



SOFTWARE NEWS

A Newsletter from CFS Tax Software, Inc.

Fall 2006

RENEW EARLY— SAVE AND LEARN!

Have you renewed your CFS software for 2007? If not, please consider renewing now—before the December-January rush, when both your office and ours will be at their busiest.

It's the smart thing to do. You'll save time by ordering early, and saving time means saving money. And if that isn't reason enough, here is another incentive...

Save 50% on CPE Webinar!

This fall, we will begin offering a *CFS TaxTools Webinar*. Streaming video of an instructor will be available on our website at any time, allowing you to take the online course at your convenience in the comfort of your home or office. To help you follow the instructor, a course outline will also be available for downloading and printing.

The *CFS TaxTools Webinar* will teach you how to use *CFS TaxTools* more effectively in dealing with current tax issues. The course is currently approved by the IRS for one hour of CPE credit for EAs; approval is pending for NASBA/CTEC credit.

The regular price for the webinar will be \$29, but **place your renewal order by October 31st and you will receive a half-price coupon allowing you to take the course for only \$14.50!***

For more information on the *CFS TaxTools Webinar*, visit www.taxtools.com/seminars_cfs.php.



**Renew by
October 31st
for half-price
CPE credit!**

*If you have already renewed early and want to take advantage of this offer, call CFS at 800-343-1157, or fax your request to 805-522-0187.

LAST CHANCE TO SAVE ON SUPPLIES!

Order your forms, envelopes, and tax return supplies by October 31st to take **10% off the regular low price.**

When you buy forms from CFS, you know you are buying forms that are compatible with CFS software. And our prices are *significantly* lower than those of our competitors.

Our tax return supplies are also competitively priced, and we carry a wide variety of styles and colors.

Order from our supplies catalog or online at www.taxtools.com. You can also generate a forms order sheet from within *CFS Payroll System* by selecting "Complete Forms Order..." from the Help menu.



IRS REVISES FORM 1096

The IRS recently made changes to Form 1096. Two IRS offices were eliminated, necessitating changes in the mailing address section of the Form 1096 instructions. The old form has only the year **2006** in the lower right corner. The new version is marked **Rev. 7-2006**.

Unfortunately, the change was made after our forms orders had already shipped. However, replacement packs of the new forms were recently shipped, free of charge.

If you received the old forms, please discard them and use the new forms in the replacement shipment.

TAX QUOTABLE

"Tax reform is taking the taxes off things that have been taxed in the past and putting taxes on things that haven't been taxed before."

—Art Buchwald

WHAT'S INSIDE...

NEW AT CFS...

- CFS** PDF995 adds PDF file support to CFS programs;
- CFS** CFS now accepts Discover Card;
- CFS** Forms 1099-INT & 1099-R delayed;
- CFS** New Section 199 module in *TaxTools*;
- CFS** *Pension Protection Act of 2006* brings changes...

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REMINDERS...

We may have said it before, but we think it bears repeating. **Page 3.**

ONLINE...

What can you find at taxtools.com? **Page 4.**

POLICIES...

FYI—CFS company policies and disclaimers. **Page 4.**



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WHAT'S NEW AT



PDF995 ADDS PDF FILE SUPPORT TO CFS SOFTWARE

PDF995 is a printer driver created by *Software995* for exporting PDF files. When installing a CFS program or update, the user will be prompted to install the *PDF995* driver. Once the driver has been installed, the user can create a PDF file of any printout simply by selecting the *PDF995* printer driver in the printer dialog box at the beginning of a print job.

CFS programs take advantage of several powerful features of the *PDF995* driver. When selecting *PDF995* as the printer driver, an options dialog box will appear. A *Save Settings* button will save all options settings to be used for the next PDF file. Users may check options to:

- **View PDF (launch default PDF viewer)** – This option will display the PDF file in the computer's default PDF viewer, usually *Adobe Acrobat Reader* or *Adobe Acrobat*. Your computer must have a program installed to view PDF files and the PDF file extension must be associated with it.
- **Create Email to Client with PDF attachment** – This option will create an e-mail message to the current client (if the client has an e-mail address entered in the Client database) with the PDF file as an attachment. The computer must have a MAPI compliant e-mail program (i.e., *Outlook* or *Outlook Express*; not web-based e-mail such as Yahoo or AOL). The e-mail creation screen will be displayed on screen for the user to add a subject and message before sending it.
- **Add Stamp to PDF** – This option will create a diagonal gray stamp (watermark) across all pages of the PDF file. The user may specify the text of the stamp in the adjacent box.

