

February 8, 2010

Issue 2009-04

ExacNews

Exactax Client:

All 2009 tax systems are available, including:

- Federal/state e-file for 1040 and all 1040/states, (except for IL, MA and MN returns)
- 1040 multi-state efile
- Federal/CA e-file for 1065 and 1120
- Federal only e-file for 1041

Office Hours

Customer Support office hours are currently 8:00 AM – 7:00 PM Pacific Time.

Saturday office hours are from 8:30 – 5:00 Pacific Time.

Proforma, Starter Kits and Manuals

All available initial proforma and starter kits have been shipped except for recent late renewals, which will ship this week.

Business system instruction manuals will also ship this week.

All state business proforma, instruction manuals and California starter kits for 1041, 1065 and 1120 will complete shipping this week. Out of state 1040 state proforma will also finish shipping this week.

Proforma for 990 returns will begin shipping this week.

No Charge Rerun Period for 1040 Batch Returns

The 'No Charge' period for 1040 batch return telephone reruns runs through February 28th. All reruns must be called in or received by February 28th to qualify. Per Exactax policy, when there is an Exactax error at any time, the error is always corrected at no charge. However, if additional changes are requested, or items are added that were not part of the original return, then the applicable charges will apply.

Courier Service

Courier service officially began on February 1. If you are interested in signing up, please contact our Courier Service Manager, Barbara Hammond, at (800) 352-3638, extension 218, to see if this service is available in your area.

Sending Payments

When you send a payment to ExacTax included with your input forms, place your check in a separate envelope, such as the one included with your invoice. Loose checks may be overlooked and will end up in the shredder.

Duplicate Payments

If you currently have an ExacPay Credit Card Authorization on file your account will automatically be billed for each invoice. **PLEASE DO NOT SEND A CHECK IF YOU HAVE SET UP EXACPAY**; doing so will result in a duplicate payment.

C.O.D. Policy

IMPORTANT: Accounts with an outstanding balance over 21 days will be placed on C.O.D. status.

Accounts using Courier Service will have all shipments held until the account is current.


All other C.O.D. accounts will be shipped UPS C.O.D. until the account is current.

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.

RDE Software Releases

By now you should have received and installed UltraTax version 2009.3.0 from the CD provided by ExacTax. Version **2009.4** was released for download on February 3 and contains all previously released products. The CD has begun shipping from UltraTax on February 8. Check for updates available on your *Home Page* by pressing the *Home Page* icon  on the right-hand side of the tool bar. On the Home Page look for the item

 Updates awaiting retrieval via CS Connect [Retrieve updates] to quickly tell if any updates are available.


Important: DO NOT CALL Creative Solutions for support or for inquiries on your shipment status. As an RDE user all of your support must come through ExacTax.

If you have not received the latest UltraTax CD and would like to download it from the internet, (only if you have a high speed connection such as DSL or cable modem), it will take approximately 15 – 20 minutes.

- Start 2009 UltraTax and from the main menu, select *Help \ On the Web \ Product Support and Service*. This will launch your browser to the Creative Solutions support site.
- Click on *My Downloads* and you will receive a Log In screen.
- If you have registered and have your own ID and password, enter it, otherwise:

Enter the Email address: exactax@exactax.com

Enter the password (must be all uppercase) **EXACTAXRDE**

- Click on *Download the latest version of UltraTax CS*
- Follow the instructions. If you use the Download Manager option it will give you an option to *Launch when done* so that the install will begin automatically when the download has completed. If you do not use this option, then note the location where you are saving the download file so that you can manually execute it when the download is complete.
- When the download is complete check for updates on the *Home Page*  .

Audit/Error Checking Policy

When our Audit or Error Control Departments leave a message regarding a item that needs resolution, the return will be held for 24 hours and then it will be released “as is” for processing.

Input Form Print Error

1040 proforma for Form PI (Processing Instructions) printed the pre-order code for the 2010 Tax Organizer (zip 4) in the checkbox for zip 42, ‘No Error Control’. The data for zip 4 is stored correctly. No action is required unless you want to change your Tax Organizer pre-order code. Make any change in zip 4.

Other Program Issues and Changes

Form B&D[2] {26B} (Dividend Income)

The questions at the bottom of Form {26B} regarding interest or authority over a foreign bank account and receiving distributions from a foreign trust should be answered on every return with total interest over \$1,500 or total dividends over \$1,500. If this is left blank on an efile return it will be disqualified. The input for these questions is not on the Interest form {26A}, so an interest-only filer will need to submit a Form {26B} just to answer the questions.

Federal efile

An entry for the prior year AGI is not required on Form PIN {3A}. All ExactTax users have been setup as a Practitioner PIN Program Filer which does not require the entry of prior year AGI.

RDE Users: To set yourself up so that you don’t need to enter the prior year AGI –

1. On the main menu bar click on *Setup \ System configuration \ Electronic filing*.
2. Click on the ERO button.
3. Click on the checkbox for *Practitioner PIN Program filers*.
4. *Click Done*.

California e-file

Head of Household e-filers must always complete Form HOH {CA42}. The phone number and the best time to call are often omitted which will disqualify from e-file.

When claiming California Child and Dependent Care credit, the care provider's telephone number is a required entry for e-file. This is entered on federal Form Cr {80A} in the State Use field of zip 24.

California NOL / Credit Calculation

The NOL carryover deduction and select credits are suspended for 2008 and 2009 if 'net business income' is \$500,000 or more. The State of California recently issued updated instructions to change the calculation of net business income.

Net business income now includes Schedule CA, line 14, Other gains or losses. The change applies to both 2008 and 2009 tax returns.

2008 Business Income Computation: Line Schedule CA, 14, ordinary gain/loss, was not included in the calculation of 2008 business income. Review the code entered in Form CACO {CA4}, zip 25, *Net business income less than \$500,000 for 2008 and 2009*. Returns that did not proforma a code 2 should be reviewed for the corrected calculation of 2008 net business income. If there was an amount on the 2008 Schedule CA, line 14, recompute the 2008 net business income to determine if it is over \$500,000 and enter the applicable code.