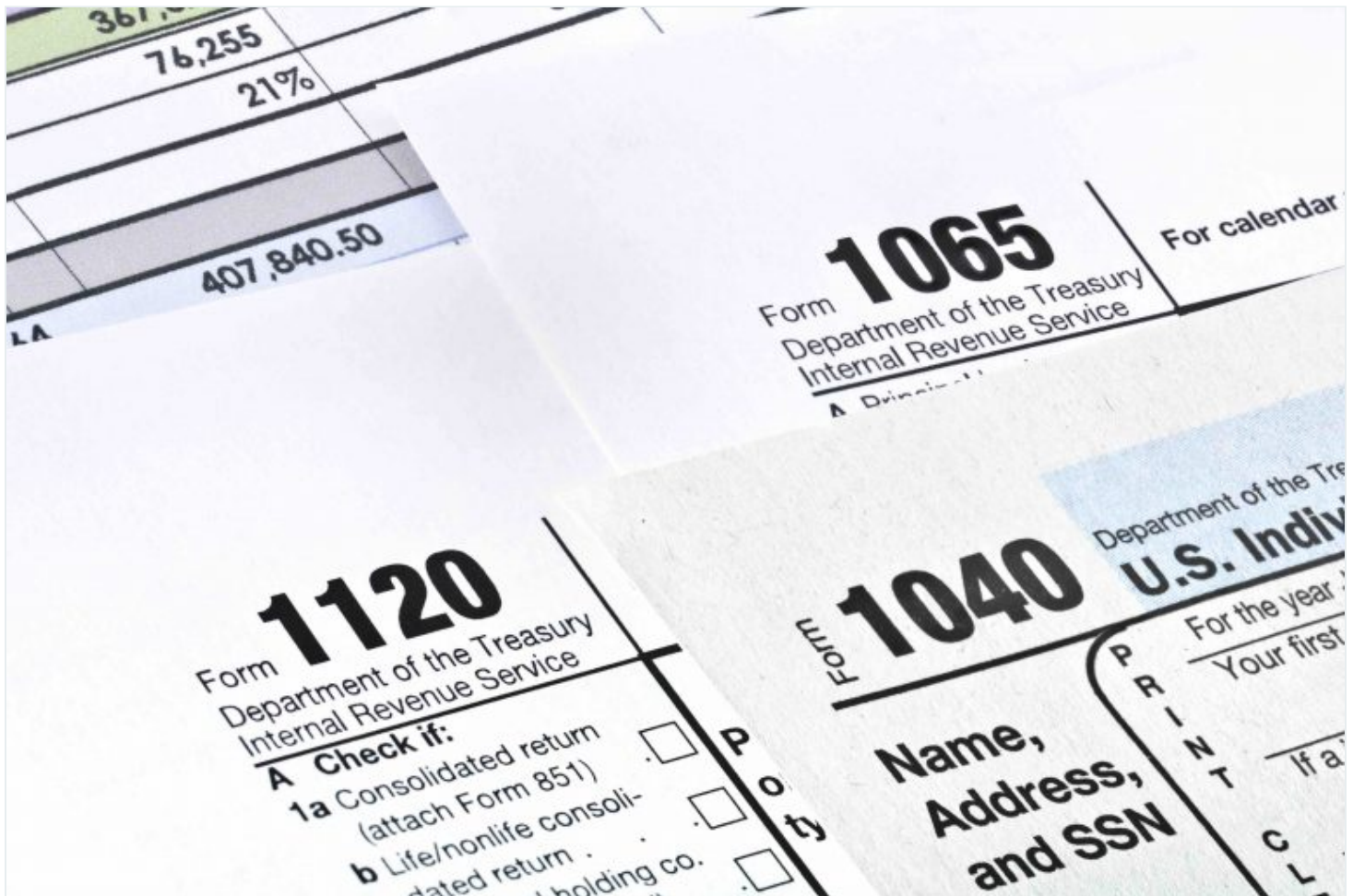


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prior years, we separated the reviews into two broad categories – Advanced Workflow and Traditional Workflow.

Steven M. Phelan • Apr. 17, 2015



Well, we survived another tax season! This one was as difficult as any other was, but still distinctive in its own way. This year, of course, the Affordable Care Act was in full effect, which added a number of challenges to both clients and tax practitioners. We also had a number of tax benefits extended on December 19, 2014 through the Tax Increase Prevention Act. Though it was somewhat expected, it did put a wrinkle in the first eleven months of 2014 tax planning.

As we look forward to tax year 2015, the majority of the extended benefits have

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workflow solutions typically have stronger review and collaboration tools, as multiple users touch returns. Advanced workflow solutions are typically reserved for larger organizations, but smaller organizations may benefit from the increased functionality. Traditional workflow solutions are much simpler in feature sets and generally focus on practitioners pushing a large volume of returns each year.

A couple of new trends for the current year releases are the rise of electronic signatures and electronic filing enhancements. Beginning March 11, 2014, the IRS allows clients to sign Form 8878 and Form 8879 electronically. Full guidance on this change is available through Publication 1345 on the IRS website. Due to this change, many tax vendors recently introduced add-on options to integrate this capability into their software offerings. This new capability will assuredly save tax practitioner time in tracking client signature forms.

As the electronic filing requirement is now in place for most tax practitioners, vendors are putting development efforts to the electronic filing modules. Many tasks are becoming more automated, such as notifying clients (and sometimes the actual preparer) of return acceptance by the IRS and state tax jurisdictions. Enhancements to modules also include a host of new report and tracking options greatly reducing time.

Data import continues to be on the forefront of vendors' minds and clever import automation is starting to appear. Although each vendor views data import differently, most tax practitioners may utilize simple tools to reduce and in some cases eliminate data entry.

Gone are the days where the only import options were from accounting solutions within the vendor suite lineup or through Microsoft Excel. Now vendors are teaming up with third parties or developing their own in-house solutions to allow electronic documents to convert directly to import data files. With technology advances, this

information converts to useable data within an hour or two by a third party

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similar features to desktop solutions and are able to process nearly any return type. The traditional workflow cloud solutions, however, were a little light on capabilities and focus mostly on processing large volumes of simple individual tax returns.

Tax portals are still not fully defined and consistent across vendors. Some are relying on them for simply housing client documents or workpapers, while others are creating interactive points within them. With the new guidance on electronic signatures, this is surely an integration point most vendors will feature in the coming year or two.

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