The *PDF995* driver gives the following file output options:

- **Save to Client's folder** – The Save As dialog box will open to the current client's folder. The user may then enter the desired file name. PDF files saved in the client's folder will appear on the Client Folder pane of the main program window and may be viewed by double clicking the name of the PDF file.
- **Save to My Documents folder** – The Save As dialog box will open to the user's My Documents folder.
- **Save to Specified Directory** – The Save As dialog box will open to the drive and directory specified by the drive and directory lists shown.

The latest versions of *TaxTools*, *Small Business Tools*, *CA Sales Tax Preparer*, and *NY Sales Tax Preparer* include the *PDF995* driver. The driver will be added to *CFS Payroll System* in the near future.

CFS NOW ACCEPTS DISCOVER CARD

CFS is pleased to announce that we now accept payment by Discover Card. Payment may also be made by Visa, Mastercard, American Express, check or money order.

FORMS 1099-INT & 1099-R DELAYED

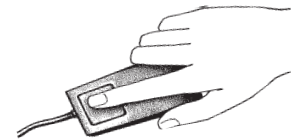
Due to an IRS delay, Forms 1099-INT and 1099-R were not available for the initial release of *CFS W2/1099 Payroll System*.

As soon as the forms are available, we will notify customers so that they can download a program update containing the new forms.

NEW SECTION 199 MODULE IN TAXTOOLS

A new module was added to *TaxTools 2006* in a recent update. The *Domestic Production Activities Deduction Worksheet* will help you calculate the new Section 199 deduction and fill out and print *Form 8903*, *Domestic Productions Activities Deduction*.

The user can select one of three methods to calculate the deduction. The resulting data will be transferred to *Form 8903*.



CFS is currently offering an after-tax-season 2-for-1 special on *TaxTools*—over 250 tax-planning, retirement and financial utilities, forms and flowcharts!

**2-for-1
Special!**

TaxTools '06 & '07	\$189 ⁰⁰
annual renewal	\$139 ⁰⁰
annual network upgrade	add \$150 ⁰⁰

PENSION PROTECTION ACT OF 2006 BRINGS CHANGES

The *Pension Protection Act of 2006* signed recently by President Bush repeals the sunset provisions of EGTRRA relating to pensions and IRAs. There are also some changes to the rules for charitable contributions that your clients need to be made aware of.

Substantiation is required for all cash contributions to charity, regardless of the amount. The donor must maintain a record of the contribution by a bank record or written communication showing the name of the donee organization, date of the contribution and the amount. Even cash contributions in the church collection plate will require a written receipt. *This provision is effective for contributions made in taxable years beginning after August 17, 2006, which means 2007 for calendar year taxpayers.*

Donations of used clothing or household items must be in good condition or better. Having a receipt for seven bags of clothing will not be enough substantiation for a \$700 non-cash contribution. Your client will need detailed lists or pictures to prove that the items were in good condition. *This provision is effective for contributions made after August 17, 2006.*

Tax-free distributions from IRAs will be allowed for charitable purposes. For tax years 2006 and 2007 taxpayers who are age 70½ or older may exclude up to \$100,000 in “qualified charitable distributions” from their AGI. A qualified charitable distribution must be made directly by the IRA trustee to a charitable organization. Qualified charitable distributions are taken into account for purposes of the minimum distribution rules.

CFS TaxTools will be updated for provisions of the *Pension Protection Act of 2006*. We will also be adding letters addressing the new rules to *Tax Corresponder*, making it easy for you to notify your clients of changes that will affect their year-end tax planning.

REMINDERS



Get Your License Code Now at MyCFS!

You can now use your *MyCFS* account to immediately look up your license code online without having to check your e-mail.

Your *MyCFS* account gives you secure access to your customer information, as well as allowing you to shop securely at our online store. You can view your order history, see if you have vouchers available, and view and fill out your renewal order form online.

Your *MyCFS* account is also the key to accessing CFS Online Research products you have purchased (*Tax Research, California Research, Audit & Collections*).

