

December 31, 2009

Issue 2009-27

ExacNews

ExacTax Client:

Everyone at ExacTax would like to wish you a Happy New Year and to welcome you to the 2009 tax filing season. Fortunately, Congress has completed legislation affecting 2009 tax returns in time for the IRS to update most of their forms. However, there are still many issues affecting 2010 that remain unfinished as of now, including a major extender package, which will make tax planning and determining estimated tax more difficult.

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 2009 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.

Payments and Correspondence

When sending checks, payments or other billing correspondence, please write your entire ExacTax seven-digit account number, including the check-digit, on the items. For easy reference, your complete account number is printed at the top of every invoice.

Tax Organizers

All Tax Organizer orders received by December 17th have been shipped. Orders received by December 31st will be mailed by January 7th.

New This Year: Late orders for pre-printed and blank Tax Organizers may be ordered at any time. The minimum order for blank sets is 5, with free shipping on all orders of \$20.00 and over.

Workshops

The 2010 schedule of workshops and registration form were included with the November 3rd *ExacNews, Issue 2008-24*. Confirmation/Admission cards have been mailed out for all registrants as of December 31st and will continue to be mailed out on a daily basis. If you need to renew for tax year 2009, register for a workshop or did not receive the workshop bulletin, contact our Customer Support Department at (800) 254-2244.

Proforma

Individual: Proforma for 1040 begins printing and shipping the first week of January. Proforma will be provided for all returns processed through December 31st, 2009*. State proforma for returns that contain states not available for the initial shipment will be shipped as they become available.

***Note:** To receive proforma for 1040 returns for 2004 through 2008 processed after December 31st, contact the Customer Support Department to order the proforma. There is a \$4.00 charge per return plus shipping for proforma for years 2004 through 2008. Proforma for 2008 fiscal year business returns with a year end in 2009 is automatically run on a monthly basis.

Fiduciary and Business: To provide input forms as early as possible, the initial Fiduciary and business proforma will ship with only the federal forms. Proforma for fiduciary and business state forms will be shipped as they become available.

Starter Kits

Federal and California 1040 Starter Kits will be included with your proforma shipment. Supplies for all other 1040 state products will be shipped as they become available. The Starter Kit contains your initial set of blank supplies based on the prior year's usage.

Fiduciary and Business: To provide input forms as early as possible, the initial Fiduciary and business Starter Kits will ship with only the federal forms. Starter Kits for fiduciary and business state forms will be shipped as soon as they become available.

Initial RDE Software Shipment

The initial shipment of the UltraTax CS™ version 2009.2 software package and the ExacTax RDE Communications Center software will be mailed the first week of January to all RDE accounts renewed as of December 15th. This shipment will include instructions on how to restore proforma files which are included on the same CD as the RDE Communication Center 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 Center CD.

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

UltraTax/CS version 2009.3 and all subsequent versions will be shipped to you directly from Creative Solutions. Always install the latest release and then check for updates on a daily basis.

Courier Service

Exactax will again offer courier service in several metropolitan areas within California. The *2010 Courier Service Application* was mailed in mid-December to accounts that used this service last year. If you are interested in using the courier service for the first time, contact Customer Support for more information.

2010 Shipping Options and Rates

UPS Ground will remain the standard method of shipping returns back to our non-courier customers. There is a \$3.35 per return shipping charge, (\$4.60 per-return for delivery points classified by UPS as 'residential'), added to your normal processing fee for all

returns shipped via UPS. To utilize this method of delivery, your shipping address must be a street address; a P.O. Box address is not acceptable and will be sent by US mail.

Selecting UPS enhanced shipping or other options will incur the following per-return charges:

Shipping Method	Per Return Charge
UPS Next Day – 10:30 AM Guarantee	\$30.30
UPS Next Day – 3:00 PM Guarantee	\$20.85
UPS Next Day – Saturday delivery	\$41.25
UPS 2nd Day	\$13.60
Regular US Mail	\$ 6.35
Confidential Handling	\$ 3.00
Call When Ready	\$ 4.00
Special Address / Special Handling	\$ 4.00

Note: Exactax does not give credit for UPS or free shipping when a package is misplaced by UPS.

