CPA
Practice **Advisor**

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Most firms reported a very smooth and profitable tax season this year. I hope your firm had this type of experience. We believe that current tax preparation software is sophisticated, does most of the job correctly, and accommodates many oddities of state and local tax. Not everything is perfect, but the products are very stable and comprehensive from the high end down to the low end.

Other automation tools, like the 1040 Workpaper organization products that can scan, organize and enter the data have improved notably during this year. Again, not all is perfect, but it is clear that the products have made notable progress over the last few years. Finally, I believe it is important that you keep your tax practitioners working, no matter what, from a technology perspective. As you have done your debriefing or post mortem sessions on how the tax season went, I'm sure you will look for improvements in the off-season. This month, we will highlight how tax technology has improved and where to look for more productivity gains.

CCH, a Wolters Kluwer business (tax.cchgroup.com)
— CCH has a leading tax preparation product, 1040 workpaper automation, tax research, as well as engagement and document management. CCH works hard to achieve a "best of class" rating in each category of product. ProSystem *fx* Tax handles most complex tax situations, has innovated with schedule import via Excel and tried to accelerate entry through the worksheet view. CCH has a hosted version of ProSystem *fx* Tax called Global *fx*. We know of situations this tax year where a firm was running ProSystem *fx* Tax in-house, had a disaster, and then converted to hosted Global *fx*.

The big new news from CCH this year is their tax research, IntelliConnect.

verification
of this extracted information and allows for real-time import of verified 1040 information directly into ProSystem *fx* Tax.

On the front end, you can use CCH's ProSystem *fx* Engagement
to import QuickBooks and other accounting information, process business trial balances, and export the tax information into ProSystem *fx* Tax. On
the back end, you can keep the organized 1040 Workpaper, final tax return and other supporting files in ProSystem *fx* Document. You can publish this information to your clients with the CCH Document Portal.

Thomson Reuters (cs.thomsonreuters.com)
— Thomson Reuters provided upgrades across all of its tax and portal products, as well, including the ability to handle 1040 workpapers at either the high end with GoSystem Tax RS or in the smaller practice with UltraTax CS. UltraTax CS remains one of the easier to use products, with more and more features added to the product that allow you to handle ever increasing complexity in tax returns. GoSystem Tax RS is a completely hosted tax application that can handle sophisticated
tax returns, all delivered through a web browser. A key feature of this product is allowing multiple people to work on the same return at the same time. Thomson Reuters has made 1040 workpaper sorting available for both UltraTax CS and GoSystem
Tax RS with UltraTax CS Source Data Entry and ScanFlow and TaxSort respectively.

Thomson Reuters has been a source of tax information with its RIA division
for many years. The vendor's publication divisions provide integrated advisement for tax, audit and other client-facing services.

On the front end, the Engagement CS product has a very seamless interface

— SurePrep has provided 1040 workpaper automation for a number of years through multiple products. 1040Scan is its fully automated product, but the vendor also has offerings from outsourcing to light workpaper organization. Outsource lite, Outsource, SurePrep Express, SurePrep Express lite as well as other products round out the vendor's product offerings.

This product has the most complete automated 1040 workpaper scan, collate, organize and entry capability today. It interfaces with GoSystem Tax RS, CCH ProSystem fx Tax and Lacerte. The recognition of brokerage statements and other supporting documents is another key attribute of this product.

Copanion GruntWorx (copanion.com)
— Any size firm can afford 1040 workpaper automation with the pricing model from Copanion. At $5 per return, and the ability to try 5 returns for free, this Software as a Service (SaaS) product provides scanning and organization
to workpapers. The Pro version of the product interfaces the data into GoSystem Tax RS. If you are considering 1040 workpaper automation, this product is a low-cost option.

A key caution if you choose to use 1040 workpaper automation: You need to review your procedures and make sure that you use trained clerical people to make the initial pass at the tax documents. You do not want to unnecessarily use a tax preparer's or practitioner's time. Optical Character Recognition (OCR) is not perfect, and not every form will get classified accurately. Names are not always reported or entered the same, for example with abbreviations, and a person still needs to make some of the decisions for organization.

XCM Workflow (xcmsolutions.com)
— One of the great last frontiers for productivity is workflow

automation. There are three products for tax and accounting firms, and XCM can

is an in-house appliance-based backup that can copy any or all data in an organization
every 15 minutes and then back that data up off-site. If a major failure occurs
on a server, that server can be restarted on the appliance. And for those large-scale
failures, remember that Agility Recovery Solutions (AgilityRecovery.com)
covers the four key recovery elements within 48 hours of any interruption: power,
technology (computers and phones), space and connectivity.

We still recommend two to three monitors for tax practitioners on desktop
PCs. There are many technologies to help your tax practice and to make those
constrained people resources more productive. Make sure you pick one this year
and implement it well!

Technology