



# SOFTWARE NEWS

A Newsletter from CFS Tax Software, Inc.

Fall 2008

## LAST CHANCE TO RENEW EARLY!

Many of you have already taken advantage of our May and August early renewal specials, thereby earning vouchers to apply to next year's renewals.

But if you *haven't* renewed, we are trying one last time to encourage you to do so 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's another incentive:

### Free Software!

Renew any CFS software title by October 31st, and get the 2008 version of our newest program, *CFS LivePayroll*, **FREE!**\*

*CFS LivePayroll* allows you to process payroll live or after-the-fact—for an unlimited number of employers with an unlimited number of employees—using the same intuitive, easy-to-use interface common to other CFS programs. (For more information on *CFS LivePayroll*, see **Page 2**.)



**No TRICKS! Renew now and TREAT yourself to free software!**

\* 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.

## PAYROLL SYSTEM NOW DOES MORE!

This year we have added many new features to our popular *Payroll System* software suite:

**941/940:** This fall, UI forms were added for Missouri, North Carolina, Pennsylvania, and Wisconsin. Withholding forms were added for Missouri, and will soon be added for North Carolina and Wisconsin.

**W-2/1099:** Later this year, submittal forms for W-2's and 1099's will be added for many states not currently supported.

**W-2/1099 E-File Add On:** Paperless filing for W-2's & 1099's—either by magnetic media or e-file submission—will soon be possible for nearly every state.

**LivePayroll:** Last year we released our newest program, *LivePayroll*, allowing users to offer a full-featured payroll service to their clients. Workers' comp tracking and reporting was added at the beginning of the year. (For more information on *LivePayroll*, see **Page 2**.)

*CFS Payroll System* programs may be purchased separately, or as a bundle for extra savings. For pricing, see our catalog or visit [www.taxtools.com](http://www.taxtools.com).

## 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 from CFS, you know your forms will be compatible with CFS software. Our tax return supplies are also competitively priced and come in a wide variety of styles and colors.

Order from our supplies catalog or online at [www.taxtools.com](http://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.

## TAX QUOTABLE

"Blessed are the young, for they shall inherit the national debt."

—Herbert Hoover

## WHAT'S INSIDE...

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# WHAT'S NEW AT



## NEW MODULES ADDED TO TAXTOOLS

## NEW PROGRAM— CFS LIVEPAYROLL

Recent changes in the economy, tax law, and IRS procedures have prompted us to create several new modules for *CFS TaxTools* to deal with new issues facing taxpayers.

### Home Loan Tracing Worksheet

We have begun to see a trend for the IRS to target deductible home mortgage interest. This can be a problem when taxpayers have not adequately traced the use of refinanced mortgage funds over the time they have owned their home. Funds from mortgages may have been used for a variety of purposes—trade or business, investment, etc.—and tax practitioners may have trouble reconstructing the use of multiple home mortgage loans over time.

We have added a *Home Loan Tracing Worksheet* to *TaxTools 2008* to assist the tax practitioner in tracing the use of funds from multiple mortgages secured by a qualified home. A loan history is created, beginning with the original purchase loan and continuing through additional loans and refinancing, and a running balance of the use of funds is calculated based on the methods described in IRS Publications 936 and 535. Payments on mixed-use loans are applied in the following order: personal debt, home equity debt, grandfathered debt, acquisition debt, investment debt, and trade or business debt. The resulting allocated balances can then be used in conjunction with the *Qualified Loan Limit, Deductible Mortgage/AMT Interest Limits* module to calculate deductible interest limits for a particular year.

### Cancellation of Debt Worksheets

Due to the recent housing foreclosure crisis, another issue we are seeing is that many taxpayers are experiencing cancellation of mortgage debt, which may result in unexpected income. However, there are

often ways of excluding cancellation of debt (“COD”) income from a taxpayer’s reportable income. One provision of Code Section 108, for example, states that COD is not income to the extent that the taxpayer was insolvent immediately prior to the event. Also, recent legislation has provided a new exclusion for qualified principle residence debt cancellation.

Two worksheets have been added to *TaxTools 2008* dealing with these two types of COD income exclusion: *Cancellation of Debt - Insolvency*, which determines whether a taxpayer was insolvent prior to COD, and *Cancellation of Debt - Qualified Principal Residence Indebtedness*, which determines how much COD can be excluded using the new provisions in the Mortgage Relief Act. These two worksheets will assist the tax practitioner in determining if cancellation of debt income from the sale or foreclosure of a client’s home can be excluded from income.