Undeliverable Packages

The additional charge for an undeliverable UPS package (to any address) is \$6.00.

Hold for Pick-Up

There is no additional charge for returns marked as “Hold for pick-up” at Exactax. However, returns that are not initially marked as “Hold for pick-up” on Form PI and are subsequently picked-up will still be billed the shipping charge, if any, assigned to that return.

Note: Returns that are designated to be delivered by courier do not incur a default shipping charge when picked up at Exactax.

Automatic Features and Preparer Information

The Automatic Features and Preparer Information forms will be included with your proforma shipment. Please review these and return any changes as soon as possible.

New This Year: A new field for Designee PIN has been added to the information for each preparer. This was added as a result of IRS changes for the Third Party Designee section in the preparer block area for 2009. All that was required in prior years was to print “Preparer” in the name field and leave all other fields in that section blank. The 2009 federal 1040 instructions now indicate the preparer is to complete the entire Third Party Designee section, which includes name, phone number and PIN. This information will print when you have assigned a preparer with a PIN and enter a ‘1’ (yes) on Form 1040 [1], zip 24.

IRS Requirements for Electronic Filing

The opening day for 1040, 1065 and 1120 electronic filing is **January 15, 2010**. Efile for 1041 returns begins on January 25. In order to file federal tax returns electronically, you must file or update Form 8633 (Application to Participate in the IRS e-file Program) with the IRS. You can access and submit Form 8633 from the IRS website at IRS.gov/taxpros

in the e-services section. If your application is approved, you will receive an Electronic Filing Identification Number (EFIN). Once approved by the IRS, **you do not need to reapply** unless your business information changes or you have not filed returns electronically for two years. If you make any changes, please return the ExacTax 2009 E-file Questionnaire included with this bulletin.

Note: If you have multiple business locations, you must submit Form 8633 for each location that will transmit electronically filed returns. You will receive a separate EFIN for each location.

- If you plan to file any federal business returns (1120, 1065 or 1041) electronically for the first time, you need to revise your application accordingly. You can revise your application online, via mail, or by calling (866) 255-0654.

Note: Certain states require that you register separately with the state to efile. California is automatically notified by the IRS upon acceptance into the e-file program and does not require additional action.

2008 Returns on CD Available Soon

An upcoming issue of ExacNews will contain an order form for requesting a PDF archive CD of **all** 2008 returns processed from January 1st, 2009 to date. This important offer is a critical for maintaining copies of original returns, reducing storage space, doing reprints or for e-mailing. PDF copies of all returns on CD are also available for tax years 2005, 2006 and 2007 and may be ordered at any time.

2009 California Installment Sales Reminder

For taxable years beginning on or after January 1, 2009, buyers of California real property were required to withhold on the principal portion of each installment payment if the sale was structured as an installment sale.

File **Copy A** of Form 593, attach a copy of the promissory note showing the principal portion of the first installment payment, and pay the amount of tax withheld within 20 days following the end of the month in which the transaction occurred.

2009 e-file

Questionnaire

- Are you filing electronically for the **FIRST TIME** with ExacTax?
- Have you filed a **REVISED Form 8633** since last year? *or*
- Has any of the information below changed?

If any of the above is true, please complete the following information and return this form to ExacTax by mail or FAX as soon as possible *and* attach copies of your *Electronic Filing* letters of acceptance from the IRS and/or State Departments if applicable.

Note: Each type of return to be e-filed through ExacTax, (1040, 1041, 1065 and 1120), must be specified on your application to the IRS.

ExacTax Account Number:
Electronic Filer ID Number (EFIN):
Firm Name:
Address:
City/State/Zip:
Contact Name for Electronic Filing:
Phone Number: E-mail Address:
FAX Number: <input type="checkbox"/> Call first before starting FAX
Special Instructions:
Processing Method: (Check all that apply). <input type="checkbox"/> Service Bureau <input type="checkbox"/> Remote Data Entry
Comments:

ATTN: Electronic Filing Department
Exactax, Inc.
P.O Box 61048, Anaheim, CA 92803-6148
FAX: (714) 254-7210