CCH Small Firm Services
TaxWise 2011 Product Overview

TaxWise Online Enhancements

TWO Users have the ability to utilize the some functions keys which works the same as in Desktop platform. This will make the transition from Desktop to TWO easier.

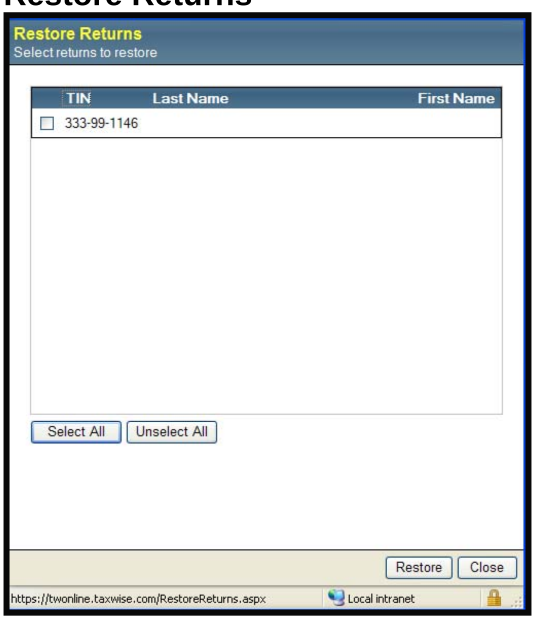
- F1 – Opens program Help
- F3 – Toggles between required/not required
- F8 – Toggles the override feature
- F9- Links (already available)

TWO Help Center being redesigned

Links not being used are being removed and new links will be added. See below:

- Click a link to quickly access the pre-recorded TaxWise Online lessons
- Quick access to a page that will show the following
  - 1040 Version
  - 1040 release notes
  - State version numbers
  - State release notes

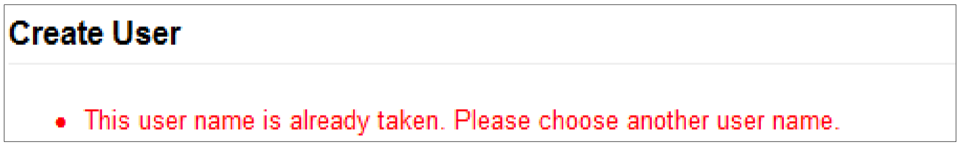
Restore Returns



- Multiple deleted returns can now be restored using the Restore Returns feature
- The ADMIN user or anyone assigned the Administrator role can see the list of deleted returns and choose to restore one or all.

Inactive user List

- If the ADMIN user or any user with the rights to create users creates a username that exists in the inactive user list the following message will display.



- This message is applicable to any of the web applications that utilize Unified User Management System (UUMS). See list of systems below:
    - TaxWise Online
    - TaxWise University
    - Support Site

Calculated Entries

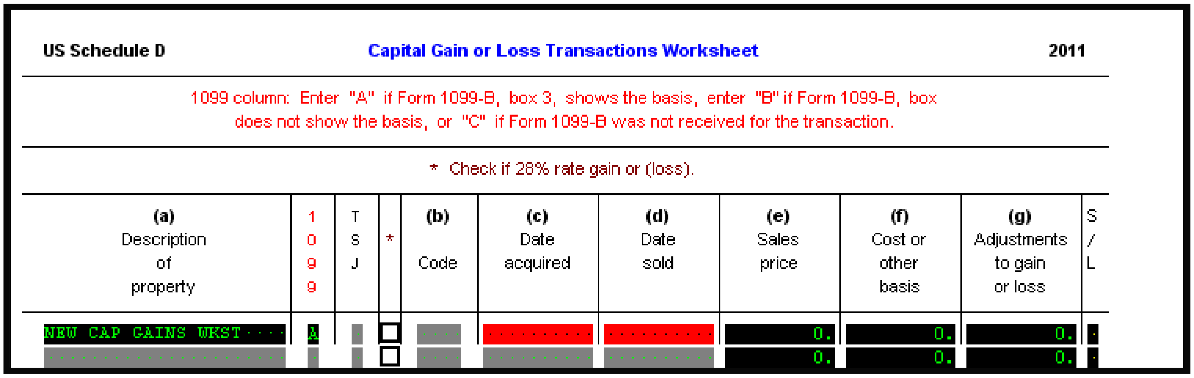
- User is displayed a warning when they try to enter data or select a calculated entry
    - This feature will mimic the calculated entry behavior in desktop.
- State Direct Deposit or Electronic Funds Withdrawal entries will link back to the state interview page is the State interview is used
    - Reduces confusion on how to enter the direct deposit or electronic funds withdrawal.

