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CCH® ProSystem *fx*® Tax

Tax Quick Start Guide

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Introduction

USING THE QUICK START GUIDE

This Quick Start Guide is designed to familiarize you with the basics of CCH ProSystem *fx* Tax. The four lessons in this guide take you from the creation to the printing of a sample tax return.

Your system administrator must set up firm information, at least one office group, assign your user ID, and, if required, your password before you can use these lessons.

Lessons in this guide use both worksheets, an intuitive data entry method, and the standard CCH ProSystem *fx* Tax interview forms. The input method for your firm should be set by your system administrator to *Enable both Worksheets and Interview forms*. This selection is made in Office Manager > Configure Firm.

We recommend that you use these lessons to become comfortable with the functions and features of the CCH ProSystem *fx* Tax Preparation application, and then refer to Chapter 4, *Tax Preparation*, in the *CCH ProSystem fx Tax User Guide* for more complete and in-depth information.

The Lessons

The lessons in this guide are designed with your busy schedule in mind. You do not need to complete all four lessons in one sitting. We have provided ample opportunities to stop and save your data. We will also tell you how to pick up where you left off.

Lesson 1 examines the Worksheet View window, and takes you through customizing the toolbar, creating a new return, selecting a worksheet and section using the Worksheet Menu and Full Window Worksheet List, using worksheet grids, entering data, using different views, and securing the return.

Lesson 2 shows you how to edit data in an existing return. You will review the return using government forms. Additionally, you will spend time exploring CCH ProSystem *fx* Tax input features such as expand, estimate, override, notes, and configuring the Tax Preparation start-up options.

Lesson 3 demonstrates how to add entities using worksheets. It also explores advanced features of CCH ProSystem *fx* Tax such as its field Lookup Value feature. You will calculate the return and review the return's summary and interactive diagnostics.

Warning! If you have licensed CCH ProSystem *fx* Tax on a Pay-As-You-Process (PAYP) basis, your sample return will be treated as a live return and, if you choose to calculate the return, you will use two of your authorizations.

Lesson 4 shows you how to print the return, set and review the return status, and forward the return to another user. To forward and receive returns, the *Required User Sign-on* option must be activated by selecting Configure Firm > Options in Office Manager.

Keep the following in mind:

- If more than one person in your office is following the exercises in this guide at the same time, verify that each person uses a unique client ID. Only one person at a time can use the client ID given in our lessons. Others can complete the lessons at their own pace using the sample data and a different client ID.
- Once the lessons have been completed, the client file created using our sample data should be deleted using Office Manager > Delete Client Data > All client and tax return data > Specific client.

  Note: For more detailed information on deleting clients, see Chapter 3, *Office Manager*, in the *CCH ProSystem fx Tax User Guide*.

- This guide is based on having the Worksheet data input method set to enable worksheets (Office Manager > Configure Firm > Input Methods). If it is not, you will not be able to follow the lessons in this guide.

Remember, when in doubt, the *CCH ProSystem fx Tax User Guide* and CCH ProSystem *fx* Tax online Help can answer all your questions about CCH ProSystem *fx* Tax.

These lessons will guide you in using the mouse to access and navigate worksheets. The following lists are provided if you prefer to use keyboard shortcuts.

The following keyboard shortcuts are available when working with worksheets. Use the numeric keypad when entering the + and - keys in combination with the Shift and Ctrl keys.

Press	To
Shift + Numeric Keypad +	Expand all sections of a worksheet.
Shift + Numeric Keypad -	Collapse all sections of a worksheet.
Ctrl + Numeric Keypad -	Collapse a single section of a worksheet.
Ctrl + Tab	Move from the current field to the next section.
Tab	Move from the last field of a section to the first field of the next section.
Shift + Tab	Move from the first field of a section to the last field of a previous section.
Alt + Numeric Keypad +	Add another section.
Alt + Delete	Delete the currently active section.
Alt + Shift + <	Move to the first item in a group of multiple occurring items in a grid or Detail worksheet.

Press	To
Alt + Shift + >	Move to the last item in a group of multiple occurring items in a grid or Detail worksheet.
Alt + <	Move to the previous item in a group of multiple occurring items in a grid or Detail worksheet.
Alt + >	Move to the next item in a group of multiple occurring items in a grid or Detail worksheet.
Alt + L	Display a list of items entered in a summary grid.

Use the following keyboard shortcuts to move between worksheets:

Press	To
F9	Move to the next worksheet.
F10	Move to the previous worksheet.

The following keys are used to access the Navigation Panel and select worksheets or entities:

Press	To
F6	Pin the Navigation Panel in place.
Alt + F6	Retract the panel if it is currently locked in place.
Shift + F6	Move between the Navigation Panel and a worksheet.
Ctrl + G	Select a taxing authority from the drop-down list in Worksheet Menu/Tree view.
Ctrl + B	Select the first item in the Sections list.
Ctrl + E	Select the first item in the Entities list.
Alt + G	Select the Government tab.
Alt + S	Select the State tab in the Worksheets List.
Alt + K	Select the Worksheet tab.
Alt + P	Select the Return Group tab.

The following keys are used to navigate the Worksheet Menu and select worksheets:

Press	To
F5	Activate the Worksheet Menu.
Tab	Move left to right through the headings on the Worksheet Menu.
Shift + Tab	Move right to left through the headings on the Worksheet Menu.
Up Arrow or Down Arrow	Move up or down the menu drop-down list.
Enter	Open a selected worksheet.
Alt + F5	Enable extended Worksheet Menu shortcuts.
Esc	Disable extended Worksheet Menu shortcuts.
Left Arrow or Right Arrow	Move right or left through the Worksheet Menu.

Use the following keyboard shortcuts to navigate worksheet grids:

Press	To
Ctrl + Home	Move the cursor to the top-left corner.
Ctrl + End	Move the cursor to the bottom-right corner.
Ctrl + Right Arrow	Move the cursor to the right end of a row.
Ctrl + Left Arrow	Move the cursor to the left end of a row
Page Up	Move the cursor to the top of a column.
Page Down	Move the cursor to the bottom of a column.
Tab	Select the cell to the right of the current cursor cell location.
Shift + Tab	Select the cell to the left of the current cursor cell location.
Down Arrow	Select the cell below the current cursor cell location.
Up Arrow	Select the cell above the current cursor cell location.
Alt + Numeric Keypad +	Add a row or column.
Down Arrow	Add a row.
Ctrl + Delete	Delete a row or column.
Alt + Insert	Insert a row or column.
Alt + L	Display a list of items available in a grid.

Use the following keyboard shortcuts to navigate between Summary grids and Detail worksheets:

Press	To
Alt + D	Display Detail worksheets.
Alt + S	Return to Summary grid.

The following keyboard shortcuts are available in Tax Preparation when working with interview and government forms:

Press	To
Tab or Enter	Move cursor to the next field when within a government or interview form.
Shift + Tab or Shift + Enter	Move cursor to the previous field.
Backspace	Delete a character.
Down Arrow	Move the cursor down one line.
Up Arrow	Move the cursor up one line.
Page Up	Move up one screen.
Page Down	Move down one screen.
Ctrl + A	Open a calculator.
Ctrl + C	Copy.
Ctrl + D	Review this form's statements.
Ctrl + K	Link to field.
Ctrl + N	Create a new return.
Ctrl + O	Open an existing return.
Ctrl + P	Print.
Ctrl + R	Calculate an entire return.
Ctrl + S	Save data entered.
Ctrl + T	Insert or delete a tick mark.
Ctrl + V	Paste.
Ctrl + X	Cut.
Esc	Escape from a dialog.
Spacebar	Toggle a check box or radio button on or off.

