Dec. 01, 2008

*From the April/May 2007 Review
of Professional Tax Preparation Systems*

TaxWise, as well as ATX/Kleinrock, was acquired late last year by CCH Incorporated, the maker of the ProSystem *fx* brand of tax and accounting applications. The company has noted that TaxWise and ATX will continue as tax preparation software lines for the small and mid-market, with these two "power brands" being operated from a new business unit. These acquisitions provide CCH with broad market coverage that essentially increased its user base threefold. A variety of bundled versions of the TaxWise system are available, including packages focused on 1040, business entities, full compliance and pay-per-return pricing, with support available for all taxing states and Puerto Rico. Trial balance, fixed asset management, write-up and other associated programs are also available, as is integration with CCH tax research platforms. The $2,295 TaxWise Power Package is reviewed here, offering preparation and filing capabilities for 1040, 1120, 1120S, 1065, 1041, 706, 709, 990 and 5500, with all states and unlimited e-filing included. All client organizers and interview forms are included in both English and Spanish.

Learning Curve — 4.5 Stars
TaxWise has retained its primary workspace, with the system opening to the master work window, which initially provides a login panel. A subwindow also appears, slowing the user to select the tax module (1040, 1041, 1120, etc.) in which he or she wishes to work. The primary workspace prominently houses an automatically created linked list of "Tasks You Do Most Often" that is customized to the user, along with a menu for accessing incomplete tasks, communication tools, an appointment

manager and other features. The screen includes several buttons for tasks such

instructions and guidance appearing in a panel below the form or worksheet and a folder tree menu on the left, which allows users to quickly see what forms, schedules and worksheets are included with the return, with one-click access to them. This folder tree also uses checkmarks and other tags to display complete and incomplete forms.

A Refund Monitor keeps the client's AGI and Refund/Due amount on-screen at all times. New forms can easily be added by selecting the option from a tab or from a comprehensive forms list available from one of the system's pull-down menus, or the user can opt to use the program's numerous hot key shortcuts for functions. The system offers generally intuitive navigation and very useful assistance features that should ease both new and seasoned preparers. Numerous forms and the client organizers are available in English and Spanish, as is the preparer interface.

Use/Workflow & Productivity Tools — 4 Stars
TaxWise includes user-level security features that restrict access to client returns and allow practices to group clients, resulting in client selection lists that only display and allow access to clients with whom a preparer has rights to work. Within client returns, data automatically flows as needed between forms and associated documents, including K-1 pass-throughs and parent-child returns. It uses color coding to show which data has been calculated, transferred or overridden. The preparer can also jump to associated worksheets and schedules from fields on the primary form. Users can also create custom links from any field or attach notes or comments as needed. TaxWise also includes many "smart list" selection fields that allow the user to select common information from automatically built lists, such as EIN, city and state, as well as a ZIP Code database that fills in all city and state information after entering a postal code.

If using a TaxWise-based website, which is free to all its users, the built-in

data.

TaxWise includes many workflow tools geared toward commercial preparers, including extensive bank options and also the CashWise card, which is an alternative to RALs and IRALs, offering unbanked clients a way to receive their refund on a debit card. This function can be used whether or not the client uses a loan product. TaxWise users also have access to marketing tools such as posters and advertisements that can be customized for their local market and practice. The TaxWise system can also be opened more than once on a computer at the same time, allowing a preparer who is working within a return to easily open another client without closing the first. This feature can also be useful when preparing treatments or parent-child returns and, if utilizing dual monitors, the returns can be viewed side-by-side.

Integration/Import & Export — 4 Stars
Calculations are performed in real-time as data is entered and flows as needed within a return and between associated returns. The program supports printing to PDF and can house scanned-in documents, while integration with the TaxWise Trial Balance and Asset Management systems is also available. As part of the new CCH division, TaxWise developers have greatly expanded resources, and the company has announced plans to offer a variety of accounting programs starting this spring, including Client Write-Up, Payroll and a new scanning program. The new TaxWise line of accounting programs are being built specifically for the small and mid-sized market, and the company states that pricing will be consistent with this customer base, as well. TaxWise also imports from many third-party accounting applications, and free data conversion is available. The program does not integrate tax research into the system, but CCH and BNA research options are available as a standalone.

Support/Training & Help System — 5 Stars

Relative Value — 4 Stars

TaxWise is ideally suited to high-volume and multi-location tax preparation operations that need an easy-to-use system with streamlined workflow processes that help them serve clients as efficiently as possible. While the program incorporates
functions such as data pass-through and other features that may be attractive
to any firm, its best fit is with tax practices whose clients generally have
less-complex returns. Further benefits for these firms can be found in its variety
of bank programs, bilingual options, and its simplicity for new and temp staff.

2007 Overall Rating — 4.5 Stars

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.