

December 3, 2007

Issue 2007-26

## **ExacNews**

### **Exactax Client:**

The 2007 tax filing season is just about a month away and Congress continues to delay passing important retroactive legislation needed to prevent a large tax increase due to the alternative minimum tax and expiring credits and deductions. We do not see this impacting the printing of proforma at this time but we will keep you informed.

This mailing contains several time-sensitive forms that require your immediate attention. These forms need to be reviewed and those with changes returned as soon as possible.

### **Automatic Features and Preparer Information Forms**

Enclosed are your *2007 Automatic Features* and *Preparer Information* forms. Please review the contents and, **only if you have changes**, return the forms as soon as possible. If the forms are not returned, your current Automatic Features will rollover to the 2007 tax system.

### **Tax Organizers**

Tax Organizer orders received by November 29<sup>th</sup> are being shipped. Orders received after November 29<sup>th</sup> will be printed and shipped on a weekly basis. Orders for pre-printed Organizers will not be accepted after December 31<sup>st</sup>. Blank Tax Organizers may be ordered at any time. The minimum order for blank sets is 5.

### **Workshops**

The 2008 schedule of workshops and registration form were included with the October 16<sup>th</sup> *ExacNews, Issue 2007-23*. Confirmation/Admission cards have been mailed out for all registrants as of November 30<sup>th</sup> and will continue to be mailed out on a daily basis. If you did not receive the bulletin, need to renew for tax year 2007 or register for a workshop, contact our Customer Support Department at (800) 254-2244.

### **Annual Renewal and Current Account Status Required**

Tax Organizers, Proforma, Starter Kits and software will only be available to accounts that have renewed for the 2007 tax filing season and do not have a current COD balance. If you have not renewed your account and need assistance, please contact our Customer Support Department to complete the renewal process. Please allow a minimum of two weeks from your renewal date or from clearing COD status to receive any of the items listed above.

### **Proforma**

**Individual:** Proforma for the 1040 system is scheduled to begin printing and shipping the last week of December. Proforma will be provided for all returns processed through December 17<sup>th</sup>\*. The initial 1040 proforma will contain federal and California information. Proforma for returns processed between December 17<sup>th</sup> and December 31<sup>st</sup>, 2007 will be shipped in early January. Proforma for returns that contain states other than California will be shipped as the state proforma becomes available.

**Fiduciary and Business:** To provide input forms as early as possible, the initial Fiduciary and Business proforma will ship with federal forms and any states that are available. Shipping is scheduled to begin in early January. Proforma for other state forms will be shipped as soon as they become available.

**\*Note:** To receive proforma for 2004, 2005 or 2006 1040 returns processed after December 31<sup>st</sup>, contact the Customer Support Department to order the proforma. There is a \$4.00 charge per return plus shipping for 2004, 2005 and 2006 late proforma. Proforma for 2006 fiscal year business returns is automatically run on a monthly basis.

### **Starter Kits**

Starter Kits will begin shipping the second week of January.

### **Initial RDE Software Shipment**

The initial shipment of the UltraTax CS™ version 2007.2 software package and the Exactax RDE Communications Center software is scheduled to be mailed on December 26<sup>th</sup> to all RDE accounts renewed as of November 30<sup>th</sup>. This shipment will include instructions on how to restore proforma files included with the RDE Communication software.

**Important:** In the UltraTax program there is a *proforma* item on the Utility menu. DO NOT use the UltraTax proforma utility. Doing this will cause you to have duplicate files. Only use proforma files restored from the Exactax RDE Communications CD.

Allow approximately two weeks for late renewals or new orders to be shipped.

### **Mailing Slip Sheet/Envelope Update**

In the November 1<sup>st</sup> ExacNews we alerted you that, due to changes in postal regulations, beginning in January we would be switching to landscape style slip sheets for Tax Organizers and landscape slip sheets/envelopes for mailing returns. Upon further clarification from the U.S. Post Office, there is no difference in postage for portrait vs. landscape envelopes; therefore Exactax will continue to use the **portrait slip sheet and mailing envelope**. We apologize for any confusion this may have caused.

### **U.S. Post Office Policy Update**

Be aware: Under new rules beginning August 16, 2007, parcels carrying stamps and weighing more than 16 ounces, domestic or international, will have to be brought to post offices for processing.

Packages weighing more than 16 ounces and put in mail boxes or drop boxes will be returned to the sender, unless the recipient is in the local one-day delivery area. Generally, this means that the Postal Service will deliver local parcels dropped in boxes, but not those that might travel on aircraft. The Postal Service said the restriction would not affect Express Mail.

### **E-file Questionnaire**

The 2007 E-file Questionnaire was included with the November 1<sup>st</sup> ExacNews, Issue 2007-24. Return the questionnaire only if you are e-filing with Exactax for the first time or if you have made changes to your e-file account information.

### **Courier Service**

Exactax will again offer courier service in several metropolitan areas within California. The *2008 Courier Service Application* will be mailed under separate cover to accounts that used this service last year.

## Instructions for Changing Preparer Information and 2007 Automatic Feature Settings

### Preparer Information:

- The enclosed list of preparers and their corresponding social security and PTIN numbers are currently registered with ExacTax.
- To make a change to an existing preparer, cross through the incorrect information and write in the correction.
- To print the preparer name in the signature block of the tax return, check the appropriate box. **ExacTax will not print the preparer name unless you instruct us to do so by checking the box.\*** The “Preparer Name” is not to be confused with the “Firm Name”. The firm name will always print unless you check “NPP” on Form PI, in zip box 20. “Non-Paid Preparer” would then print on the return and the firm name and address would be blank.

***\*Important: The IRS considers a printed preparer name on the return the same as a signed return.***

- To delete a preparer, write “Delete” next to the name.
- To add a preparer, enter the name, social security number and/or PTIN on any blank line.
- If you have no changes or additions to the Preparer Information, **do not return this form.**

### Automatic Feature Settings:

- Review the enclosed Automatic Feature settings for accuracy. There are four pages with separate settings for the 1040, 1041, 1120, 1065 and 990 systems. The settings for 1120 and 1120S systems are combined on one form. All systems have separate state settings.
- To add a feature, check or make an entry in the appropriate box(es) for each applicable system.
- To delete a feature, cross through the box(es) for each applicable system.
- If you have no changes or additions to the Automatic Feature settings, **do not return this form.**

**Note: The features listed on each page are the only automatic settings available.**

Send forms with changes to: ExacTax  
PO Box 61048  
Anaheim, CA 92803-6148

**Summary of Changes to 2007 Automatic Features:**

**Feature #103:** The option to print a 1040A or 1040EZ for new returns has been eliminated as an Automatic Feature. Check boxes have been added to Form PI to enter this selection. All 2006 selections made on Form [1], zip 49, will be proformaed on the Form PI for 2007.

**Feature #136:** The option to print the gross Social Security income on the return has been eliminated since IRS instructions now require it to print all of the time.

**Feature #154:** This 1040 option includes a list of returns prepared in the client transmittal letter.

**Feature #238:** This 1041 option works the same as #154.

**Feature #341:** Always complete Form 1120-C (Cooperative Association), Schedule G when receipts are less than \$250,000.

**Feature #342:** This 1120 option works the same as #154.

**Feature #437:** This 1065 option works the same as #154.