Press	To
F1	Access field-level Help.
F2	Access form-level Help.
F4	Look up a value for a field.
Alt + F4	Close CCH ProSystem *fx* Tax.

Use the following keys to open and close folders when you use the Full Window Worksheets List.

Press	To
Ctrl + F	Make the Full Window Worksheets List the active window.
F6	Move the focus between the worksheet and the Navigation Panel.
Ctrl + F6	Switch between windows.
Shift + Ctrl + F6	Switch between windows in reverse order.

Lesson 1

CREATING A RETURN

In Lesson 1, you will create a new return for a new client that you will use throughout the lessons in this Quick Start guide.

You will do the following:

- Access CCH ProSystem *fx* Tax Preparation and become familiar with the layout of the CCH ProSystem *fx* Tax Preparation window when you are using Worksheet View.
- Create a new return.
- Set worksheet preferences.
- Select a worksheet and then a worksheet section to begin entering information for the return.
- Enter additional data using worksheet grids.
- Secure the return.
- Customize the toolbar and then close the return.

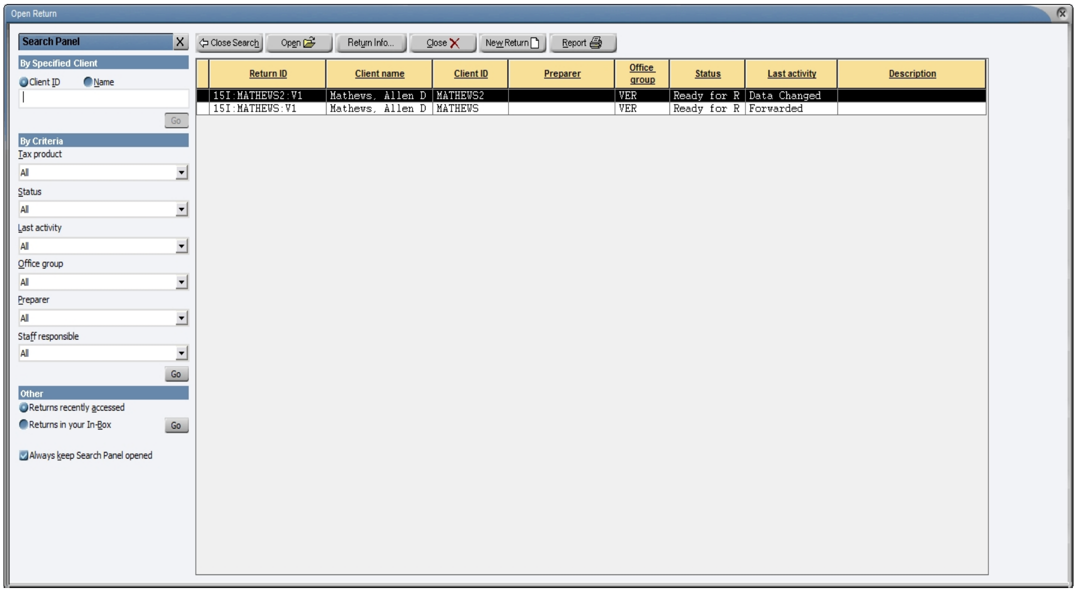
The instructions in this guide use the mouse. If you feel more comfortable using the keyboard, see *Using the Quick Start Guide* on page 1 for a list of the keys you can use to navigate in CCH ProSystem *fx* Tax Preparation.

Let's begin by starting CCH ProSystem *fx*Tax and taking a look at the CCH ProSystem *fx* Tax Preparation window.

Accessing CCH ProSystem *fx* Tax Preparation

1. Access the CCH ProSystem *fx* Tax program group.
2. Open the CCH ProSystem *fx* Tax Preparation application by double-clicking the 2016 CCH ProSystem *fx* Tax Preparation icon.

3. Enter your user ID and your password, and then select **OK**. The *Open Return* dialog displays under the CCH ProSystem *fx* Tax Preparation toolbar.



You can use the *Open Return* dialog to do the following:

- Create returns
- Open existing returns
- Search for returns
- View return information
- Print a list of returns

You can use the menu bar commands (e.g., File, Edit, View) or the toolbar buttons to access the various features and functions of CCH ProSystem *fx* Tax Preparation. Disabled menus and buttons are enabled when you create or open a return. Tax Preparation features and functions are also available when you right-click a field or a form.

From the *Search Panel* on the left side of the *Open Return* dialog, you can filter returns by client name, client ID, or criteria such as tax product and status. The options in this start-up window are discussed further in Lesson 2, *Editing a Return*.

The status bar displays messages when CCH ProSystem *fx* Tax Preparation is engaged in some form of activity (e.g., loading menus or printing) to keep you informed of the processing status. You can display or hide the toolbar and status bar using commands on the View menu.

A lock indicator is shown on the *Open Return* dialog next to returns that have been locked.

Both the toolbar and the status bar can be toggled. Turn the bars on or off by clicking their respective commands under View on the menu.

Creating a New Return

CCH ProSystem *fx* Tax identifies returns by a mandatory client ID which may consist of one to twelve alphanumeric characters and must be unique to each client.

The following exercise creates a new return for a new Individual client. You will use **Mathews** as the client ID. If a return already exists with that client ID, enter a unique client ID of your choosing. Then enter the remaining data as given.

Note: If you have licensed and installed Client Manager, this new client will be saved including relevant data entered in the tax return. A profile will also be established in CCH® ProSystem *fx*® Practice, if you have licensed, installed, and configured the interface in Office Manager.

To create a new return, do the following:

1. Select **Close** to close the *Open Return* dialog.

2. Verify that you are in Worksheet View by selecting **Worksheet** from the View menu if it is not already selected.
3. Select **File > Open** to display the *Open Return* dialog.
4. Click **New Return** on the *Open Return* dialog toolbar. The *New Return* dialog displays.
5. Enter **Mathews** in the *Client ID* field.
6. Click **OK**. The *New Return* dialog displays, allowing you to select the Client type, Tax product and Office group.
7. Select **Individual** as the *Client type*.
8. Select **Individual** as the *Tax product*.
9. Select an **Office group**. Office groups control tax processing options. Office groups are set up and maintained through Office Manager.

