

ExacNews

Exactax Client:

Our summer development schedule is progressing smoothly as we work to update and improve our input forms for 2009. Be sure to keep abreast of the changes impacting 2009 returns, including recent state changes for California and New York.

Operating Hours

Regular hours are 8:30 – 5:00, Monday through Thursday.

▶ **Exactax will be closed on Fridays through September 11th.**

Exactax will also be closed on July 6th.

Billing Queries and Reminders

When requesting adjustments to your billing, state the reason in the comment section of your remittance and submit it with your payment. Any problems or questions regarding billing queries may also be faxed directly to the Accounting Department at 714-999-6566. Requests for credit must be made in writing.

→ IMPORTANT: *Accounts with an outstanding balance over 21 days will be placed on C.O.D. status. C.O.D. accounts will be shipped ONE shipment, UPS C.O.D., for the balance past due. Any returns processed after that shipment will be held until monies are received from UPS and account is current. If you do not want shipments sent to you UPS C.O.D., contact Customer Service to place your account on HOLD until you bring your balance current*

Remote Data Entry Renewals

Renewal forms for RDE were mailed out in May. If you have not received your RDE renewal, please contact Customer Support.



Save \$75.00 on your RDE renewal when you renew by July 15, 2009!

Batch Renewals

Batch renewal forms will be mailed during the August/September timeframe.

RDE Users – Make Backups!

Every year we receive calls from several users who have their hard drives crash without having backed up of their tax files (or probably any other files for that matter). All RDE users should be making regular backups of their data files. If you have not backed up your files, now is a good time to start. Making a backup file in UltraTax is very easy:

- First, create a separate folder to hold the backup files.
- From the *File* menu select *Backup*.
- On the Backup dialog, make sure that the filters for all return types are checked then press the *Select All* button.

- Review and change the backup location setting in the lower right-hand corner, as needed, to the backup folder location.
- Backing up to another location on *your hard drive alone* won't help in the event of a crash. After creating the initial backup, we recommend that you then copy your backup directory to your removable USB drive, CD or DVD drive and write a new disk each time or copy it to a separate drive.

It's always a good idea to keep a recent backup off-site in the event of a fire, theft or other disaster so creating a CD or DVD makes this step very easy.

California Forms 9000H and 9000R, Homeowner Assistance Claim and Renter Assistance Claim

California Form 9000H, Homeowner Assistance Claim (for income received in 2008), and Form 9000R, Renter Assistance Claim (for income received in 2008), are not yet available for filing. As soon as these forms are released a copy of the updated input form and instructions will be distributed in a bulletin.

New York Estimated Tax and Tax Projection Worksheet

Due to recent tax law changes, the New York State Department of Taxation and Finance revised tax rates. As a result, tax rates for Form IT-2105 and the New York Tax Projection Worksheet have increased for taxpayers with New York taxable income greater than \$300,000 for married filing joint, \$200,000 for single and married filing separate, and \$250,000 for head of household. Additionally, if New York adjusted gross income exceeds \$1,000,000, itemized deductions are now limited to 50 percent of the federal itemized deduction for charitable contributions. All other federal itemized deductions are reduced to zero.

Other significant changes affect the prior-year's tax rule for Form IT-2105.9, Underpayment of Estimated Tax. To meet the exception of 100 percent (or 110 percent if applicable) of the tax shown on the 2008 return, the 2008 tax must be recomputed using the 2009 tax rates and, if applicable, reduced itemized deductions. Exactax calculates the New York Estimated Tax Worksheet with these requirements when using Form IT-2105 declaration code 1, 3 or 8 on Screen NYEst. Review New York Notice N-09-7for details. Additional information can be found at the New York State website: <http://www.tax.state.ny.us/pit/etchg.htm>.

Input Form Change: Exactax accommodates these New York changes with revised input form [NY1] where a new section has been added at the bottom for new screen NYEst2. Enter **X** in zip 1, *Calculate estimates using new 2009 tax rates* field to calculate new estimate payments for the remainder of the year. A penalty will not be assessed for any shortage in the April 2009 estimate payment if the shortage is included in the June 2009 payment. Any April estimate payment already made should be entered in zips 2, 3 and 4 as these are used to calculate the remaining payments. When rerunning a return for revised estimates, Exactax computes the estimates using the new rates and itemized deduction rules based on the original information on Form NYEst [NY3A]. Entering additional information other than checking zip 1 on NYEst2 is not required.

A revised copy of individual Input Form [NY1] is included with this bulletin.

City estimates paid - combine with state amount entered on federal Form St Pmt {6B}.
Other city withholding - enter in City section of Form St Pmt {6B}.

County of residence (Also see city residency below) (16) [1]
School district (20) [2]
General footnote (60) [\$ 3]

City Residency

Enter part-year dates of residency on Screen NYNRPY in the Inc Adj folder

NYC resident at ANY time during year - Taxpayer [4]
- Spouse [5]
Yonkers resident at ANY time during year - Taxpayer [6]
- Spouse [7]

Use Tax

Use AGI Amount Nonbusiness Clothing/Other All Other Types

Use tax (Force) (If no entry is present, default use tax will be zero) [8] [9] [10]
If use tax based on federal AGI is less than NC/NO use tax, tax based on federal AGI will be used

Other Return Information

City estimates paid - combine with state amount on federal Form St Pmt {6A}. Other city withholding - enter in City section of Form St Pmt {6B}

Permanent address: (If different than mailing address)
Street address, apartment number (36) [11] [12]
Permanent address, line 2 (Electronic filing only) (30) [13]
City, state, zip code (36) [14] [15] [16]
Foreign country code (Electronic filing only) [17]
Standard deduction (Force) [18]
Authorize discussion with tax department (1 = Yes, 2 = No) (If different from the federal option) [19]
Third party designee email address [20]
Special filing condition codes [21] Special filing condition codes defined by N-Notice [22]
Explanation for electronic file(60) [\$23]
Second special filing condition codes [24]
Explanation for electronic file(60) [\$25]
Suppress Form IT-150 (Resident short form) or Form IT-203-C (Part-year or nonresident spouse certification) [26]

Contributions

Return a gift to wildlife [27]
Missing or exploited children fund [28]
Breast cancer research fund [29]
Alzheimer's fund [30]
Lake Placid Olympic fund (Maximum = \$2 per filer) [31]
Prostate cancer research fund [32]
National 9/11 memorial [33]

New York Estimates New Rates

2009 New York tax rates for high income taxpayers were increased in May 2009. Zip 1 on this form must be checked to have the 2009 NY estimates computed using these new rates. This computation only applies to IT-2105 declaration codes 1, 3 and 8 on Form NYEst {NY3A}, zip 3. See ExacNews, Issue 2009-17 or http://www.tax.state.ny.us/pit/etchg.htm for more details.

Calculate estimates using new 2009 tax rates (Enter estimate declaration information on Form NYEst {NY3A}) [1]

Previously calculated estimates (use only for reruns of returns already filed)
1st quarter (Enter the amount actually paid. Do not include any overpayment applied.)

New York State City of New York City of Yonkers

[2] [3] [4]

Standard deduction or itemized deduction for 2009 [13]
(If NY AGI is greater than \$1,000,000 then itemized deductions are limited to 50% of federal charitable contributions)