If you have *TaxTools 2008*, make sure you have downloaded the latest update so that you have access to these invaluable new modules. If your software is not configured to automatically download updates, you can update from within the program by selecting “Update from the Web” from the “Internet Options” menu. Or you can download from our updates page by going to [www.taxtools.com](http://www.taxtools.com) and clicking on “Software Updates” under “Quick Links.”

If you don’t have *TaxTools 2008*, take advantage of our after-tax-season special and order *TaxTools 2008* and *TaxTools 2009* for the price of one year!

**TaxTools Special: '08 & '09..... \$189<sup>00</sup>**  
 annual renewal..... \$149<sup>00</sup>  
 network upgrade..... add \$150<sup>00</sup>

Our newest program, *CFS LivePayroll*, is a full-up payroll program for calculating payroll, printing paychecks, and filing all required tax forms. *LivePayroll* allows you to—

- Process live payroll or enter paychecks after-the-fact;
- Enter payroll data on a daily, quarterly, monthly, or paycheck basis;
- Automatically calculate wages based on the employee’s annual salary or hours worked and hourly rate, federal withholding, state withholding, local withholding, Social Security, Medicare, and other payroll deductions;
- Customize income, tax, and deduction items for each employer;
- Print paychecks on preprinted checks, as pay stubs, or on blank check stock using MICR font—a \$139 value included at no charge;
- Produce payroll for an unlimited number of employers with an unlimited number of employees;
- Import QuickBooks® after-the-fact paycheck data to save data entry time;
- Track workers’ compensation and create reports—

Using the same intuitive, easy-to-use interface as other CFS programs!

**CFS LivePayroll ..... \$299<sup>00</sup>**  
 annual renewal..... \$289<sup>00</sup>  
 upgrade for 941/940 users .. \$190<sup>00</sup>  
 network upgrade (covers all  
 Payroll System programs) ..... add \$125<sup>00</sup>

**Special offer:** Renew any CFS software title by October 31st, and get *CFS LivePayroll 2008* FREE! See **Page 1** for details.

## AFTER-SEASON 2-FOR-1 SPECIALS



CFS is currently offering after-tax-season 2-for-1 specials on the following programs.

**CFS TaxTools**—over 300 tax-planning, retirement, and financial utilities, forms, and flowcharts:

|                              |                     |
|------------------------------|---------------------|
| TaxTools '08 & '09 .....     | \$189 <sup>00</sup> |
| Annual renewal.....          | \$149 <sup>00</sup> |
| Annual network upgrade ..add | \$150 <sup>00</sup> |

**CFS W4 Calculator**—great for adjusting payroll withholding throughout the year:

|                                |                    |
|--------------------------------|--------------------|
| W4 Calculator '08 & '09.....   | \$89 <sup>00</sup> |
| Annual renewal.....            | \$49 <sup>00</sup> |
| Annual network upgrade ....add | \$50 <sup>00</sup> |

**CFS Quick Reference Guide**—tables, charts, and other important information, in a powerful searchable format:

|   |                    |
|---|--------------------|
| Quick Reference Guide<br>'08 & '09..... | \$39 <sup>00</sup> |
| Annual renewal.....                     | \$29 <sup>00</sup> |
| Annual network upgrade ....add          | \$50 <sup>00</sup> |

**CFS CA 571 Preparer**—prepares and prints California Business and Agricultural Property Statements:

|                                |                    |
|--------------------------------|--------------------|
| CA 571 Preparer '08 & '09..... | \$99 <sup>00</sup> |
| Annual renewal.....            | \$79 <sup>00</sup> |
| Annual network upgrade ....add | \$50 <sup>00</sup> |

**CFS MD Personal Property**—prepares and prints Maryland Personal Property Returns:

|  |                     |
|--|---------------------|
| MD Personal Property<br>'08 & '09..... | \$179 <sup>00</sup> |
| Annual renewal.....                    | \$139 <sup>00</sup> |
| Annual network upgrade ....add         | \$50 <sup>00</sup>  |