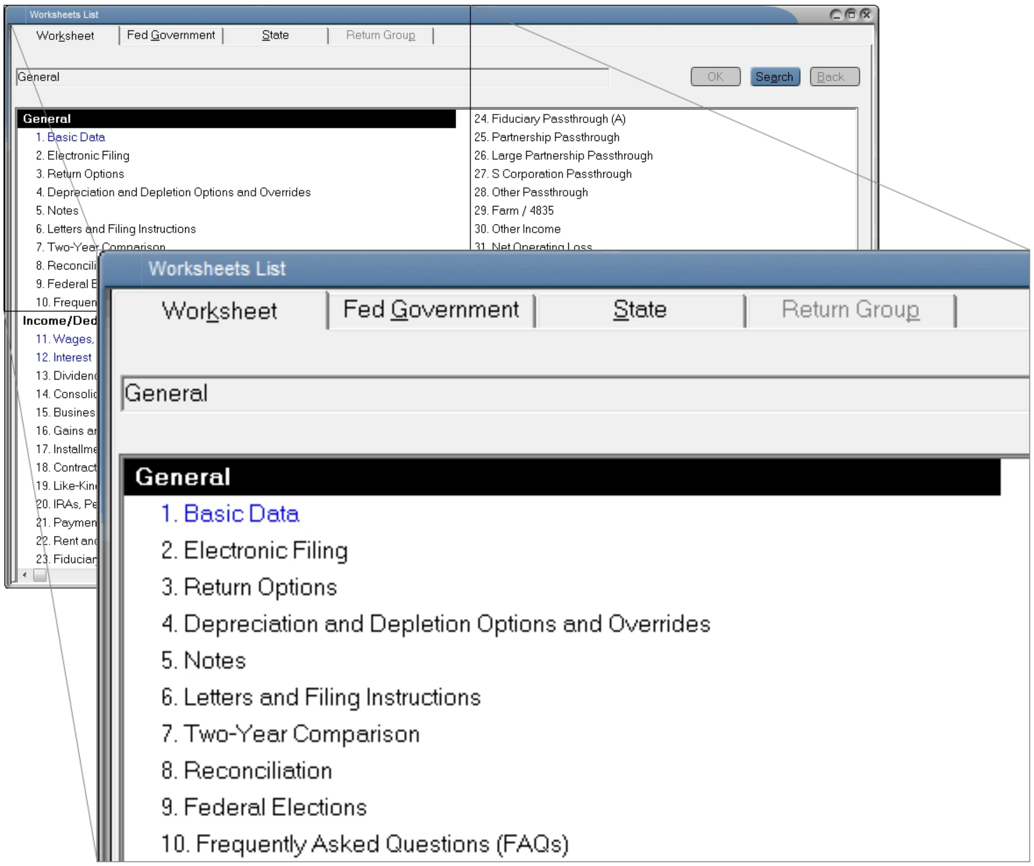
   To use an available default return for the 2016 Individual tax product, leave the *Use default return* check box selected. This check box is disabled if no default return exists for the tax product and office group selected.

   Note: For an explanation of client types and their associated tax products and creating a default return, see Chapter 4, *Tax Preparation*, in the *CCH ProSystem fx Tax User Guide*.

10. Click **OK**. The *Basic Data* (default) worksheet displays. If a selected worksheet has more than one section, the first is expanded by default.

When you exit CCH ProSystem *fx* Tax, the program remembers the last worksheet selection method and worksheet type used. When you re-enter CCH ProSystem *fx* Tax and select a return, the last worksheet selection list you used displays automatically.

Full Window Worksheets List



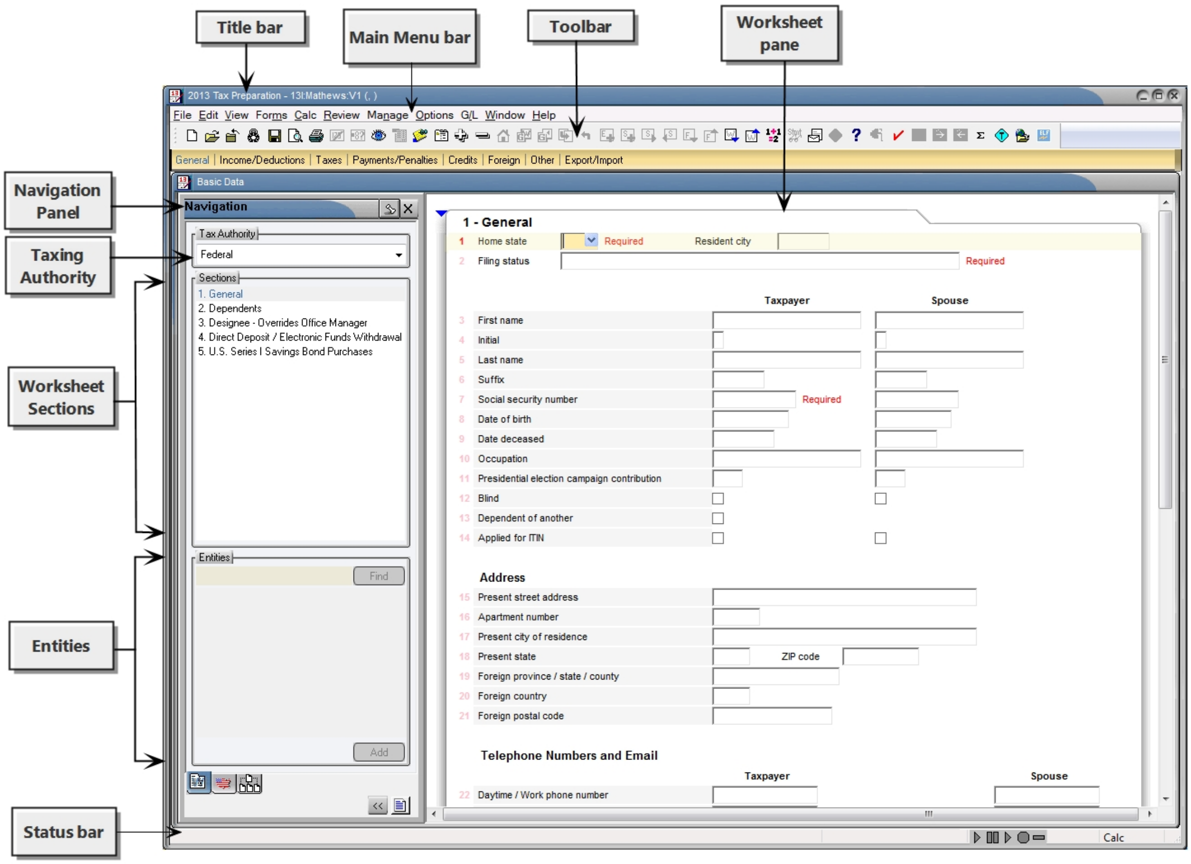
The *Full Window Worksheets List* window includes four tabs: *Worksheet*, *Fed Government*, *State*, and *Return Group*. Select **View > Full Window Worksheets List** to view the Worksheets List.The first two tabs correspond to two of the form types, Worksheet and Government, that you can use to enter data in Worksheet View. Once you have decided which worksheet type you will use to enter data, click the corresponding tab in the *Worksheets List* window to select the appropriate worksheet.

Worksheets that do not contain data appear in black text in the *Worksheets List* window. You will notice that worksheets containing data appear in blue text.

The *State* tab is available for entering data on state worksheets and viewing the state government forms.

The *Return Group* tab is available only if you are working with consolidated corporation or kiddie tax returns.

Navigating Worksheets, Categories, and Sections



Tax Preparation includes the following window features:

- **Title Bar**. On the application title bar, the first two digits identify the year of the tax program, and the next character identifies the tax product. Next, the client ID displays. Finally, the version number of the return displays. Our sample return's identifier displays as 16I:Mathews:V1 (,). Once the taxpayer's name is entered, it will appear following the identifier, within parentheses.
- **Status Bar**. The status bar informs you of the processing status when CCH ProSystem *fx* Tax Preparation is engaged in activity such as loading menus or printing. Clock icons on the status bar are explained in Chapter 12, *CCH ProSystem fx Practice Interface*, in the *CCH ProSystem fx Tax User Guide*.

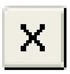
The following are specific to Worksheet View:

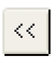
- **Sessions**. Simultaneously use two sessions of CCH ProSystem *fx* Tax Preparation (eight sessions in Interview View), depending on your system resources.
- **Versions**. Create up to nine return versions to calculate multiple “What If?” scenarios and maintain unique returns for standard, amended, and extension processing.

