**RedGear Technologies — TaxWorks**

**www.taxworks.com**

**800-230-2322**

**Best Fit:** 1040-focused tax offices with occasional need for additional entities, particularly those wishing to offer integrated bank products, with bilingual options and remote data entry capabilities.

**Strengths**

- Integrated support for bank products
- Client communication templates and e-mail integration
- Digital client tax organizers
- Data import from multiple accounting systems
- Built-in invoicing, AR and scheduling
- Bilingual option
- Optional tax planner and document management modules

**Potential Limitations**

- No client portals or file sharing

- Lacks tax automation tools (scan and populate)

Optional add-on modules include the ArkWorks paperless document management system and a fully-featured tax planner.

**Core Product Functions/Features**

TaxWorks is offered in individual tax entity components, or in bundles that range from a 1040-only (with states) system, to the most comprehensive TaxWorks Platinum, which includes 1040, 1041, 1065, 1120, 1120S, all states, the tax planner and document management, with unlimited e-filing. The program supports multi-state taxpayer reporting associated with a single 1040. Additional tax compliance options are available for forms 706, 709, 990 and 5500.

The program's primary workspace allows users to easily navigate between core system areas, such as client lists, asset management, e-file management tools, firm management functions, forms, diagnostics and add-on modules, along with system settings, alerts and help. Preparers can also quickly move between federal and state forms, or switch to a detailed view. The system's client selection screens allow users to bring up tabbed lists based on individual or business entity type, and then to further refine searches by client ID or folder location, and to sort by name, SSN or multiple other data options. When creating new clients, users have the option to mask taxpayer IDs on all screens and reporting.

When working on a client return, TaxWorks opens a new window that displays a form replica work area in the main part of the screen, with form selection menu and search options on the left. A return summary view shows live data for items such as

AGI, deductions, exemptions, EIC and refund or amount due. An additional screen

worksheets, as well as accessing customizable client letters, invoices and email functions.

The system includes the latest AMT rules and has an EIC due diligence checklist, and supports dependent income reporting. Preparers can quickly perform comparisons of MFJ vs. MFS.

**Paperless Workflow**

The primary paperless capabilities in TaxWorks include unlimited e-filing, and printing of client returns and communications to PDF format. Additional tools are available in the optional document management system, which includes full encryption of stored files, PDF annotation tools, customizable filing options, document searching, integrated email functions and automated document retention management. The ArkWorks system integrates directly with, and is accessible from within, TaxWorks.

TaxWorks does not offer automated digital workpaper tools for creation of bookmarked PDFs from scanned in documents, but preparers can use third party tools for this process. Likewise, client portals are not offered, but third party professional file sharing services can be used to collaborate with clients, and the built-in client letters and email organizers can be useful. Security features in the tax compliance system include user-specific security settings, return locking and password protection of client folders.

Tax Planner tools integrate directly with the tax package, and e-mail functions in the program can be used with Outlook, Outlook Express or most web-based email utilities.

TaxWorks also offers excellent import options that can pull client data from Excel, QuickBooks, Quicken, EasyAcct and CSV formatted files, as well as from the maker of TaxWorks own RedGear Accounting solution. The company also offers free prior year conversion of data from other professional tax systems. For bank products and services, TaxWorks has built-in tools that work with Santa Barbara Tax Products Group and Republic Bank, allowing preparers to offer RALs, refund transfers and pre-paid debit cards. Firms can also have their preparation fees directly withheld from client returns using the FeeDirect system.

For tax research beyond forms instructions and basic help, the TaxWorks Institute is included with the program, providing an online knowledgebase of primary source documents, explanations of recent tax issues and other features. Preparers can also receive live research assistance on a per-use pricing basis.

**Help/Support**

The program provides a variety of right-click menu options that make it easy to access form directions, help and other tools, such as training videos, manuals and tutorials. The online TaxWorks support center also offers additional videos, an online knowledgebase and access to the research functions. The company hosts live webinars and firms can also opt more CPE-eligible live training.

**Summary & Pricing**

TaxWorks is very easy to learn and use, and is affordably priced, making it an excellent option for firms that ramp up with seasonal staff or add retail locations during tax season. The program's built-in and optional features offer a comprehensive tax practice management solution, with the ability to prepare returns for all entity types and unlimited e-filing, along with tax planning, document management and asset management capabilities.

The three primary bundles of the program are the 1040-only TaxWorks Silver, priced at $1,995 for new users; the Gold package, with individual and business entities, plus tax planning and document management, for $2,495 for new users; and the $2,995 Platinum package, which includes all of the standard and optional compliance and practice management programs the company offers. These packages allow networked use by any number of preparers in a practice. Per return pricing is also offered.

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