



TaxWorksConversions2004

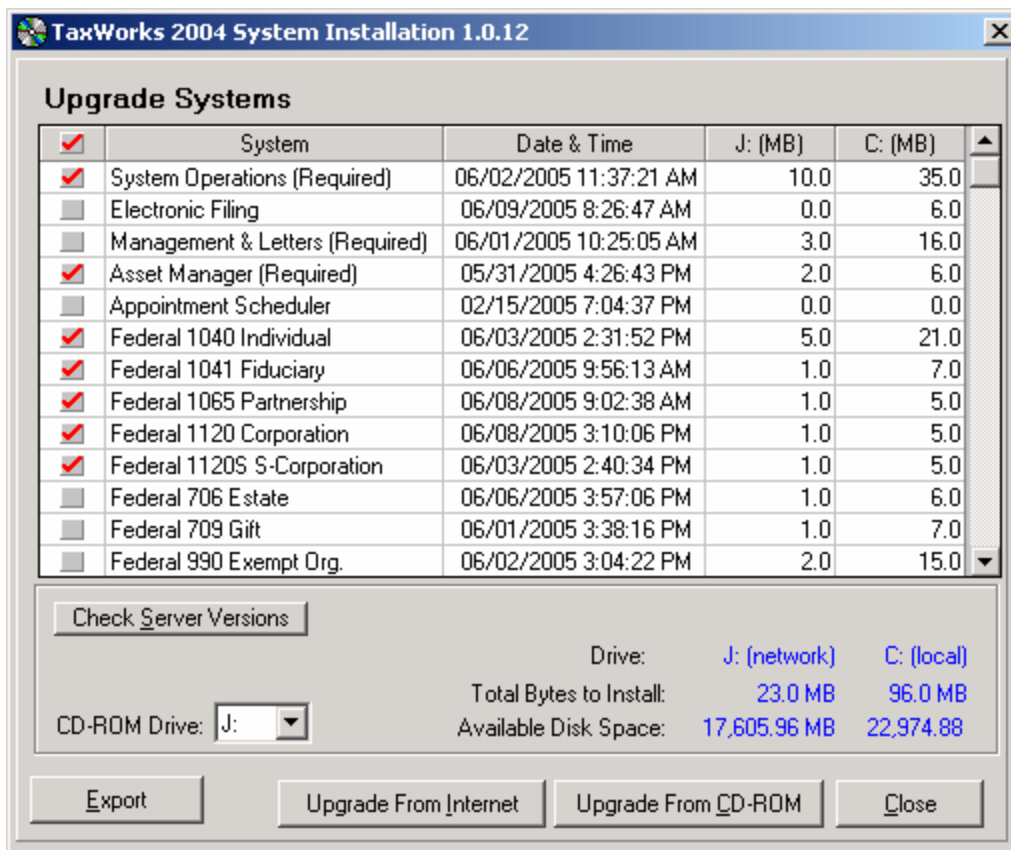


TaxWorks

PROFESSIONAL TAX SOFTWARE

Conversion Process

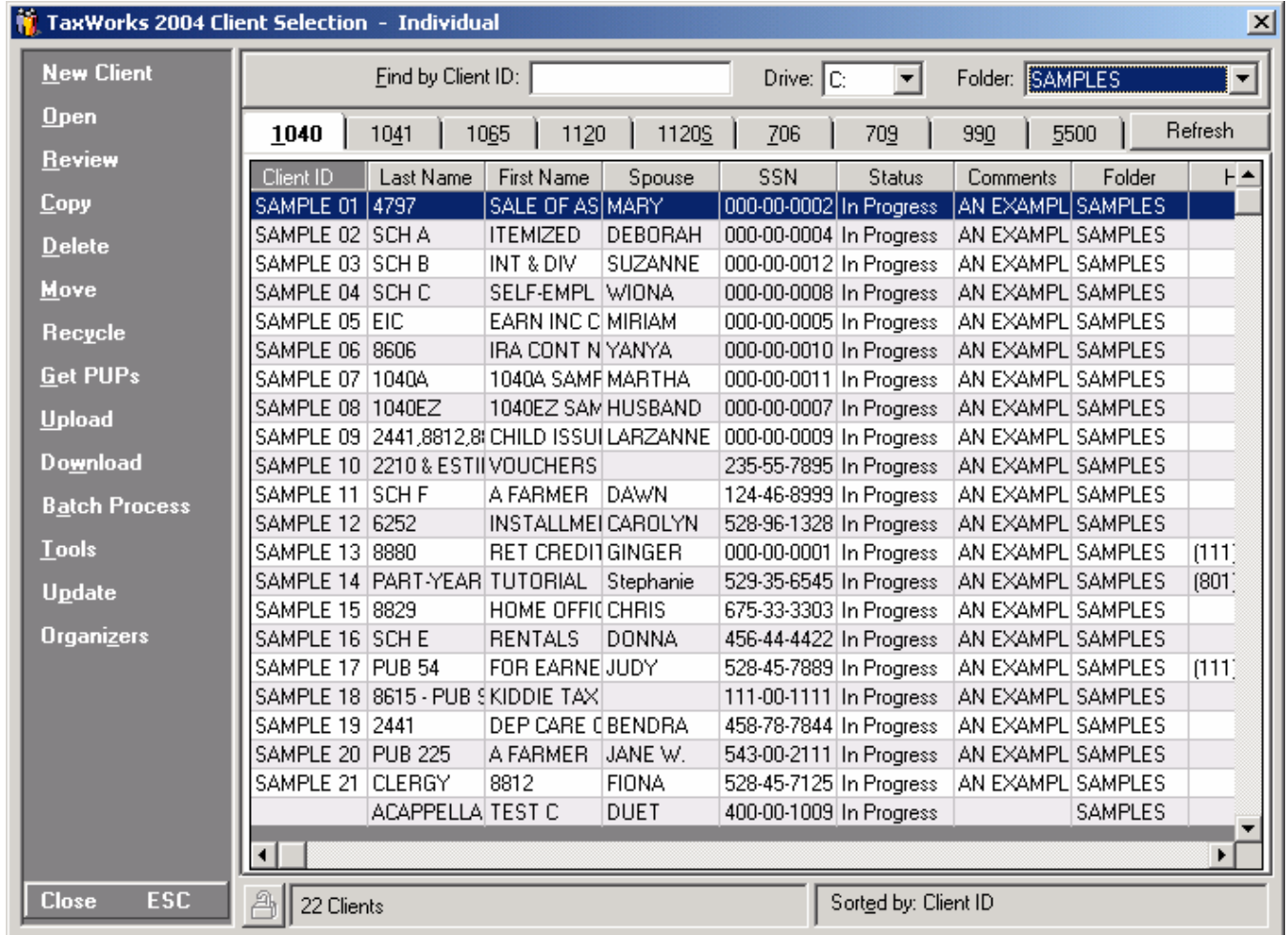
1. As a precaution, backup your client data in your prior year software package.
2. Install the TaxWorks 2004 Demo (follow the installation instructions provided with the demo).
 - a. If you do not have a copy of the demo, call our Sales Team at (800) 230-2322.
3. After the installation is complete, open the TaxWorks 2004 Demo by clicking the *TaxWorks icon* located on your desktop.
4. If the Client Selection screen appears, click the *Close* button.
5. On the menu bar click "Installations", and then "Upgrade Systems".



6. Tag the following items using your mouse. Do this by clicking on the gray box to the left of the item:
 - a. System Operations
 - b. Asset Manager
 - c. Federal Universal (Shared Forms)