- **Worksheet Menu**. The Worksheet Menu displays when you are using Worksheet View, and is located below the toolbar. To view the Worksheet Menu, select **View > Worksheet Menu/Tree**. This menu displays the categories that are available for the current tax product, e.g., General, Income, Deductions, Taxes, Payment/Penalties. Each category lists a selection of related worksheets.

- **Worksheets List**. The Worksheets List displays a list of worksheets organized by category that are available for the selected tax product. To view the Worksheets List, click the **Forms List** button or select **View > Full Window Worksheets List**. Use the tabs to select additional worksheets for the return type selected.

- **Navigation Panel**. Unless anchored, the Navigation Panel hides in the left border when not in focus. Press **F6** to expand the panel and "pin" it into position, or select the **Navigation Panel** tab and click the **pin** button.





  Hide the Navigation Panel or expand the work area by clicking either the **Close** or **Retract** button (in the upper-right corner of the Navigation Panel, not the program window).

  The Navigation Panel reduces data entry time and aids worksheet navigation within the *Tax Authority*, *Sections*, and *Entities* panes.

  The selected *Tax Authority* determines which worksheets display for data entry (i.e., federal or state). The *Sections* pane displays titles of worksheet sections, reducing the need to scroll. The *Entities* section allows you to add, select, or search for worksheet-related entities. You will use this section later.

Setting Worksheet Preferences

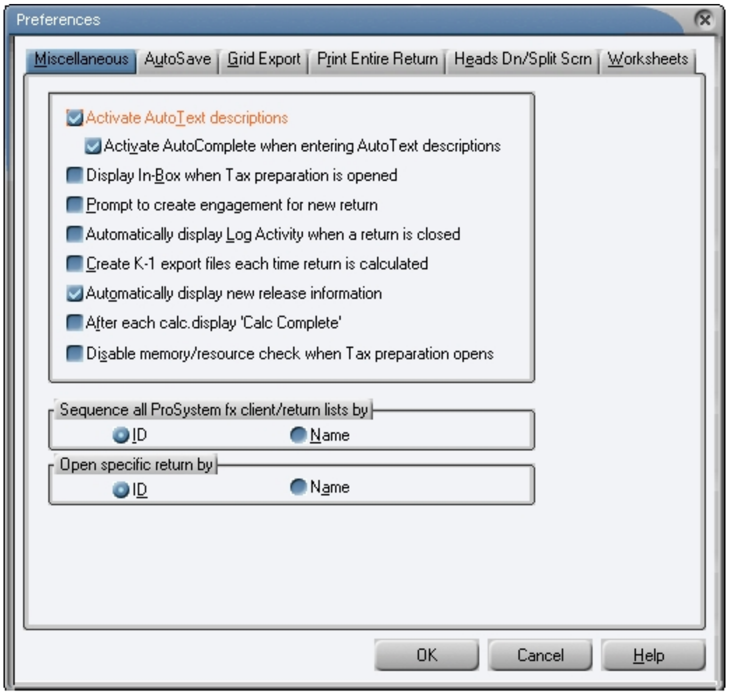
You have four options to control how worksheets display:

- Open worksheets with first section expanded (default)
- Open worksheets with sections containing data expanded
- Open worksheets with all sections expanded
- Open worksheets with all sections collapsed

At your leisure, experiment with these methods to determine which is most convenient for you. In the following example you will leave the *Worksheet* defaults unchanged.

To view the worksheet defaults, do the following:

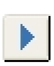
1. Select **Options > Preferences > Tax Return Preferences**. The *Preferences* dialog displays.



2. Click the **Worksheets** tab. The *Worksheet* option defaults to *Open Worksheets with first section expanded*.
3. Click **Cancel** to exit the *Preferences* dialog.

Entering Basic Client Data

In Worksheet View, tax return data is entered via sub-units called Sections. Each section is comprised of fields grouped by topics. For worksheets with more than one section, the first is expanded by default. To aid data entry, expand or collapse sections as follows:



- Click a section title.
- Click a blue down arrow to collapse a section.
- Click a blue right arrow to expand a section.
- Select **View > Expand All**.
- Select **View > Collapse All**.

In the next example, you will enter basic data for the Mathews return.

Note: If you are using Internet Explorer® 10 or later, focusing on a field containing data will display an X. Selecting **X** clears the information in the field.

Press **Tab** or **Enter** after each entry to move the cursor to the next data field. You can also move to a field by clicking the cursor in the field.

1. When the cursor is in a field containing a list of possible entries, the arrow shown at the left displays. In the *Home state* field, click the arrow. The *State Code* list displays.

   Note: *Home state* is a required field.

2. Double-click the state abbreviation for the state in which you are licensed. The background color of the *Home state* field darkens when it is the active field, identifying the cursor position.

   Note: Throughout the exercises in this guide, continue to enter the selected state when you are instructed to enter **CA**.

3. Press **Tab** twice to move to the *Filing status* field.

4. Click the arrow at the end of the *Filing status* field.
5. Select **Married filing jointly (even if only one had income)**.

   Note: Selecting an option illuminates the entire row to reduce eyestrain and errors. This highlighting effect is controlled via the *Worksheets* tab by selecting Options > Preferences > Tax Return Preferences. See *Setting Worksheet Preferences* on page 12.

6. Press **Tab** and enter **Allen** in the *First name* field of the *Taxpayer* column.
7. Press **Tab** and enter **D** in the *Initial* field.
8. Press **Tab** and enter **Mathews** in the *Last name* field of the *Taxpayer* column.
9. Press **Tab** twice and enter **556178011** as the taxpayer's social security number. (The hyphens will automatically be inserted in this field.)
10. Press **Tab** and enter **02181969**. You do not need to enter the forward slashes in the *Date of birth* field.

    Notes:

    - In date fields the lookup function is an alternative to manual date entry. Place the cursor in a date field and press **F4** to display the interactive calendar.
    - Certain fields in Worksheet View such as the date field contain a *field mask* which gives a visual indication of format and content guidelines.

11. Press **Enter** twice and enter **Attorney** in the *Occupation* field.
12. Press **Enter** and enter **Y** for the taxpayer to contribute to the *Presidential election campaign contribution* fund.
13. Press **Enter** four times and enter **Margaret** in the *First name* field of the *Spouse* column.
14. Press **Enter** and enter **M** in the *Initial* field.
15. Press **Enter** three times and enter **643866124** as Margaret's *Social security number*. (The hyphens are automatically inserted in this field.)
16. Press **Enter** once and enter **05051968**. You do not need to enter the forward slashes in the *Date of birth* field.

17. Press **Enter** twice. Enter **Graphic Designer** in the *Occupation* field of the *Spouse* column.
18. Press the down arrow and enter **N** for the spouse not to contribute to the *Presidential election* campaign contribution fund.
19. Press **Ctrl + down-arrow** until the cursor is at *Present street address* and enter **616 Elm Street**.
20. Press **Enter** twice and enter **Suburbia**.
21. Press **Enter** and enter **CA**.
22. Press **Enter** and enter **90274**.
23. Press **Enter** four times and enter **555-0001** as the *Daytime/Work phone number*.

    Note: You must enter a hyphen in telephone numbers.

24. Press **Enter** once and enter **555-0222** as the *Evening/Home phone number*.
25. Press **Enter** three times and enter **Allen_Mathews@HudsonDay.com** in the *Email* field of the *Taxpayer* column.

Using Grids and Detail Worksheets

When you have multiple occurring worksheets such as non-entities like Interest, Dividend, and Depreciation, each occurrence is referred to as a Detail Worksheet.

