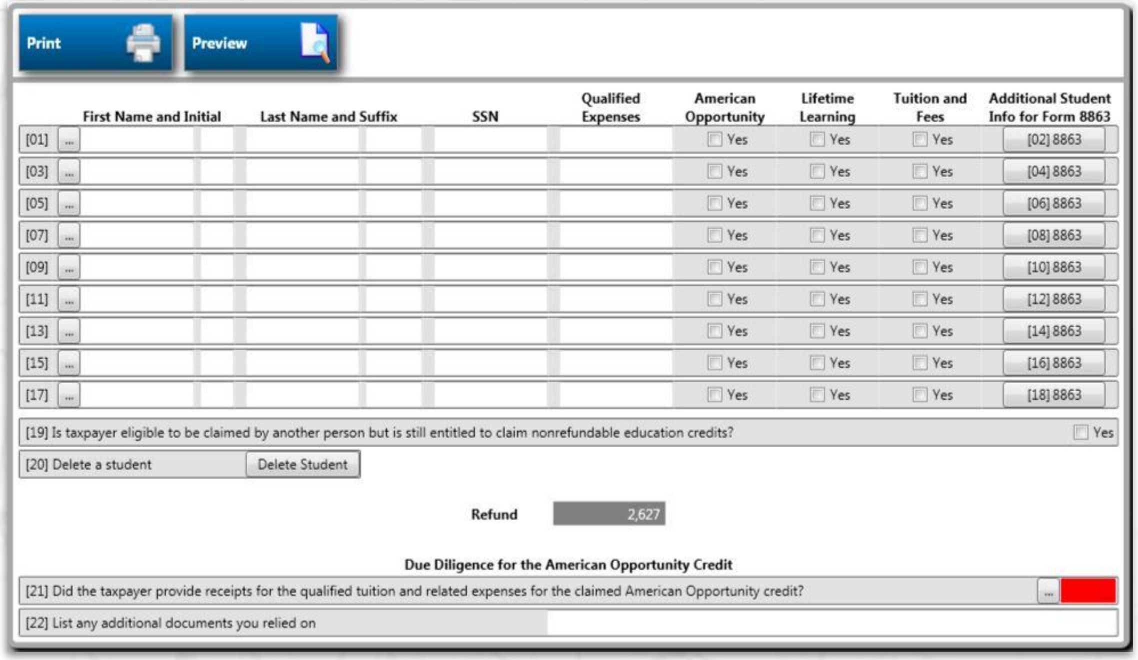
- Income
  - Unemployment 1099-G
- Adjustments
  - Alimony
- Payments
  - Estimated Tax Payments
- Other
  - Additional Tax/Payments
  - Interest & Penalties

Earned Income Credit



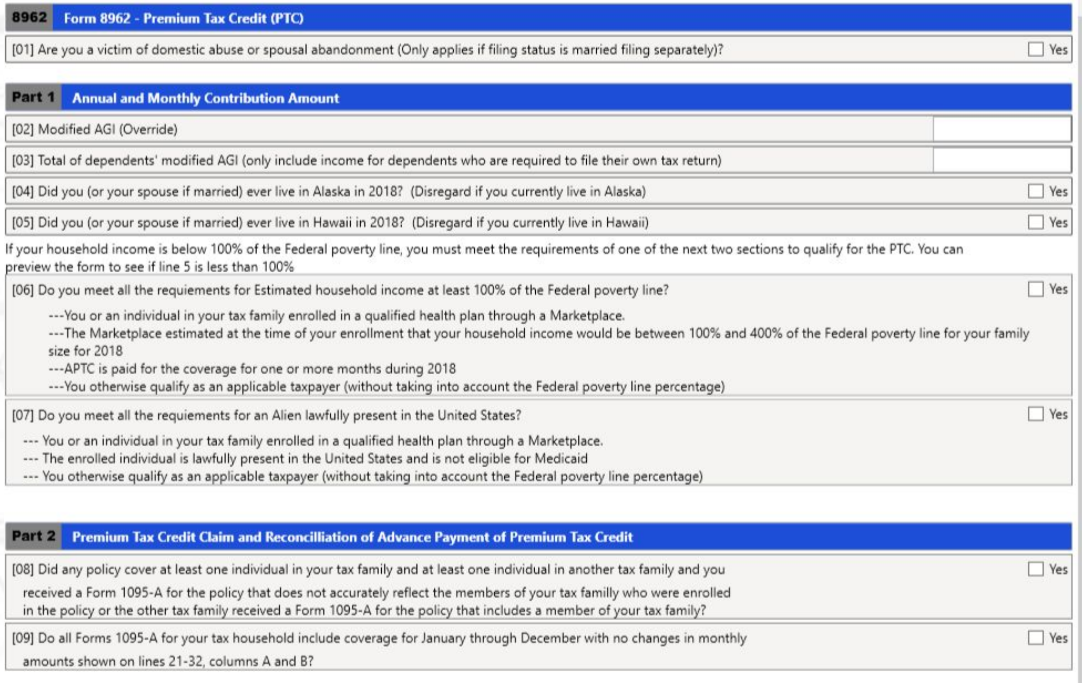
- **Qualifications**
- **Due Diligence**
  - **Quicker Fill**
  - **Recall From Prior**

