



# SOFTWARE NEWS

A Newsletter from CFS Tax Software, Inc.

Fall 2009

## LAST CHANCE FOR EARLY RENEWAL!

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 2009 version of *CFS W4 Calculator* or *Tax Corresponder*, **FREE!**\*

*CFS W4 Calculator* will help you calculate the correct number of W4 and DE 4 allowances for your clients, and *Tax Corresponder* includes hundreds of time-saving, customizable tax correspondence templates. (For more information on these two useful programs, see **Page 2**.)



**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.

## LAST CHANCE FOR SUPPLIES DISCOUNT!

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 come in a wide variety of styles and colors. The *Label/Envelope Maker* in CFS programs will print slipsheets to match all of the tax return folders and envelopes we sell.

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

## W2/1099 & PAYROLL CORRECTOR

*W2/1099 Payroll System* and *Payroll Corrector* are currently available for download at *TaxTools.com*.

If you renewed *W2/1099* by May 31st, you will receive a **free forms starter kit** by mail. You will receive a software CD by mail if you chose to pay for shipping when you ordered the program.

## 941c AND 941-X

Form 941c is now obsolete, replaced by Form 941-X. An early version of Form 941-X, included in *Payroll Corrector 2008*, is also now obsolete.

**You must use the current version of Form 941-X to correct Forms 941.** The current version of Form 941-X is included in *Payroll Corrector* beginning with the 2009 version. *Payroll Corrector* also includes Forms 943-X, 944-X, 945-X, W-2c, W-3c, and state correction forms for California and New York.

## TAX QUOTABLE

"The less people know about how sausages and laws are made, the better they'll sleep at night."

—Otto von Bismarck

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# WHAT'S NEW AT



## CONSENT LETTERS AND TAX CORRESPONDER

On January 1, 2009, new regulations became effective under IRC Sec. 7216 regarding the disclosure and use of tax return information by preparers. The intent was to curtail targeted marketing of extra products to a taxpayer using information obtained to prepare the tax return. Questionable practices by tax preparation firms, including marketing refund anticipation loans, IRA's, mortgage financing and other services, led to these changes.

The new regulations lay out strict rules regarding the wording consents must contain, when and how a client's consent may be obtained, and how long the consent may remain in effect. Violations of these Section 7216 rules may result in a criminal fine of \$1,000 or up to a year in jail.

The new regulations deal with two types of consent: "consent to disclose" and "consent to use." The "consent to disclose" involves restrictions on the release of tax return information to third parties. Specific language and content must be used in formulating consent to disclose statements. The new regulations address these new specifications.

The more controversial section of the new regulations concerns the "consent to use." Rev. Proc. 2008-35 specifies what the consent to use must say: "Unless authorized by law, we cannot use, without your consent, your tax return information for purposes other than the preparation and filing of your tax return."

This restrictive language has caused much debate. Does it mean the tax preparer cannot offer such services as year-end tax planning, W-4 planning, or required minimum IRA distribution calculations without a signed consent?

We have been in contact with the IRS Chief Counsel's Office as well as several prominent seminar instructors in an attempt to clarify this issue, and we have found opinion to be divided.

The opinion of some experts (and the unofficial opinion of the IRS) is that the above services are included as part of the overall tax preparation process and, as such, do not require consent. These experts believe that in most cases the "consent to disclose" is all that is required, and only when releasing information to third parties, such as for a bank loan.

However, others recommend a more conservative interpretation of the regulations and suggest tax preparers obtain a signed "consent to use" from all of their clients. This would offer some protection against disgruntled ex-clients, clients who lose money on investments recommended by the tax preparer, and other such unforeseen circumstances.

For those who wish to take the more conservative approach, we have added a standard "Consent to Use" document to *CFS Tax Corresponder*. "Consent to Disclose" letters for several different purposes were added in an update earlier this year. All consents conform to the requirements of Rev. Proc. 2008-35 and Treas. Reg. Section 301.7216.

<i>CFS Tax Corresponder</i> .....	\$49 <sup>00</sup>
annual renewal.....	\$39 <sup>00</sup>
network upgrade.....	\$50 <sup>00</sup>

## WITHHOLDING AND W4 CALCULATOR

The following provisions of the *American Recovery & Reinvestment Act of 2009* may affect your clients' withholding:

- Making Work Pay Credit
- First-time Homebuyer Credit
- Increased Earned Income Credit
- Increased Deductions for Sales Taxes on Car Purchases

For example, for married couples who both work (subject to a \$150K-190K phaseout), total withholding may decrease by up to \$1,600. However, their total Making Work Pay credit is only \$800. You may need to adjust the number of withholding allowances to ensure that they are not underwithheld.

In addition, California has drastically cut exemption credits for dependents, and California taxpayers will see their state withholding increased this fall as a result of recent budget legislation.

*CFS W4 Calculator*, updated for all recent tax law changes, will accurately calculate the correct number of federal and California withholding allowances to ensure that your clients are not over- or under-withheld.

If you own *CFS W4 Calculator*, now is the time to use it—if not, now is the time to buy it!

<i>CFS W4 Calculator</i> .....	\$89 <sup>00</sup>
annual renewal.....	\$49 <sup>00</sup>
network upgrade.....	\$50 <sup>00</sup>

**Renew your CFS software by October 31st  
and receive the 2009 version of either  
Tax Corresponder or W4 Calculator FREE!**

## 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 '09 & '10 .....	\$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 '09 & '10.....	\$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 '09 & '10.....	\$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 '09 & '10.....	\$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 '09 & '10.....	\$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 '09 & '10.....	\$550 <sup>00</sup>
Annual renewal.....	\$299 <sup>00</sup>
Annual network upgrade ..add	\$100 <sup>00</sup>

## REMINDERS...

### Shipping Policy

Our shipping policy allows customers to choose from the following three 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**.

By choosing option three, you will not only save money on shipping, you will also have immediate access to your software. California customers receive the added benefit of not paying sales tax on programs downloaded from the Internet.

There are some exceptions to the shipping 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 large number of updates required, users of *NY Sales Tax Preparer* **must** download all updates from the Internet, and therefore cannot choose option two.

### 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 *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** or **LivePayroll**—you may need to enter a **new license code**.

Your license code is printed on your receipt. You can also look it up at *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 *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

Have you checked out our free online *Instructional Videos*? They are available from the **Support** menu at *TaxTools.com* or from a link in the Help menu of most CFS programs.

Several brief videos are posted 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 *LivePayroll*.

# WHAT CAN YOU FIND AT TAXTOOLS.COM?

At *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 *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 14 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 2009

The 2009 program will function through May 31, 2010. To use the program after that date, you must order the 2010 program. The 2009 and 2010 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.