These worksheets are accessed through Summary grids. Each row of the grid represents a different detail worksheet. Through these grids you can add additional detail worksheets and view and enter data for a subset of detail worksheet fields.

In this exercise, you will use detail worksheets to add wages and salary detail for Allen Mathews.

1. Do one of the following:
    - To open worksheets from the Worksheet Menu:
        i. Select **View > Worksheet Menu/Tree**.
        ii. Click **Wages, Salaries and Tips** from Income in the Worksheet Menu below the toolbar.
    - To open worksheets from the Worksheets List:
        i. Select **View > Full Window Worksheets List**.
        ii. Double-click **Wages, Salaries and Tips** from Income.
2. In the first row of the *Wages and Salaries* grid, enter **T** in the *TS* field.
3. Press **Tab** and enter **Hudson & Day Law**.
4. On the *Wages and Salaries* summary grid navigation bar above the column headers of the grid, click **Detail** to display the *IRS W-2* section of the Wages and Salaries detail worksheet.
5. Click in the *Wages, tips, other comp* field and enter **68000**, then press **Tab**.
6. Enter **11200** as *Fed income tax withheld*.
7. Click in the first column of *State income tax* and enter **7152**. The *State income tax* field is in the State and City Info grid at the bottom of the worksheet.

8. Scroll to the top of the *IRS W-2* section and click **Summary** on the *Wages and Salaries* navigation bar. The *Wages and Salaries* summary grid displays the detail you entered in steps 6 and 7. The *Social security wages*, *Social security tax withheld*, *Medicare wages and tips*, and *Medicare tax withheld* fields are populated with the appropriate values.

   In the remaining steps, enter data for Margaret Mathews using the arrow keys or **Tab** as necessary to navigate fields.
9. On the second row of the *Wages and Salaries* summary grid, click in the *TS* field and enter **S**.
10. Enter **Top Images** in the *Employer Name* field.
11. On the *Wages and Salaries* tab, click **Detail** to display the *IRS W-2* section. Complete the following tasks:
    a. Enter **61500** as *Wages, tips, other comp*, in Box 1.
    b. Enter **10065** as *Fed income tax withheld*, in Box 2.
12. Scroll to the top of the *IRS W-2* section and click **Summary** to return to the summary grid.
13. Select **View > Worksheet Menu/Tree**, if not already selected.
14. Click the **Show Worksheets in Return** button at the bottom-right of the Navigation Panel to display only worksheets with data.

    Note: The button's tooltip changes from *Show Worksheets in Return* to *Show All Worksheets*.

    The Worksheet Menu now displays only two categories (*General* and *Income*). Select either header. Notice only the worksheets containing data are listed below the selected header. A check mark indicates the active screen.

    In the Full Window Worksheets List, worksheets containing data display in blue font.
15. You will need to display all categories and worksheets for later examples, so click the **Show All Worksheets** button to display the full Worksheet Menu.

Adding a Row to a Grid

In this exercise, you will use a grid to enter interest information for the return. You will also add a row for additional data entry.

1. Do one of the following:
   - To open worksheets from the Worksheet Menu:
     i. Select **View > Worksheet Menu/Tree**.
     ii. Click **Income**.
     iii. Select **Interest**.
   - To open worksheets from the Worksheets List:
     i. Select **View > Full Window Worksheets List**.
     ii. Click **Interest** from Income.
     iii. Press **Enter**.

The *Interest* (*Schedule B*) summary grid displays.

2. On the first line of the summary grid, place the cursor in the *TSJ* column and select **T** from the drop-down list.
3. Press **Tab**, then enter **Great Western Savings** in the *Payer* column.
4. Press **Tab** and enter **240**.
5. Continue entering payer and interest income figures in the next four rows, entering details from the following table.

Row	TSJ	Payer	Interest Income
2	J	Municipal Bonds	148
3	S	Northwest Trust Co	356
4	J	Harrison Bank	320
5	J	Peninsula Savings	88

Note: You can sort grid items by column.

To sort a summary grid column, do the following:

   a. Double-click the header of the column you want to sort.
   b. Toggle the sort order from ascending to descending order (or vice versa) by double-clicking the header of the appropriate column.

Note: When printing a return, summary grid items are printed in the order in which they are sorted. You will learn more about sort order in Lesson 4.

6. To enter our final set of interest data, an additional row is required. On the right side of the *Interest (Schedule B)* summary grid navigation bar, click **Add** to display an additional row.
7. Select **J** from the *TSJ* drop down menu, then press **Tab**.
8. Enter **First National Bank** as the *Payer* and press **Tab** twice.
9. Enter **65** in the *U.S. Savings Bonds* column.

   At the bottom of the grid, a summary row displays the column totals.

   Notes:

   - Some grids have a horizontal orientation, such as the one you just used. Some grids have a vertical orientation to which you can insert or delete columns.
   - To delete a row, place your cursor in the row and click **Delete**.

10. Do one of the following:
    - To open worksheets from the Worksheet Menu:
       i. Select **View > Worksheet Menu/Tree**.
       ii. Click **Income**.
       iii. Select **Itemized Deductions**.

- To open worksheets from the Worksheets List:
    i. Select **View > Full Window Worksheets List**.
    ii. Click the **Worksheet** tab on the Worksheets List.
    iii. Select **Itemized Deductions** from Income.
    iv. Click **OK**.

11. Click **Taxes Paid**. The *Taxes Paid* section of the Itemized Deductions worksheet displays a summary grid.
12. In the *Real estate taxes* row of the *Taxes Paid* section, enter **4500** in the *Amount* column.
13. Scroll down and click the **Home Mortgage Interest Paid to a Financial Institution and Deductible Points** section header.
14. Enter **17500** in the *Amount* column of the *Home mtg int pd to a fin inst* row.

Using the List Feature

Keep the following in mind:

- The List feature allows a sub-schedule of detail to be created and carried to the appropriate line of input.
- A list can be created for any numeric field.
- All lists print in the accountant's copy of the return.
- To view or print lists, select **File > Print > Preparer Reports > Lists and Notes > View Report**.

To enter a list, complete the following:

1. Do one of the following:
    - To open worksheets from the Worksheet Menu:
        i. Select **View > Worksheet Menu/Tree**.
        ii. Click **Income**,
        iii. Select **Moving Expenses** from the Worksheet Menu.
    - To open worksheets from the Worksheets List:
        i. Select **View > Full Window Worksheets List**.
        ii. Click the **Worksheet** tab on the Worksheets List.
        iii. Select **Moving Expenses** from Income.
        iv. Press **Enter**.

    The *General* section displays and expands.
2. In the *Worksheet* pane, click the *Schedule of Expenses* section header to expand it.

3. Position the cursor in the *Amount* column of the *Expenses of moving from old to new residence - travel and lodging* row, then click the **List** button that displays in the field. The *List* dialog displays.

The caption at the top of the screen displays your user ID, the date and time the list was entered, and the worksheet to which the list is attached. You can keep the existing caption or enter your own.

4. Enter the following, pressing **Tab** after each entry:
   - Village Inn 3/20 - 3/25
   - 775
   - Travel Lodge 4/3 - 4/5
   - 255
   - Car Rental
   - 350
5. Click **OK**. The total, 1380, is inserted into the *Expenses of moving from old to new residence - travel and lodging* field.
6. Press **Tab**. Notice the green marker in the upper-left corner of the field. This marker displays in all fields containing a list.