Education Credits (8863)



- American Opportunity vs Lifetime Learning
  - Qualifications
- Additional Due Diligence

Premium Tax Credit (8962)



8962 Form 8962 - Premium Tax Credit (PTC)

[01] Are you a victim of domestic abuse or spousal abandonment (Only applies if filing status is married filing separately)? ☐ Yes

Part 1 Annual and Monthly Contribution Amount

[02] Modified AGI (Override)

[03] Total of dependents' modified AGI (only include income for dependents who are required to file their own tax return)

[04] Did you (or your spouse if married) ever live in Alaska in 2018? (Disregard if you currently live in Alaska) ☐ Yes

[05] Did you (or your spouse if married) ever live in Hawaii in 2018? (Disregard if you currently live in Hawaii) ☐ Yes

If your household income is below 100% of the Federal poverty line, you must meet the requirements of one of the next two sections to qualify for the PTC. You can preview the form to see if line 5 is less than 100%

[06] Do you meet all the requiements for Estimated household income at least 100% of the Federal poverty line? ☐ Yes

---You or an individual in your tax family enrolled in a qualified health plan through a Marketplace.
---The Marketplace estimated at the time of your enrollment that your household income would be between 100% and 400% of the Federal poverty line for your family size for 2018
---APTC is paid for the coverage for one or more months during 2018
---You otherwise qualify as an applicable taxpayer (without taking into account the Federal poverty line percentage)

[07] Do you meet all the requiements for an Alien lawfully present in the United States? ☐ Yes

--- You or an individual in your tax family enrolled in a qualified health plan through a Marketplace.
--- The enrolled individual is lawfully present in the United States and is not eligible for Medicaid
--- You otherwise qualify as an applicable taxpayer (without taking into account the Federal poverty line percentage)

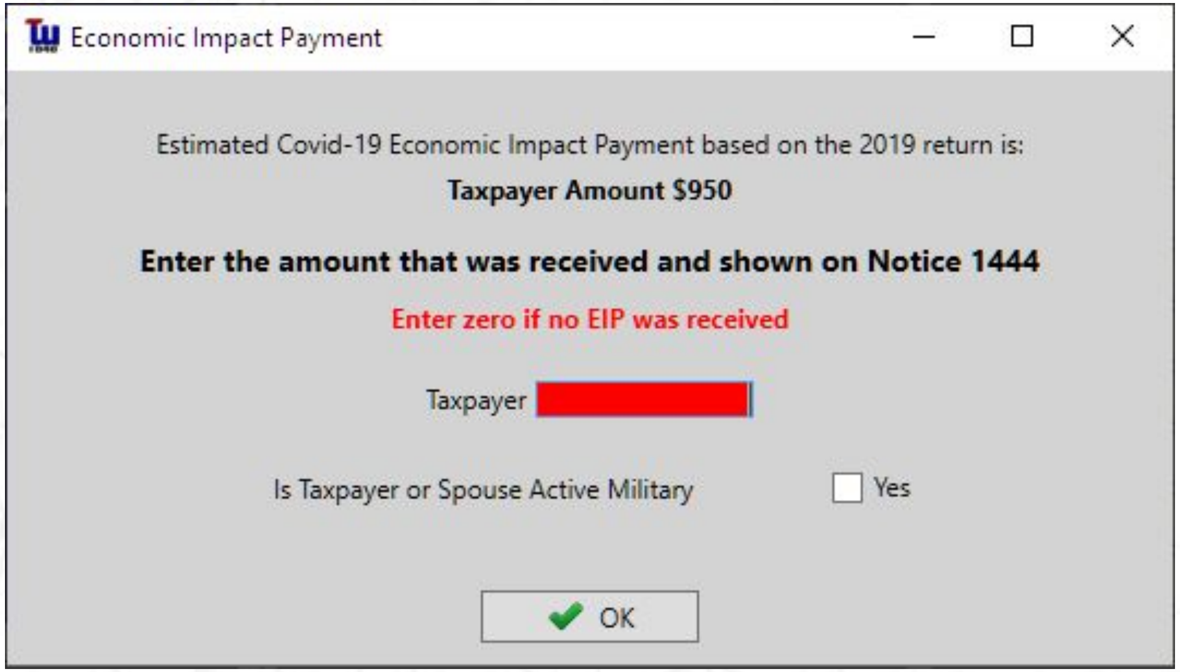
Part 2 Premium Tax Credit Claim and Reconcilliation of Advance Payment of Premium Tax Credit