TWO and Desktop Enhancements

Schedule D Changes and New Form 8949

- Assets can no longer be entered on the Schedule D
- All assets information goes on Form 8949
- Page 1 is for short term
- Page 2 is for long term
- Removal of the Long Term/Short Term Capital Gains Worksheets from Find a Form
- Capital Gains worksheet will load the 8949 and put the assets on the appropriate page
- Each asset sold should be issued a 1099; the 1099 will have an A/B/C designator on it.

- The new A/B/C indicators will be located on the capital Gains worksheet under the 1099 column



US Schedule D — Capital Gain or Loss Transactions Worksheet — 2011

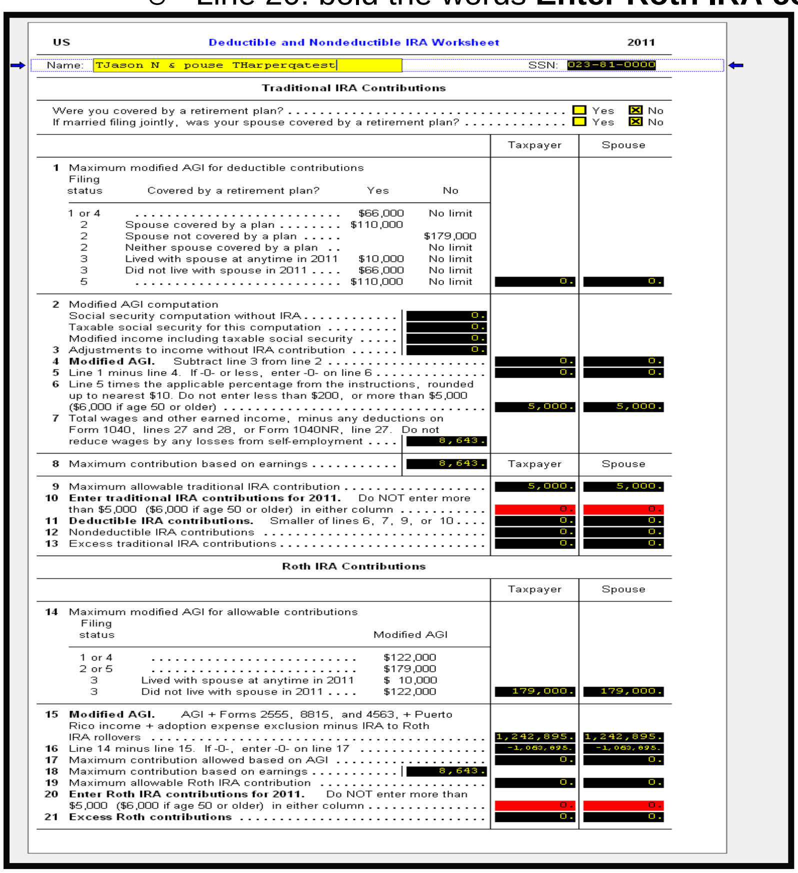
1099 column: Enter "A" if Form 1099-B, box 3, shows the basis, enter "B" if Form 1099-B, box does not show the basis, or "C" if Form 1099-B was not received for the transaction.

* Check if 28% rate gain or (loss).

(a) Description of property	1099	TSJ	*	(b) Code	(c) Date acquired	(d) Date sold	(e) Sales price	(f) Cost or other basis	(g) Adjustments to gain or loss	S/L
NEW CAP GAINS WKST	A						0.	0.	0.	
							0.	0.	0.	