   Note: The return does not need to be calculated to view or print the list using File > Print > Preparer Reports.

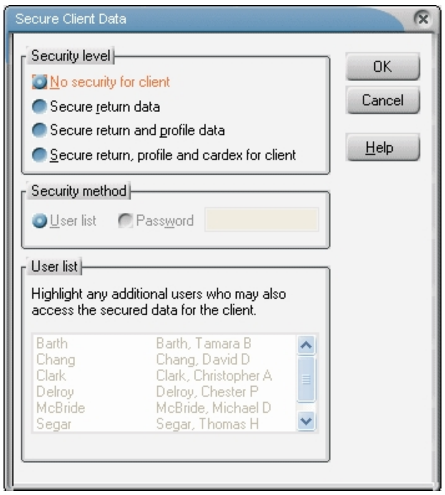
   a. Select **Yes** to continue without calculating the return.
   b. Click **List and Notes**.
   c. Select **View Report** if you want to view it.
   d. Click **OK**.

Securing the Return

Now, you are going to look at the ways in which you can attach security to any client's return data, profile, and Cardex data in Client Manager. We will not apply any security at this time.

Note: A separate license is required for Client Manager.

1. Select **Manage > Secure Return** on the menu bar. The *Secure Client Data* dialog displays.



2. To secure a return, choose the **Secure return data** radio button. If Client Manager is licensed, you can select from *Secure return and profile data* or *Secure return, profile and cardex for client*. To turn off security, choose the **No security for client** radio button.

   If you select **User list** as the *Security method*, you can choose the users who you want to have access to this return. Supervisor users are not in the list because they have access-rights to all returns, including returns protected by a password if they know the password.

   If you select **Password**, only users who know the password can access the return in CCH ProSystem *fx* Tax Preparation or the profile in Client Manager.

3. Since you are not going to apply any security at this time, click **Cancel** to exit.

Customizing the Toolbar

The buttons on the toolbar let you move easily within a return and perform processing functions without using menu commands. The program includes a default toolbar consisting of the most commonly used buttons. However, you can easily customize the toolbar by adding, removing, and repositioning buttons to best suit your needs.

Notes:

- There is a complete list of the toolbar buttons and their functions in Chapter 4, *Tax Preparation*, in the *CCH ProSystem fx Tax User Guide*.
- User sign-on must be activated in **Office Manager > Configure Firm > Options** in order to save your individual toolbar settings.
- You can move the toolbar, dock it to another location, and resize it.

Let’s customize the toolbar by adding a button and placing it between two existing buttons.

1. Select **Options > Customize Toolbar**. The *Customize Toolbar* dialog displays.
2. Use the scroll bar in the *Current toolbar buttons* section to move to the top of the list of buttons and click the **Save Return** button.
3. In the *Available toolbar buttons* list, click the **Close Return** button.
4. Click **Add** to place the *Close Return* button above the *Save Return* button. If your toolbar has already been customized with the *Close Return* button, select another button that is not yet on the toolbar.

   Note: If no position is selected on the current toolbar, new buttons are added to the far right of the toolbar.

5. Insert the **Secure Return** button after the *Close Return* button. If the *Secure Return* button is already on your toolbar, select a button that is not on the toolbar.

   Note: To return to the previous customization, click **Reset**. This resets the toolbar to the configuration it had when the *Customize Toolbar* dialog opened. You do not need to do this now since you will be using the *Close Return* button you just added.

6. Take a moment to examine the other buttons available for the toolbar. Click **Move Up** and **Move Down** to reposition buttons in the *Current toolbar buttons* list. When you have finished customizing your toolbar, click **Close**.

Ending Lesson 1

To end this lesson, close the return by doing the following:

1. Select **File > Close Return**.
2. Since you have entered data and have not saved the return, a message asking if you want to save the changes for the return displays.
3. Click **Yes** to save the return data.
4. If you want to continue, proceed with Lesson 2.

   If you want to take a break and leave CCH ProSystem *fx* Tax, close the *Open Return* dialog, then select **File > Exit**.

   When you are ready to continue to Lesson 2, reopen CCH ProSystem *fx* Tax, enter your user ID and password, if required and click **OK**.

Lesson 2

Editing a Return

In Lesson 2, you will edit the return created in Lesson 1. Using worksheets, you will explore such CCH ProSystem *fx* Tax input features as expand, estimate, and override.

You will complete the following tasks:

- Open an existing return using filter criteria.
- Enter additional data using interview forms.
- Switch between interview and government forms to enter data.
- Use the override, expand, link, estimate, note, and list features.
- Close the return and update the client profile, if Client Manager or CCH ProSystem *fx* Practice is licensed.
- Edit Start-Up Window preferences.

Opening an Existing Return

There are several ways of opening an existing return. In this lesson you are going to open the return by creating a filtered list.

If there are a large number of returns in your system or you do not have the client ID of the return you want to work on, you can easily limit the list of returns to choose from.

For example, you could specify that only Corporation returns with a status of Ready for Review and a last activity of Calculation be shown in the list of returns in the *Open Return* dialog.

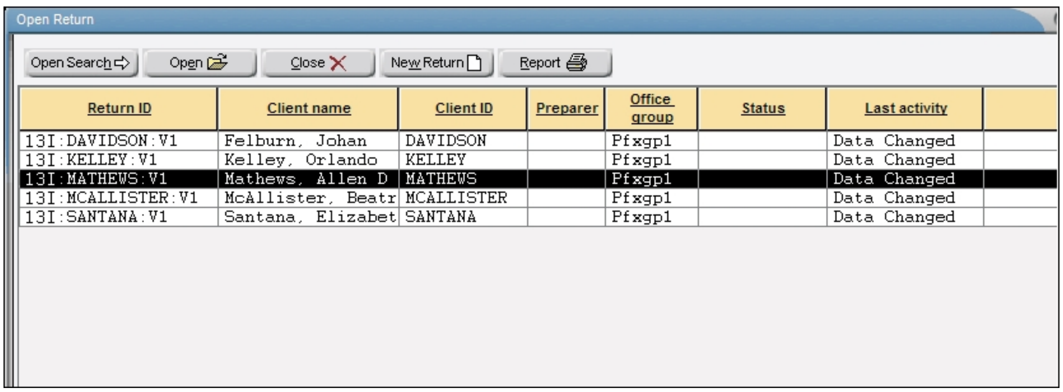
Note: This guide assumes that the worksheet data input method in Office Manager > Configure Firm > Input Methods has been set to enable worksheets and interview forms. If it has not, you will not be able to follow this lesson.

To open the Mathews return using filter criteria, do the following:

1. If the *Open Return* dialog is not already open, click the **Open Return** button to open it.
2. Select your list criteria by using the drop-down lists.
   a. Select **Individual** from the *Tax product* drop-down list.
   b. Select the **Office group** used in Lesson 1 from the *Office group* drop-down list.

The other filter categories allow you to further filter your selection criteria to control which returns will display for your selection. You can look at the other drop-down lists now to see how you could further filter your return list.

3. Click **Go** at the bottom of the *By Criteria* area of the Search Panel.
   - The Mathews return displays if it is the only Individual return in your office group. If more than one return matches your search criteria, applicable returns are listed.
   - Each row corresponds to a single return, displaying the *Return ID*, *Client name*, *Client ID*, assigned *Preparer* and *Office group*, *Status*, *Last activity*, and *Description*.
4. Double-click a column header to sort the list by that column in ascending or descending order. Columns can also be repositioned by clicking a column header and dragging it to a new position.
5. If multiple returns are listed, select **16I:MATHEWS:V1**. The *Open Return* dialog provides information about the selected Mathews return. Double-click the selection or click **Open** to open the return.