[08] Did any policy cover at least one individual in your tax family and at least one individual in another tax family and you received a Form 1095-A for the policy that does not accurately reflect the members of your tax familly who were enrolled in the policy or the other tax family received a Form 1095-A for the policy that includes a member of your tax family? ☐ Yes

[09] Do all Forms 1095-A for your tax household include coverage for January through December with no changes in monthly amounts shown on lines 21-32, columns A and B? ☐ Yes

- Marketplace Coverage / 1095A
- 8962 Premium Tax Credit
  - Under 100%
  - Between 100-400%
  - Over 400%

EIP / Recovery Rebate Credit



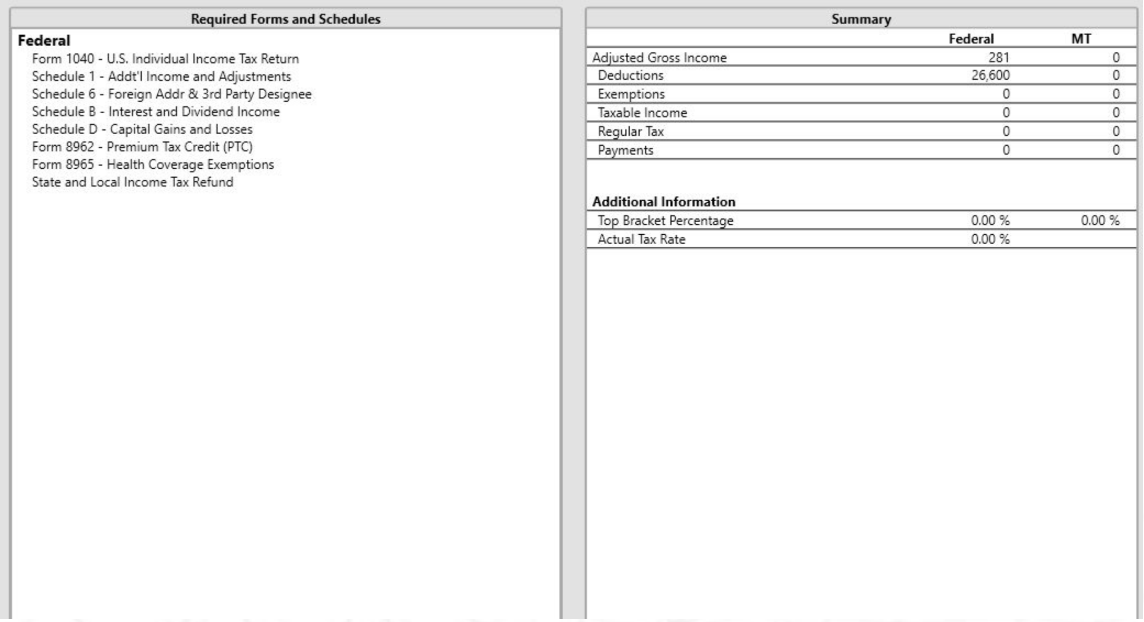
- **Stimulus Check Amount**
- **Mandatory**
- **Notice 1444**