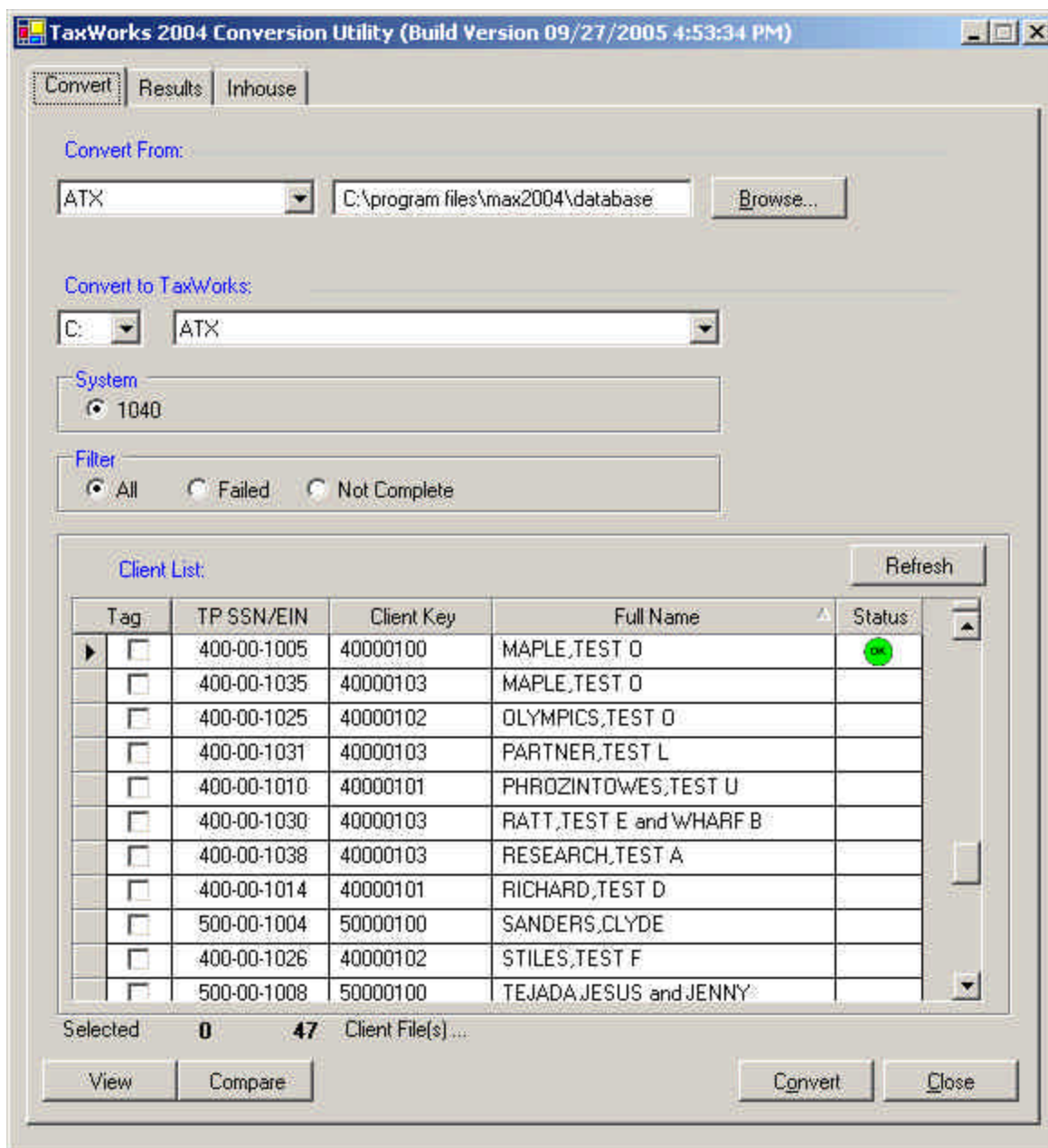
d. Federal 1040 Individual

7. Click the *Upgrade From Internet* button (Upgrades may take up to 1 hour).
8. Once the upgrade is complete, click the *Close* button.
9. Files that were upgraded will automatically decompress.
10. TaxWorks 2004 will automatically open.
11. If the Client Selection screen appears, click the *Close* button.



12. Click the *File* menu and select *Convert Clients*.
13. TaxWorks will automatically close.
14. The TaxWorks 2004 Conversion Utility will open.
15. Verify ATX Data Path:
 C:\program files\max2004\database (Default ATX)
Note: Vendor Data Path will change with system selected at the bottom of the screen.
16. Select the TaxWorks Drive (default is C:)
17. Select the TaxWorks Folder (default is DEFAULT)
18. Tag the clients you want to convert. Do this by clicking the gray box to the left of the client.

- Click the *Convert* button.



- Once the conversion is complete, the status of each client will be displayed in the *Status* column.
- To view a conversion report. Click the *Results* tab.
- When you are done click the *Close* button
- TaxWorks 2004 will automatically open.
- If the Client Selection does not open automatically click, the *Clients* button located on the button bar.
- Carefully review your converted data files to be sure your converted data is accurate. If you have items that did not convert, manually enter them in the TaxWorks program. Double click on the desired client file; or, highlight the desired client and click *Open* located in the left column.