Notes:

- A lock indicator is shown on the *Open Return* dialog next to returns that have been locked.
- An *Enter Password* dialog may open if the return is protected by a password.
- A *Tax Preparation* dialog may open stating the return has been forwarded if that option is selected. For details, see Chapter 4, *Tax Preparation*, in the *CCH ProSystem fx Tax User Guide* for more information on forwarding returns.

Selecting a View for Entering Data

With CCH ProSystem *fx* Tax, you have the option of entering client data using on-screen replicas of interview and government forms.

Although the on-screen appearance of the forms differs depending on the option chosen, the forms contain the same information.

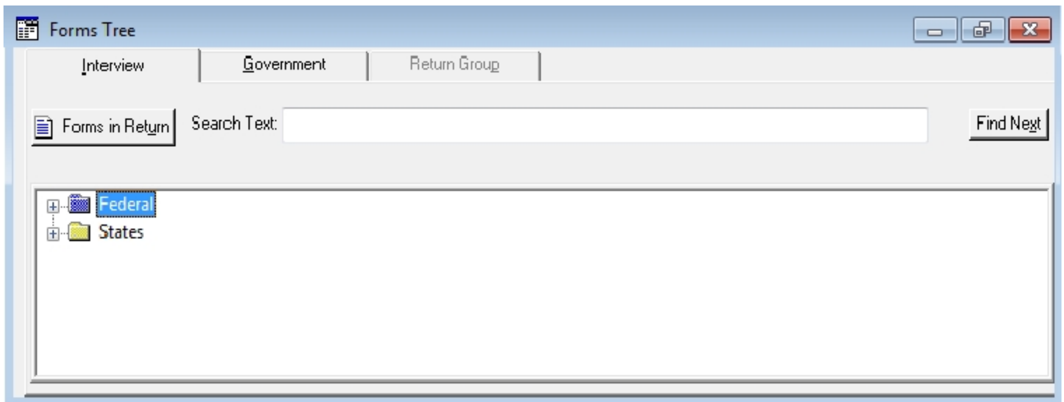
During the course of these lessons, you will use interview forms and government forms to enter data. When working with government forms, an expand feature allows you to enter detailed data. You can also move from a government form field to its corresponding interview form.

As you gain experience using the various types of input, you will find the strengths of each type so you can use them to address various processing circumstances most efficiently.

Using Interview Forms View

You will now switch from worksheets to interview forms (replicas of the hardcopy CCH ProSystem *fx* Tax interview forms) so you can learn how to navigate between the two views.

1. Select **View > Interview**. The Navigation Panel used in Worksheet View is replaced by the following *Full Window Forms Tree*. This tree lists forms by topic in expandable folders.

   Note: If the forms tree does not display, select **View > Full Window Forms Tree**.

2. Click the **Interview** tab if it is not selected.

   There are a number of ways to open and close folders when using the Forms Trees.

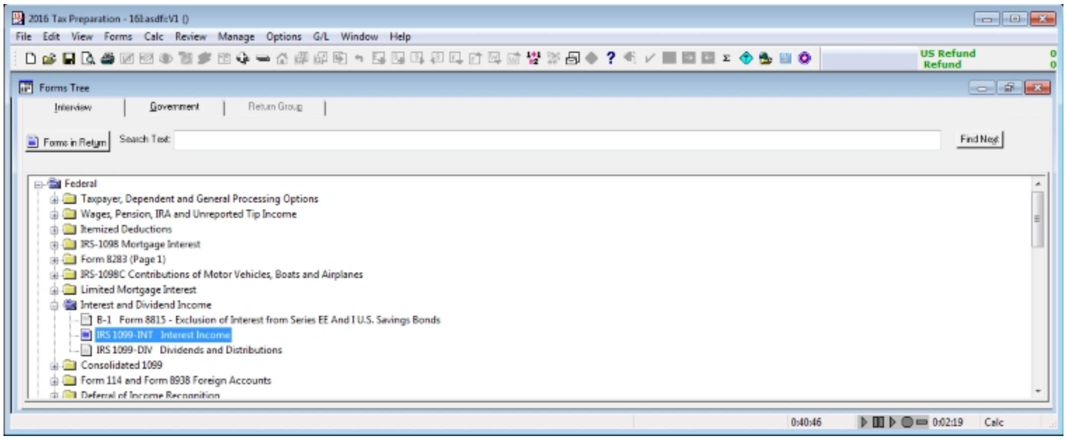
   

   - To expand all folders in a tree, select **View > Expand All**, or press **Shift** + the **plus sign (+)** on the numeric key pad. You can also add the *Expand All* button to your toolbar.

   - To collapse all folders in a tree, select **View > Collapse All**, or press Shift + the minus sign (-) on the numeric key pad. You can also add the *Collapse All* button to your toolbar.
   - To open the selected folder, select **View > Open Folder**, click the plus sign (+) next to the folder, or right-click on the folder and select **Open Folder**.
   - To close the selected folder, select **View > Close Folder**, click the minus sign (-) next to the folder, or right-click on the folder and select **Close Folder**.

3. Click the plus sign (+) next to the **Federal** folder to display the list of interview folders containing the federal return forms. Folders and forms display in different colors. A blue folder contains data, and pale yellow indicates that a folder contains no data. Open a blue folder. Blue text on a form icon indicates the form contains data, and gray text indicates an empty form.



4. Double-click the **Interest and Dividend Income** folder.
5. Double-click **IRS 1099-INT Interest Income**. The *Select Sheet* dialog displays. Each sheet represents an interest entry for the *Interest (Schedule B)* section of the Interest worksheet (established in Lesson 1). Select sheet number one and click **OK**.

6. Click the **Next** or **Previous Sheet** buttons in the toolbar to scroll the interest income detail sheets.

   Note: To change the size of the view, select **View**, then select **Zoom To**, **Zoom In**, or **Zoom Out**. If *Zoom In* and *Zoom Out* are inactive, choose an option under *Zoom To*. The *Zoom In* and *Zoom Out* options will become active.

Entering an Estimate

You can enter an estimated figure to see approximate calculations for the return and later enter the exact amount.

Example: You entered interest amounts previously. Let's say last year's return had an entry for Fidelity Federal and you are fairly certain the same amount applies for this year.

1. Click the **New Sheet** button. A blank IRS 1099-INT displays.
2. Enter **J** in the *TSJ* field. If left blank, this field defaults to J.
3. In the *PAYER'S name* field, enter **Fidelity Federal**.
4. Right-click in the **Interest Income** field, Box 1, and select **Estimate** from the Interest Income menu. The *Estimate* dialog displays your user ID, the current date, and the time the estimate is entered.

   Note: You can also click the *Estimate* button to display the *Estimate* dialog.

   If you want, you can edit the caption or enter a new one.
5. Click **OK** to accept the estimate caption.

6. Enter **750** and press **Enter**.

   Note: You can view or print the estimate report containing all estimate captions and amounts using File > Print > Preparer Reports.

   a. Select **Yes** to continue without calculating.
   b. Click **Estimate Report**.
   c. Select **View Report** if you want to view it.
   d. Click **OK**.
   e. Select **Estimate Report and View Report**.

   Notice that the data in the field now displays in green type rather than in black, indicating it's an estimated amount.