Summary Menu

Topics covered in this section:

- Reports and Diagnostics
  - Validity Checks
- Print Options
- States
- Direct Deposit/Electronic Payment
- Billing Information
- E-File
- Amendments (1040X)

Reports and Diagnostics



Required Forms and Schedules
Federal
Form 1040 - U.S. Individual Income Tax Return
Schedule 1 - Addt'l Income and Adjustments
Schedule 6 - Foreign Addr & 3rd Party Designee
Schedule B - Interest and Dividend Income
Schedule D - Capital Gains and Losses
Form 8962 - Premium Tax Credit (PTC)
Form 8965 - Health Coverage Exemptions
State and Local Income Tax Refund

Summary	Federal	MT
Adjusted Gross Income	281	0
Deductions	26,600	0
Exemptions	0	0
Taxable Income	0	0
Regular Tax	0	0
Payments	0	0
Additional Information		
Top Bracket Percentage	0.00 %	0.00 %
Actual Tax Rate	0.00 %	

- **Summary Report**
- **Detailed Summary Report**
- **Intuitive Diagnostics**
- **Validity Checks**
  - **No E-File Without Clear Validity**

Anatomy of a Validation Error

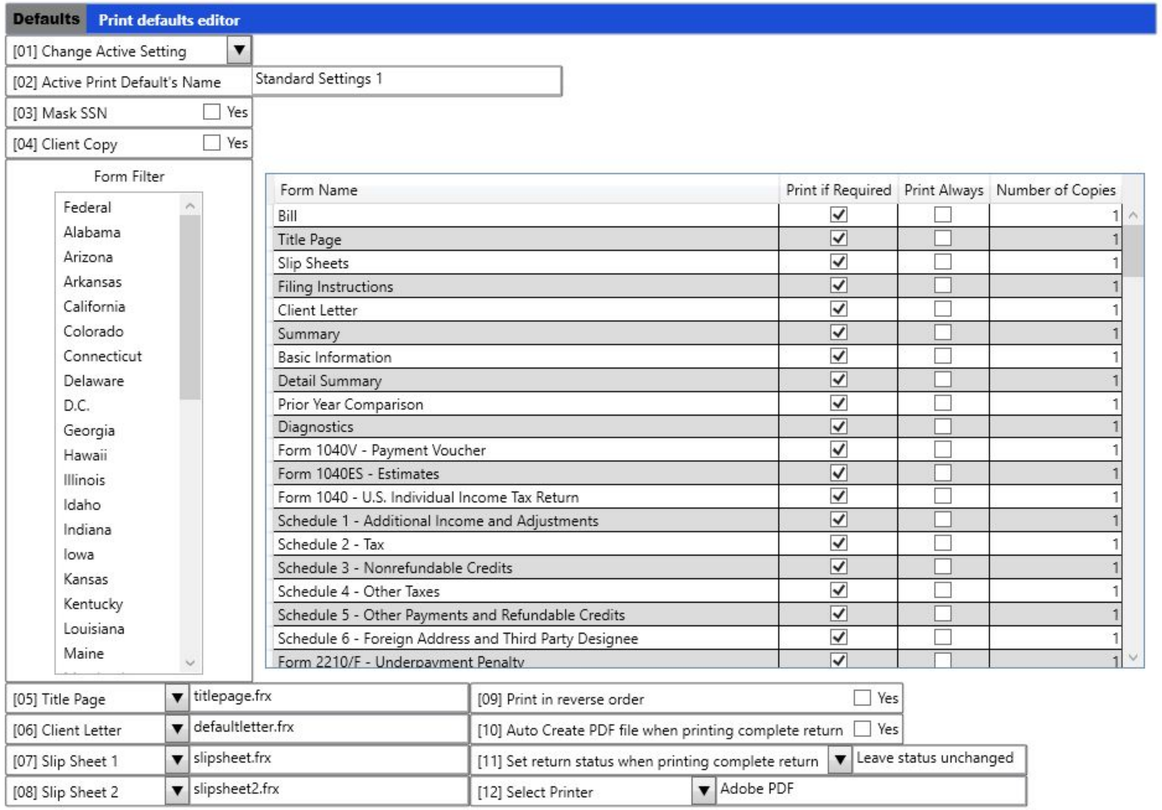
FED Error(s) Found

Validation Error: The element 'USAddress' in namespace 'http://www.irs.gov/efile' has incomplete content. List of possible elements expected: 'AddressLine1Txt' in namespace 'http://www.irs.gov/efile'.
XPath: Return\ReturnHeader\Filer\
Location of error: Line number 26 at position 8.