Deductible and Nondeductible IRA worksheet

- Clarification has been added to the worksheet to make it easier to use.
- Changes includes:
  - Line 10: changed the working to **Enter Traditional IRS Contributions for 2011**
  - Added the word **Contribution** to each section header to make it more noticeable
  - Line 20: bold the words **Enter Roth IRA contribution for 2011**



US — Deductible and Nondeductible IRA Worksheet — 2011

Name: TJason N & pouse THarperqatest SSN: 023-81-0000

Traditional IRA Contributions

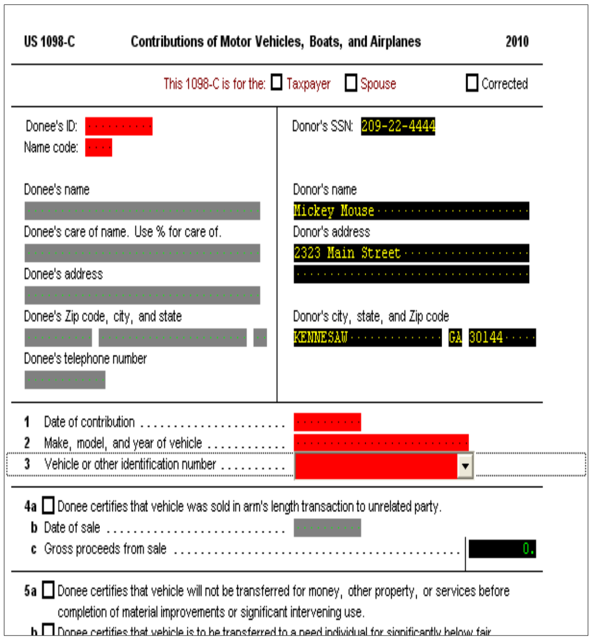
Were you covered by a retirement plan? . . . . . Yes [X] No
If married filing jointly, was your spouse covered by a retirement plan? . . . . . Yes [X] No

		Taxpayer	Spouse
1	Maximum modified AGI for deductible contributions		
	1 or 4 — Yes: $66,000 — No: No limit		
	2 Spouse covered by a plan — Yes: $110,000		
	2 Spouse not covered by a plan — No: $179,000		
	2 Neither spouse covered by a plan — No: No limit		
	3 Lived with spouse at anytime in 2011 — Yes: $10,000 — No: No limit		
	3 Did not live with spouse in 2011 — Yes: $66,000 — No: No limit		
	5 — Yes: $110,000 — No: No limit	0.	0.
2	Modified AGI computation		
	Social security computation without IRA: 0.		
	Taxable social security for this computation: 0.		
	Modified income including taxable social security: 0.		
3	Adjustments to income without IRA contribution: 0.		
4	**Modified AGI.** Subtract line 3 from line 2	0.	0.
5	Line 1 minus line 4. If -0- or less, enter -0- on line 6	0.	0.
6	Line 5 times the applicable percentage from the instructions, rounded up to nearest $10. Do not enter less than $200, or more than $5,000 ($6,000 if age 50 or older)	5,000.	5,000.
7	Total wages and other earned income, minus any deductions on Form 1040, lines 27 and 28, or Form 1040NR, line 27. Do not reduce wages by any losses from self-employment: 8,643.		
8	Maximum contribution based on earnings: 8,643.	Taxpayer	Spouse
9	Maximum allowable traditional IRA contribution	5,000.	5,000.
10	**Enter traditional IRA contributions for 2011.** Do NOT enter more than $5,000 ($6,000 if age 50 or older) in either column	0.	0.
11	**Deductible IRA contributions.** Smaller of lines 6, 7, 9, or 10	0.	0.
12	Nondeductible IRA contributions	0.	0.
13	Excess traditional IRA contributions	0.	0.