26. Verify that client data stated in the manual converted correctly.
27. If you have any questions or suggestions concerning the conversion process please contact us at support@taxworks.com or call (800) 843-1139.
28. Occasionally we will upgrade items in the conversion program. We will post upgrade changes on the web. You may reconvert clients affected by these changes.
CAUTION: Entries made in TaxWorks to previously converted clients will be lost.

Disclaimer Statement

The goals of the TaxWorks data conversion are as follows:

1. To convert only the ATX data (to TaxWorks format) that you will need to run the Update Clients, this transfers your 2004 TaxWorks data to 2005 TaxWorks.

The data conversion is NOT intended to do the following:

1. It is NOT intended to convert all of your data
2. It is NOT intended to allow you to generate a complete and accurate 2004 TaxWorks tax return!

Note: Do not process/prepare 2004 tax returns using only the converted information, as tax calculations may not be accurate. Some manual data entry may be required.

Asset Manager Conversions (All Systems)

- ✍ We recommend you print a copy of the TaxWorks Federal Depreciation Schedule and verify that the TaxWorks current depreciation amounts match those calculated by your prior software. Due to the many ways depreciation can be calculated, there may be slight differences that could require manual overrides in the TaxWorks Asset Manager.
- ✍ If you have overridden any depreciation calculations, please review them for accuracy.
- ✍ If you used 200% declining balance on any farm asset, you will need to override the current depreciation.
- ✍ If you had selected to delete the asset next year, the asset will not convert.
- ✍ Any AMT assets may or may not carry, please review them for accuracy.
- ✍ Any asset carrying to Sch A points will be depreciated over the life of the asset using the Straight Line Method.
- ✍ Assets involved in a like-kind exchange may not convert properly, because of the difference in handling between the two systems. Please review them carefully to make sure the correct information is entered into the TaxWorks Asset Manager.
- ✍ Due to the limited amount of information being converted, if you have current year Section 179, the conversion may calculate a carryforward of these amounts. To remove the unused carryforward, open the TaxWorks 2004 Asset Manager, click the 179 button, and remove any unnecessary information.
- ✍ Assets that have suppressed auto limitations or a vehicle over 6000 lbs must be verified for accuracy.
- ✍ Vehicles mileage may or may not convert, verify entries for accuracy.

Individual Conversions

Note: TaxWorks only converts the information necessary to prepare a Proforma.

- ✍ Preparer Information – Will not convert.
- ✍ State information - Will not convert.
- ✍ Items selected for deletion for next year - May not be taken into account. You may have to manually remove some items after updating to 2004 in TaxWorks.
- ✍ Detail statements – All amounts and descriptions may not convert.
- ✍ Non-Calculated Forms – Will not convert.
- ✍ Client ID Number – Will not convert.
- ✍ Form Entry - Information entered on the screen will be overwritten with entries made on the Depreciation Screen.

ATX® to TaxWorks®

Automated Individual Conversion Items (1040)

The **underlined and bold titles** are the titles that correspond with the Forms Pane of the TaxWorks tax program. The *underlined Italicized* titles are the sub-titles within the input screen.

General Information

Taxpayer Last Name	Taxpayer/Spouse Zip
Taxpayer First Name	Taxpayer Blind Checkbox
Taxpayer Social Security Number	Spouse Blind Checkbox
Taxpayer Occupation	Taxpayer E-mail address
Taxpayer Date of Birth	Filing Status (1 Single, 2 MFJ, 3 MFS, 4 HOH, 5 Widow(er))
Spouse First Name	Head-of-Household Qualifying Name
Spouse Last Name	Head-of-Household Qualifying Social Security Number
Spouse Social Security Number	Qualifying Widow(er) - Year of Spouses Death
Spouse Occupation	Married Filing Separate – Spouse Name
Spouse Date of Birth	Taxpayer/Spouse Death Date
Taxpayer/Spouse Street Address	Single, Dependent of another Checkbox
Taxpayer/Spouse City	
Taxpayer/Spouse State	

Schedule A

State and Local Income taxes in addition to with held	<i><u>Mortgage Interest not Reported on Form 1089</u></i>
Other Taxes	<input type="radio"/> Name
Other Unreimbursed Expenses	<input type="radio"/> Address
Charitable Contributions (Cash/Non Cash)	<input type="radio"/> Social Security Number
Miscellaneous Deductions	<input type="radio"/> Federal ID Number (EIN)