Validation Error: The element 'IRS1099R' in namespace 'http://www.irs.gov/efile' has invalid child element 'PayerName' in namespace 'http://www.irs.gov/efile'. List of possible elements expected: 'CorrectedInd, PayerNameControlTxt' in namespace 'http://www.irs.gov/efile'.
XPath: Return\ReturnData\IRS1099R\
Location of error: Line number 115 at position 8.

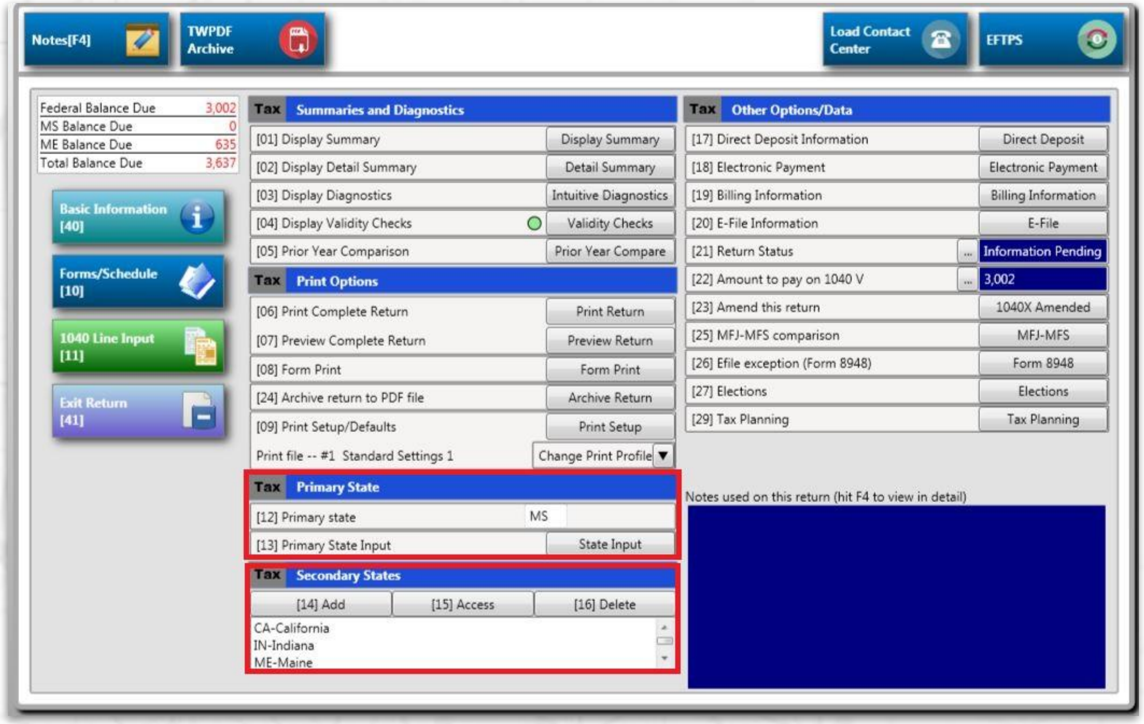
- Element X has either
  - Invalid child element
  - Incomplete content
- List of possible elements expected
- XPath