Roth IRA Contributions

		Taxpayer	Spouse
14	Maximum modified AGI for allowable contributions		
	1 or 4 — Modified AGI: $122,000		
	2 or 5 — Modified AGI: $179,000		
	3 Lived with spouse at anytime in 2011 — Modified AGI: $ 10,000		
	3 Did not live with spouse in 2011 — Modified AGI: $122,000	179,000.	179,000.
15	**Modified AGI.** AGI + Forms 2555, 8815, and 4563, + Puerto Rico income + adoption expense exclusion minus IRA to Roth IRA rollovers	1,242,895.	1,242,895.
16	Line 14 minus line 15. If -0-, enter -0- on line 17	-1,063,895.	-1,063,895.
17	Maximum contribution allowed based on AGI	0.	0.
18	Maximum contribution based on earnings: 8,643.		
19	Maximum allowable Roth IRA contribution	0.	0.
20	**Enter Roth IRA contributions for 2011.** Do NOT enter more than $5,000 ($6,000 if age 50 or older) in either column	0.	0.
21	**Excess Roth contributions**	0.	0.

1098C – VIN Number Validation



US 1098-C Contributions of Motor Vehicles, Boats, and Airplanes 2010

This 1098-C is for the: ☐ Taxpayer ☐ Spouse ☐ Corrected

Donee's ID:
Name code:

Donor's SSN: 209-22-4444

Donee's name

Donor's name: Mickey Mouse

Donee's care of name. Use % for care of.

Donor's address: 2323 Main Street

Donee's address

Donee's Zip code, city, and state

Donor's city, state, and Zip code: KENNESAW GA 30144

Donee's telephone number

1 Date of contribution

2 Make, model, and year of vehicle

3 Vehicle or other identification number

4a ☐ Donee certifies that vehicle was sold in arm's length transaction to unrelated party.

b Date of sale

c Gross proceeds from sale 0.

5a ☐ Donee certifies that vehicle will not be transferred for money, other property, or services before completion of material improvements or significant intervening use.

b ☐ Donee certifies that vehicle is to be transferred to a need individual for significantly below fair

- The VIN is now required to be included in the electronic file for the contribution of motor vehicles.
- VIN entered on the 1098C will be authenticated as a valid VIN during data entry
- The tax applications will require the VIN number on the 1098C per the new IRS rules.
- If the VIN entered is not consistent with the algorithm, a message will be displayed.
    - Stay tuned for more information as the filing season draws near.

Preparer Use Form – Dedicated to Prep Use Fields

- A new form called Preparer Use Form is being added to house the Preparer Use Fields.
- The Prep Use Field will be removed from the Main Information Sheet
- The new form will increase the number of fields from 15 to 25 Preparer Use Fields
    - Enter up to 25 questions in column A
    - All Preparer Use fields will be standardized to a 15 character alpha-numeric field
    - All Preparer Use Field entries will be stored in the database for reporting purposes (not the question) and will be accessible via the report server
- Taxpayer Reminder Field will also be added to the form
    - Enter information you need to preparer to be aware of the following year
    - Will automatically display when a return is started in TY 2012 (January, 2013)

PDF Attachments

- IRS is not requiring the attachments for TY 2011
- PDF attachments will be required for TY 2012 (January, 2013)

TW Desktop functionality

- Desktop will support PDF attachments
- Entries that allow a PDF attachment will be listed on the form with a checkbox
    - Click the applicable checkbox
    - Window browser window will display
    - Select the appropriate PDF
    - TaxWise verifies the file is in the correct format (.PDF)
    - De-select the box to remove the PDF attachment
    - TaxWise includes the attachment with the e-file

TW Online functionality

- Select the entry on the form and a browser box displays for the attachment
- Only Printable Document Files are allowed
    - User receives error message when not attaching a *.PDF file
    - All attachments are scanned for virus protection
- Uncheck the box to remove the PDF attachment
- One attachment per entry
- Works in both Default Mode and Classic Mode
- Users must Browse to the *.PDF
    - Checkmark goes away if the PDF is not loaded and you cannot type in the browse box

Note: The browser box is different between Default mode and Classic Mode

Password Recovery

- An additional option for changing the ADMIN password is being added
    - After three failed login attempts the user will be prompted to answer the security question and
    - The e-mail address on file for the ADMIN user
- If the e-mail address matches the e-mail address on file for the ADMIN user, the password will be reset to a temporary password
    - Temporary password will be e-mailed to the e-mail address on file for the ADMIN user
    - Automatically requires the temporary password assigned to be changed