Apr. 17, 2008

From the April/May 2008 Review
of Tax Compliance Suites

ProSystem *fx* Tax is one of the premier professional compliance systems, providing support for all entities with income or annual reporting requirements for state, federal and municipal jurisdictions. It also provides the benefits of the ProSystem *fx* Office, a full suite of related tax, accounting and firm management programs. The comprehensive tax system offers advanced features and calculation capabilities, giving it the ability to process the most complex returns and interrelated returns, along with analysis and productivity tools. ProSystem *fx* Tax, with a four-user license with all states and all possible entities (1040, 1041, 1065, 1120, 1120S, 990, 706, 709, 5500), would cost about $10,000, although since each of the entities and states are available in modules and bundles, most firms can meet their needs for considerably less than that cost.

The system and individual modules can also be used on a pay-per-return basis. Other programs in the ProSystem *fx* Office family include options for write-up, trial balance, tax planning, practice management, engagement, sales and use tax, document management, research, asset management and portfolio management.
Options are also available for remote access to the tax system and for outsourcing return preparation.

General Operations/ Ease-of-Use — 4 Stars
ProSystem *fx* Tax provides an intuitive, centralized interface from which users can access all of the system's modules. The interface can

be customized to user preferences and access rights, with the primary work area

directly onto form replicas. In the interview mode, the program divides data entry into tabbed screens based on information categories, which include General, Income/Deductions, Taxes, Payments/Penalties, Credits and Other. Navigation through data-entry screens is intuitive and ProSystem *fx* Tax utilizes smart entry features and selection lists to speed entry of common items.

All data is automatically calculated when the user selects the Calc Return button, with calculations transferred as necessary between worksheets and forms and related returns. Users have easy, drilldown access to the source of calculated entries. New for TY2007, CCH has added streamlined input forms to speed entry from source documents. These include a consolidated 1099 form, a look-alike 1098 input form, and facsimiles of 1098-T and 1099-Q. A new Organizer checklist is also included, providing a simplified alternative to the traditional organizer and easing the process for clients.

Workflow & Productivity Tools — 5 Stars
With CCH offering programs designed for virtually every aspect of a professional accounting and tax practice, one of the core productivity benefits in ProSystem *fx* Tax is its integration with all of these other programs. With data flowing automatically between most of the various applications, full-service practices will realize considerable time savings and help prevent data errors.

As part of its customization options, the program provides due-date monitoring and personalized To Do lists for each of the staff and, for management, enables restriction of access to client returns to specific users. An audit trail is also available, tracking all activity within client returns. Also available is a built-in client management center that maintains profiles of all clients, automatically updating all client documents. An optional Tax Notebook provides

an electronic organizer that enables client-professional collaboration for entering

Electronic
Filing Status System that provides a centralized location for managing e-file issues, from checking status and acknowledgements, to return release and stop-processing
functions.

Among ProSystem *fx* Tax's other notable features is the ability to import Schedule D, K-1 and state apportionment data from Excel spreadsheets, as well as an enhanced import wizard that simplifies the task of mapping imported data to the appropriate fields on a worksheet grid. This wizard saves these settings for future use, saving considerable time spent locating and manually entering data into the tax program. For firms renewing ProSystem *fx* Tax, the system automatically moves proforma data into the latest tax year. ProSystem *fx* Scan is also worth noting here, since it lets a professional scan client W-2s, K-1s, 1099s and other documents and then automatically identifies the type of document and creates a bookmarked PDF of it. CCH has rolled out an auto scan and fill system for its small practice tax preparation brands (ATX and TaxWise), and will likely release a similar product for ProSystem *fx* Tax in the coming year.

Integration/ Import & Export — 5 Stars
All information is transferred throughout the modules seamlessly, including between parent/child returns and pass-through K-1 data. The program also provides great integration between the other ProSystem *fx* Office products, and can import and export from/to Excel spreadsheets. As well, it can retrieve some data from investment management programs such as GainsKeeper Pro. Returns and reports can also be generated as PDF documents, which can be stored electronically or managed using ProSystem *fx* Document. Since CCH is an acclaimed producer of original tax research and analysis, having built-in access to this material

is a valuable asset, providing subscribers with line-by-line insight and guidance

while live technical support is included in the pricing.

Relative Value — 5 Stars
ProSystem *fx* Tax provides extensive integration within the ProSystem *fx* Office suite of accounting and tax programs, and it has the ability to handle the most complex returns and taxation issues. The system's in-form linked access to CCH research materials is a powerful benefit, as are its diagnostic and review processes, making it ideal for firms whose clients have more diverse tax situations.

2008 Overall Rating: 5 Stars