Print Options



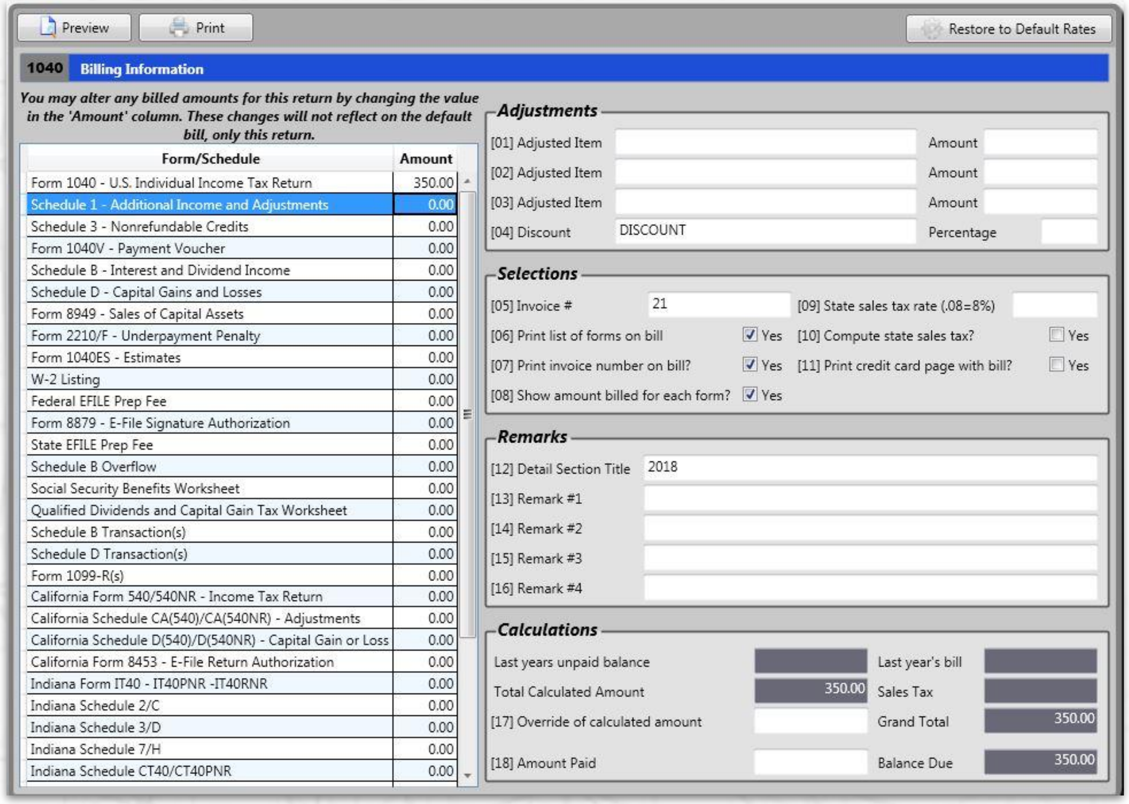
- **Print Return**
- **Preview Return**
- **Archive Return**
- **Print Setup**
  - **Quick Print Switch**