If you don't have a *MyCFS* account, it's easy to register. Just go to www.taxtools.com and click on “MyCFS” under the *Support* menu. On the *MyCFS* page, click on “Register for a MyCFS Account.” You will need to provide a valid e-mail address and a password.

Folder Price Match

If you can find a lower price on the same tax return folder or related envelope, tell us. We'll try to match it, **and** we'll give you a **\$20 discount** on your next CFS tax return supplies order!



Payroll System W2/1099 License Code Reminder

Remember—when you install *CFS Payroll System W2/1099*—even if you have already installed *Payroll System 941/940*—**you may need to enter a new license code.**

Your license code is printed on your receipt. You can also look it up at www.taxtools.com by clicking on **License Code Verification** under **Quick Links** or, if you have a **MyCFS** account, by selecting **License Codes** from the **MyCFS** menu.

When you install the program, make sure that you are using the latest code. (It may vary only slightly from your old license code.) **You must enter the correct code to activate the program.**

We Welcome Feedback

Most CFS programs allow users to submit suggestions or report problems from within the program.

Under the **Internet Options** menu, select **CFS Survey/Problem Report** to: submit recommendations for worksheets, forms, or enhancements; notify us of a problem you are experiencing with the program; help us evaluate the program by submitting a module usage report which tells us which modules you are using the most.

The report may be submitted to CFS immediately via Internet—either anonymously or with your customer information—or printed and faxed to us.

Tax Corresponder contains over 300 tax and financial planning letters, attachments and handouts to answer your clients' most common questions!

**2-for-1
Special!**

Tax Corresponder '06 & '07	\$49 ⁰⁰
annual renewal	\$29 ⁰⁰
annual network upgrade	add \$50 ⁰⁰

WHAT CAN YOU FIND AT taxtools.com?

At www.taxtools.com, you'll find all kinds of useful information, including...

Software Updates...

Need to update your CFS software, or just want to make sure you're running the latest version? Under **Quick Links**, click on **Software Updates**. Click on the CFS program you want to update, and you'll be taken to a screen where you can find the latest downloadable update, along with an **Update History**.

UPS Tracking...

Track forms and expedited software shipments from our web site. Under **Quick Links**, click on **Package Tracking**.

Expected Release Dates...

Want to know when to expect your CD or download your next update? Under the **Support** menu, click on **Release Dates**.

Show/Seminar Schedule...

Find out where and when CFS will be appearing at tax shows and seminars. Click on the **Show Listing** menu.

Technical Support...

Need help? You might find the answer in the **Frequently Asked Questions (FAQ)** section of our **Technical Support** page. If not, you can submit a **Technical Support Request**. Under the **Support** menu, click on **Technical Support**.

MyCFS...

Your **MyCFS** account allows you to shop securely at our new online store **and** gives you secure access to your personal customer information, including order history, vouchers earned, license code, and renewal information. Login or created an account by selecting **Login** under the **MyCFS** menu.

More...

At www.taxtools.com, you will also find product descriptions, customer comments, links, news, and downloadable demos.

CFS POLICIES AND DISCLAIMERS

Return Policy

Software returns will be accepted no later than 30 days from receipt of program(s). If the order has already been shipped, a refund will be granted minus shipping.

Forms returns will be accepted no later than 30 days from receipt of order but not after 12/15/06. Forms orders placed after 12/15/06 cannot be returned.

Free Shipping

There is no shipping charge or sales tax if you download the program and all updates and do not receive a CD. However, if you later request a CD, CFS is required by law to charge sales tax on the original order.

Update CD Service

There is a charge of \$25 if you would like the initial release and all major updates on CD. This does not apply to Research programs and Fill-N-Print Tax Forms CD, and is not available for NY Sales Tax Preparer.

Multi-Program Network License

You can purchase network upgrades for CFS programs for an additional fee. However if you purchase several CFS programs, you might want to consider our Multi-Program Network License, which upgrades all CFS programs to the network version for an annual price of \$299.00. The Multi-Program Network License is not a stand-alone program—you must buy the single-user programs you wish to upgrade. This offer does not apply to AME Payroll or Fill-N-Print programs.

Financial Planning Tools 2006

The 2006 program will function through May 31, 2007. To use the program after that date, you must order the 2007 program.

Quick Reference Guide

This program is included in the Tax Research and CA Research programs but is also available as a stand-alone program for \$39.00 for first-time users and \$29.00 for renewals.