**CFS Financial Planning Tools**—comprehensive **Financial Planner**, plus over 100 forms, worksheets, flowcharts, and calculators:

|  |                     |
|--|---------------------|
| Financial Planning Tools<br>'08 & '09..... | \$550 <sup>00</sup> |
| Annual renewal.....                        | \$299 <sup>00</sup> |
| Annual network upgrade ..add               | \$100 <sup>00</sup> |

## REMINDERS...

### Shipping Policy

We have added a “no CD” option for customers who wish to save on shipping by downloading all of their CFS programs from the Internet. CFS customers can now choose from the following shipping options:

1. Receive the initial release of each program on CD and download all updates for **\$7 per order**.
2. Receive the initial release and all significant updates on CD for **\$25 per year**.
3. Download the program and all updates: **no CDs = no shipping charge**.

There are exceptions to this policy. Users of the CD versions of *Fill-N-Print Tax Forms* or *Tax Research* do not have a choice of shipping options, as they must receive several scheduled CD shipments.

Also, due to the number of updates required, users of *NY Sales Tax Preparer* **must** download all updates from the Internet, and therefore cannot choose option two.

California customers will receive an added benefit by choosing the third option. There is no sales tax on programs downloaded from the Internet!

### Don't forget to download and install your software!

Remember—if you requested the “no CD” shipping option (see *Shipping Policy*, above), you will not receive a CD, so don't forget to download and install your purchased CFS software!

Make sure we have your current e-mail address and our e-mails are not being blocked by your spam blocker, so that we can remind you about updates.

You can also stay informed of updates by periodically checking the “News & Updates” section of our web site at [www.taxtools.com](http://www.taxtools.com).

### 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](http://www.taxtools.com) by clicking on **License Code** under **Quick Links**. You will need to log in to your **MyCFS** account.

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.**

### MyCFS

Your *MyCFS* account allows you to shop securely at our online store, as well as giving you secure access to your personal customer information.

You can view your order history and renewal information, update your firm name or address, look up license codes, and see if you have early renewal vouchers to apply. Your *MyCFS* account is also the key to accessing *CFS Tax Research Online*.

If you don't have a *MyCFS* account, it's easy to register. Just go to [www.taxtools.com](http://www.taxtools.com) and click on **Create Account** under the **MyCFS** menu. You will need to provide a valid e-mail address and a password.

### Instructional Videos

Don't forget to check out our free online *Instructional Videos*, available from the **Support** menu on our web site or from a link in the Help menu of most CFS programs.

You will find several brief videos to help you with specific tasks, including downloading software, using our *Online Tax Research* site, and getting the most out of *CFS Payroll System*—including our new *LivePayroll* program.

## WHAT CAN YOU FIND AT TAXTOOLS COM?

At [www.taxtools.com](http://www.taxtools.com), you'll find all kinds of useful information, including...

### 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** or get live **Chat Support** from a technician. Under the **Support** menu, click on **Technical Support**.

### Forums...

Looking for an answer to a tax- or software-related question? You may find an answer—or be able to answer someone else's question—in one of our discussion forums. Click on **Forums** on the menu bar.

### 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**.

### MyCFS...

Your **MyCFS** account allows you to shop securely at our online store **and** gives you secure access to your personal customer information, including: Renewal Notice, Order History, Package Tracking, License Codes, and Vouchers. Select these options and others from the **MyCFS** menu.

### 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 **Show Listing** on the menu bar.

### More...

At [www.taxtools.com](http://www.taxtools.com), you will also find product descriptions, customer comments, instructional videos, news, links, downloadable program demos, and more!

## CFS POLICIES AND DISCLAIMERS

### Return/Refund Policy

Software and tax supplies returns will be accepted no later than 30 days from receipt of item(s). All tax year forms/envelopes must be returned sealed and unused within 30 days of receipt, but no later than December 15th of the same tax year. All refunds will be paid less shipping charges.

Shipping damage must be reported directly to the carrier as soon as possible (no more than 10 days).

### 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 CD versions of Tax Research or Fill-N-Print Tax Forms, 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 Fill-N-Print.

### Financial Planning Tools 2008

The 2008 program will function through May 31, 2009. To use the program after that date, you must order the 2009 program. The 2008 and 2009 programs may be purchased together for a special discount price of \$550.

### Quick Reference Guide

The content of this program is included in CFS Tax Research. It is also available as a stand-alone program for \$39.00 for first-time users and \$29.00 for renewals.