States



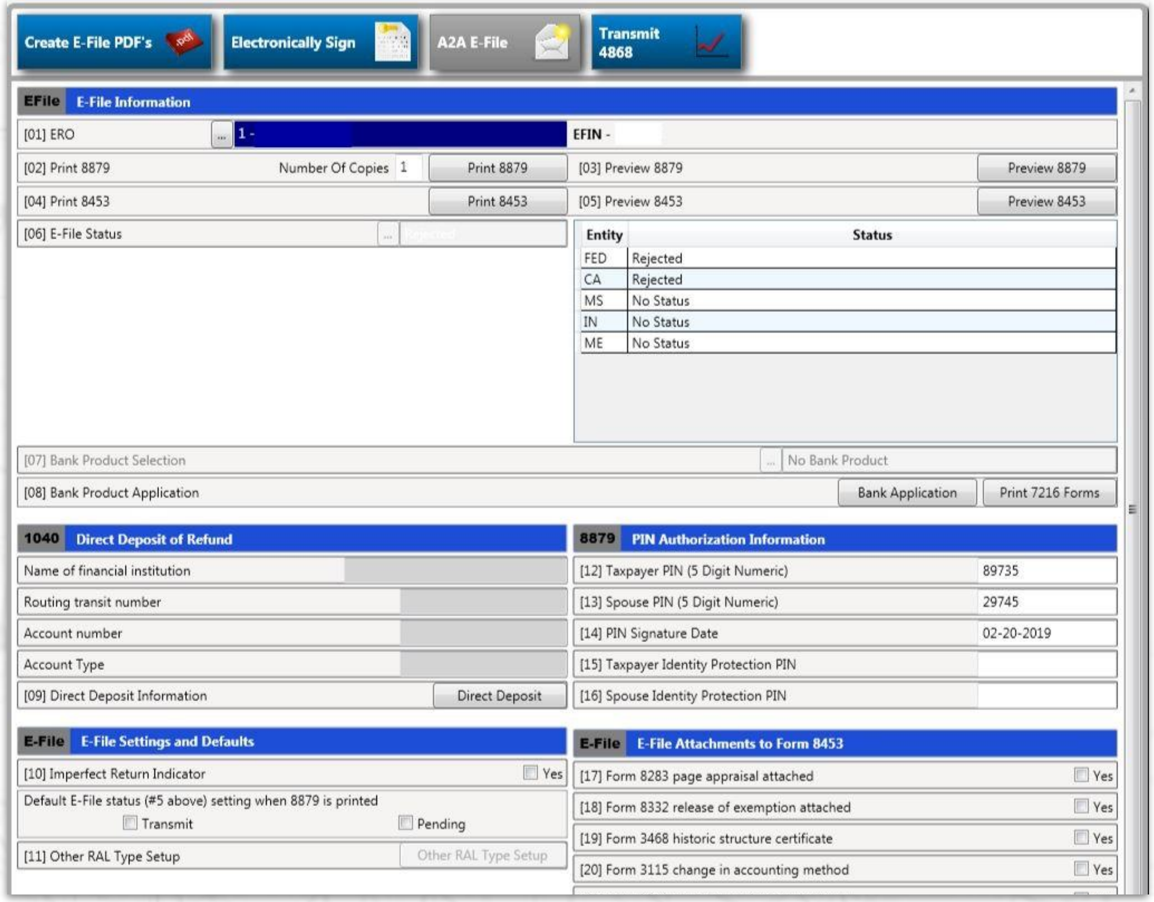
- **State Selection**
  - **Adding Additional States**
- **Carrying Options**
  - **Carry**
  - **Don't Carry**
  - **Zero Out and Carry**

Billing Information



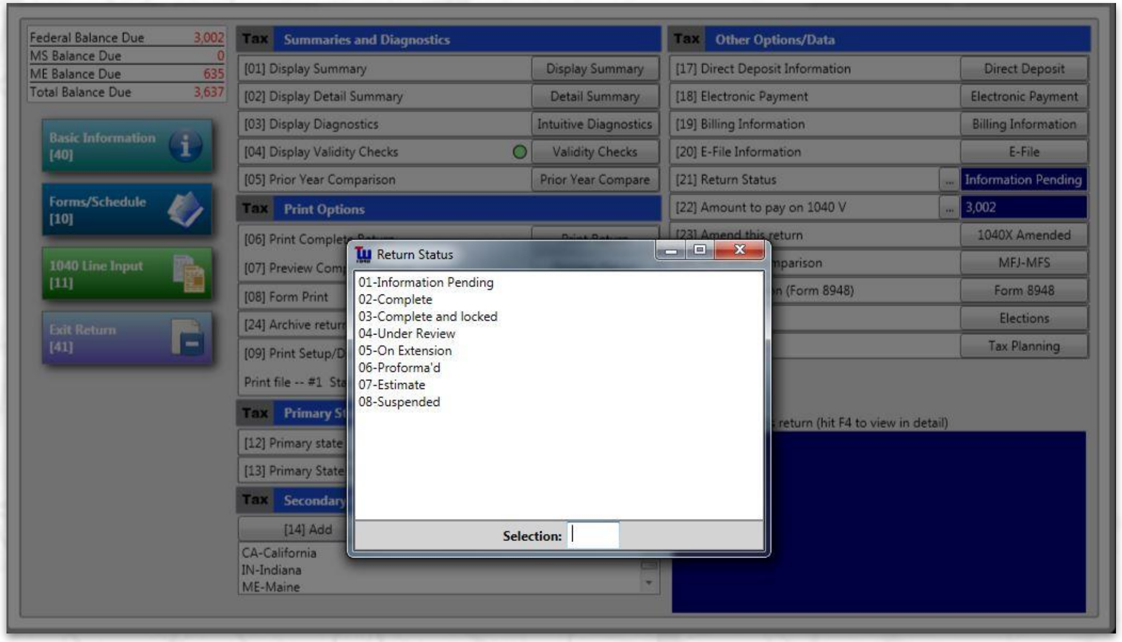
- Snapshot
- Price Per Form
- Adjustments
- Options
- Remarks
- Calculations and Payments