Form 2106

Occupation	Taxpayer or Spouse Indicator
2106 Vehicle 1 Date placed in service	Qualified Performing Artist
2106 Vehicle 2 Date placed in service	

Dependents

First Name	Dependent Ineligible for Child Tax Credit Checkbox
Last Name	Disabled
Birth date	College Student
Social Security Number	Child Care Expenses
Relationship	
Months in Home	

W2 Items

Taxpayer/Spouse Indicator	Employer Name
Taxpayer/Spouse Name	Employer Address
Taxpayer/Spouse Address	Employer City, State and Zip Code
Taxpayer/Spouse City, State and Zip Code	Federal Employer Identification Number

B- Schedule B

<i><u>Income From Seller-Financed Mortgages</u></i>	<input type="radio"/> Social Security Number
<input type="radio"/> Address	<input type="radio"/> Federal ID Number

Interest

Financial Institution State
Taxpayer/Spouse Indicator

Dividends

Financial Institution State
Taxpayer/Spouse Indicator

Schedule F

Principal Product Spouse's Schedule F
Employer Identification Number Taxpayer does not materially participate
Agricultural Activity Code Inventory at the end of the year

4562 – Form 4562

All Information (from asset manager)

4797 – Form 4797

All Information (from asset manager)

4835 – Form 4835

Spouses Form 4835 Taxpayer actively participates in operation
Employer ID Number Of business 1=no

1099R – Pensions and Annuities

Payer Name IRA/SEP Checkbox
Payer Address Distribution Code
Payer City, State and Zip Code Account Number
Payer Employer Identification Number 1st and 2nd State
Taxpayer/Spouse Name 1st and 2nd State payer number
Taxpayer/Spouse Address 1st and 2nd State Name of locality
Taxpayer/Spouse City, State and Zip Code Age at starting date
Taxpayer/Spouse Indicator

Schedule C

Business Name Business Employer Identification Number
Business Address Accounting Method (cash, accrual, other, specify)
Business City, State and Zip Code Inventory Method – Lower cost of market
Principal Business Including Product or Service Other Inventory method box
Spouse Schedule C Materially Participates
Principal Business Code Inventory at the end of the year

Schedule E

Property Kind - Description Rental is part of personal residence
Full Address (including City, State and Zip Code) Real estate professional
Percentage of ownership (if not 100%)

K-1 (1041)

Entity Ownership Code (Taxpayer, Spouse, or Joint)
Entity Name

Employer Identification Number
K-1 Materially Participated Checkbox

K-1 (1065)

Entity Ownership Code (Taxpayer, Spouse, or Joint)
Entity Name
Employer Identification Number
K-1 Materially Participated Checkbox

Some is not at risk
Publicly Traded Partnership (PTP)
Foreign Entity

K-1 (1120S)

Entity Ownership Code (Taxpayer, Spouse, or Joint)
Entity Name
Employer Identification Number

K-1 Materially Participated Checkbox
Some is not at risk

Assets (Depreciation)

Limited fields are converted and what is available from the report provided by ATX software.

Form Number
Multiple Form Number
Schedule E Property Number
Asset ID
Asset Description
Federal Cost
Federal Current Section 179
Federal Prior Depreciation

Date Placed in Service
Business Use Percentage
Vendors Current Depreciation
Current Special Depreciation
Depreciation Type
Recovery Method
MACRS Convention

8829 – Form 8829

Area used
Total area of home
Business use percentage

Smaller of home's adjusted basis or fair market value
Value of land included on line 35
Carry to Form Number/Multiple Number

6252 – Form 6252

Description
Date acquired

Date sold
Gross Profit Ratio

1116 - Foreign Tax Credit

Resident County

Elect simplified AMT method

2106 - Employee Business Expense

Occupation
Vehicle placed in service date

Taxpayer/Spouse Indicator
Qualified Performing Artist

Copyright© 2004, TaxWorks 350 N 400 W Kaysville UT 84037, All rights reserved.

This manual will be updated annually by TaxWorks Professional Tax Software. TaxWorks® is a registered trademark. All other brands or product names mentioned in this manual are trademarks of their respective owners.