E-File Information



- E-File Signature (8879)
- Entity Status
- Bank Applications
- Pin and Date Information
- 8453 Attachments

Return Status



- **Information Pending**
- **Complete vs Complete and Locked**
- **Other Statuses**

Amended Returns (1040X)

1040X Amended U.S. Individual Income Tax Return

[01] Year of return being amended			
[02] Method used to figure tax			TABLE - Tax Table
Clicking 'Carry' will carry the current data to the respective column	Carry		Carry
	Original	Change	Corrected
[03] Adjusted gross income			
[04] Itemized or standard deduction			
[05] Qualified business income deduction			
[06] Tax			
[07] Credits			
[08] Health care: individual responsibility			
[09] Other taxes			
[10] Federal income tax withheld and excess SS and tier 1 RRTA tax withheld			
[11] Estimated tax payments, including amount applied from prior year's return			
[12] Earned income credit (EIC)			
[13] Refundable credit from Form 8962 (Premium Tax Credit)			
[14] Refundable credit from Form 2439			
[15] Refundable credit from Form 4136 (Credit for federal tax paid on fuels)			
[16] Refundable credit from Schedule 8812 (Additional child tax credit)			
[17] Refundable credit from Form 8863 (American Opportunity credit)			
[18] Refundable credit from Form 8885 (Health coverage tax credit)			
[19] Other refundable credit Specify form			
[20] Amount paid with request for extension of time to file			

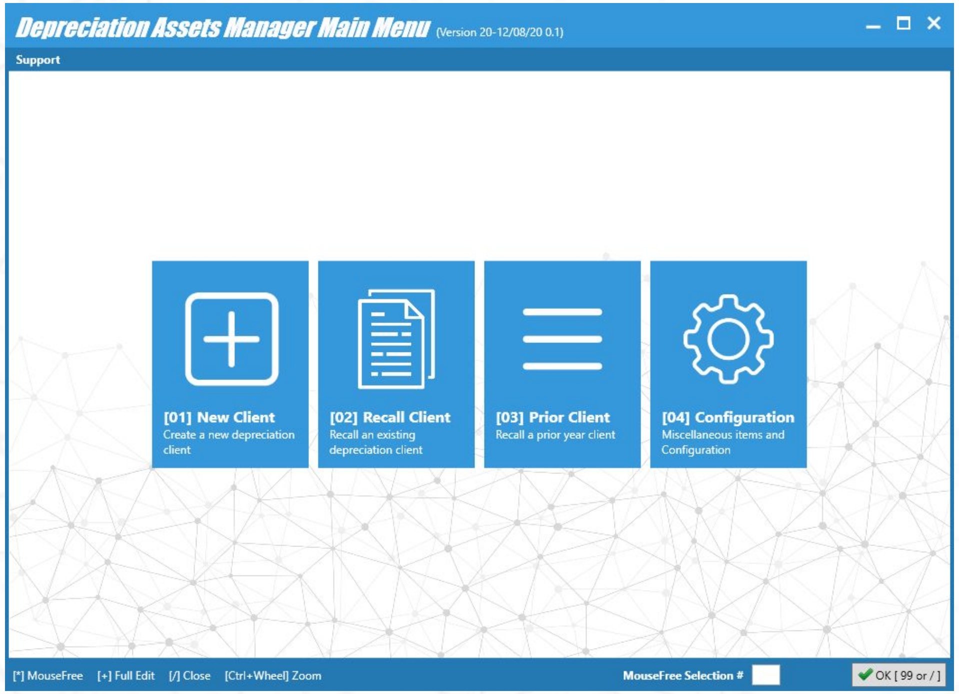
- **BEFORE ANYTHING: Carry to Original Column**
- **Make Changes**
- **Carry to Corrected Column**
- **NEW! E-File amended returns**

Depreciation

Topics covered in this section:

- **Steps to Carry**

ABC's of Depr Carry Steps



- Access from Tax Program
- Basic Information Interface Box Checked
- Carry Codes Are Input
- If Still Not Carrying, Check Overrides

THANK YOU FOR CHOOSING

TAXWARE

SYSTEMS INC.