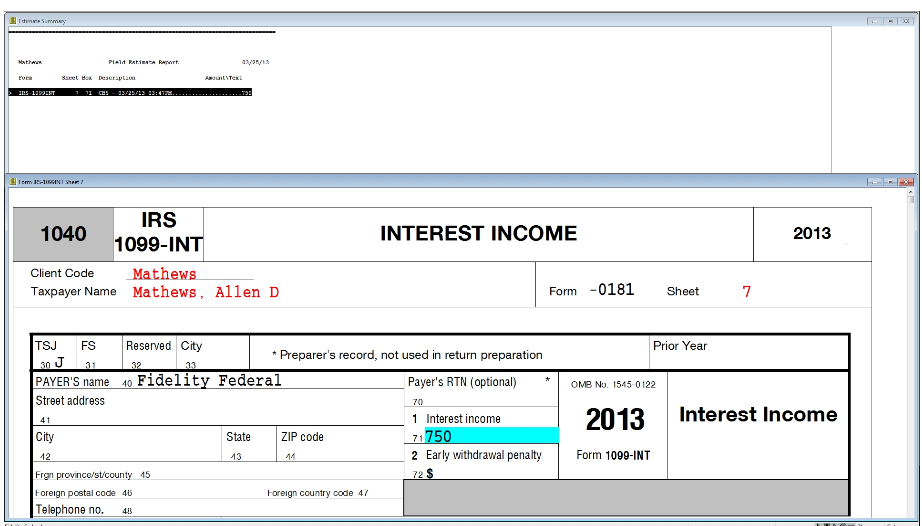
Interactive Estimates

You can view all estimates entered in a return and change an estimate to reflect the actual amount.

You will not need to do this now, but keep in mind that to remove all estimate flags, select Options > Clear All Estimates. This does not remove estimate amounts. This removes the flag and the same amount now displays in black type. You will not clear the estimate flag since you will want a reminder that this amount needs verification.

Let's see how the Interactive Estimates feature works.

1. From the menu bar, select **Review > Interactive Estimates**. The *Estimate Summary* report displays. This report lists, by form order, all estimates that have been entered.
2. Select **Review > Link to Field** or double-click the estimate entry to open the schedule containing the selected estimate. The estimate amount can be modified on the displayed schedule.



3. Close the *Estimate Summary*.
4. Close the form window.

Switching between Interview and Government Forms

Government forms resemble their associated tax forms and are available in CCH ProSystem *fx* Tax. Some government and interview form fields allow you to enter detailed information by expanding the display for detailed input. The *Expand* button is available if the field can accommodate detailed input.

You can also move easily from a government form to a related interview form for data entry, then return to the government form using *Government to Interview Link*.

You will now make a correction to the previously entered Mathews address. During this exercise, you will also expand to detail and link to an interview form.

Currently, the *Full Window Forms Tree* is active. Let's first change the view of the form access tree.

To switch between interview and government forms, do the following:

1. Select **View > Split Window Forms Tree**. This tree lists forms by topic in expandable folders.
    - The form list displays in the left pane.
    - The currently active form displays in the right pane.

    Notes:

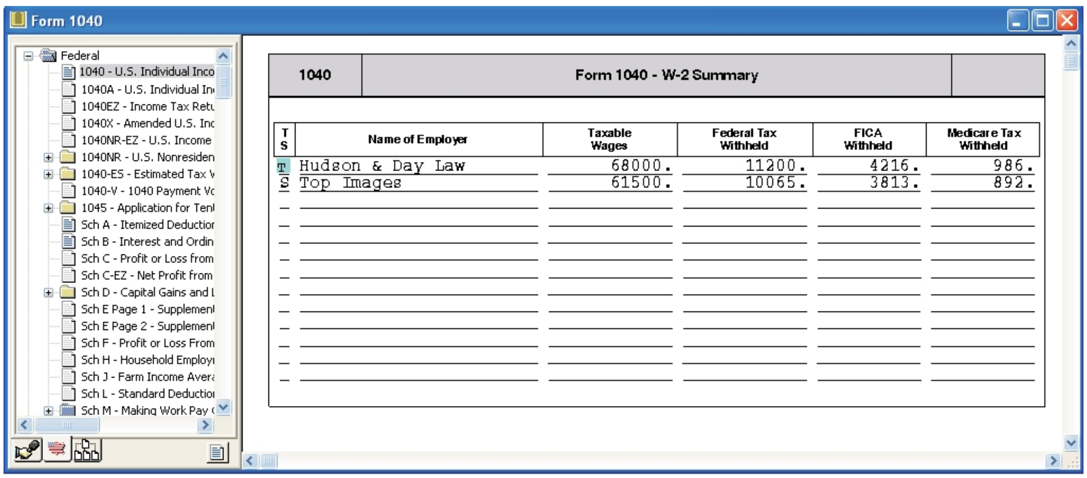
    - *Split Window Forms Tree* panes can be sized horizontally by placing the cursor over the center line dividing the right and left panes until the cursor changes to a double-headed arrow. Click and drag the bar to resize the window.
    - You can use **F6** to move between the left *Tree* pane and the right *Form* pane.
2. Click the **Government** tab located at the bottom of the *Tree* pane. The folders are now collapsed and the form selection list has changed to the government forms.
3. Open the **Federal** folder and double-click **1040 - U.S. Individual Income Tax Return**. Notice on Line 7, *Wages, salaries, tips, etc. Attach Form(s) W-2* the field is blank. This total and other calculated fields do not display until the return is calculated.
4. Click the **Calc Return** button or from the menu bar, or click **Calc > Return** to calculate the return.

    Note: If your license is for Pay-As-You-Process (PAYP), this calc uses one authorization.
5. In looking at the Mathews' home address, you find that it needs to be corrected. Change the Mathews' home address to **618 Elm Street**. You will receive an message stating that an override must be activated before this field can be edited. Therefore, select the *Override* button or right-click in the home address field and select **Override**. For further information, see *Using Overrides* on page 29.

Note: This address change will not change the address on the IRS 1099-INT Interest Income form since it came from the payer and is not a part of Tax Preparation.

6. Now let's check the wage detail for this return. Scroll through the 1040 until you reach Line 7, *Wages, salaries, tips, etc. Attach Form(s) W-2*.
7. Click in the *Wages* field. The *Expand* button in the toolbar is now activated because the field has detailed input.

8. Click the **Expand** button to display the detail screen for *Wages, Salaries, Tips, etc.*
9. Click in the amount field for *Wages* and click the **Expand** button. The W-2 Summary displays multiple schedules (for example, Schedule C, K-1).



10. Click on any record to select it, then click the **Expand** button again to see the detail information for that record.

11. Click the **Go Back** button to return to the W-2 Summary.
12. Click **Go Back** two more times to return to Line 7 of Form 1040. Now you will link the interview form where you can also enter this detail data.

13. Click the **Govt to Interview Link** button. The *Select Interview Form* dialog displays, indicating the form where detail for this amount should be entered.

Note: An asterisk displays before forms with data.

14. Select **IRS-W2**, if it is not already selected, then press **Enter** or click **OK**. The *Select Sheet* dialog displays.
15. Select **Sheet two** (Top Images) and click **OK** to go to Interview Form W-2 and view the details for Margaret's wages.

16. Click the **Back to Govt Form** button to return to Form 1040.

Using Overrides

Now that you are back on Line 7 of the 1040, notice that the field is yellow, signifying the field can be used as an override and the *Override* button is available. Override amounts display in magenta type.

Note: When the return is calculated, overridden amounts will not change even if the field is a system-calculated amount.

You can use overrides if no detail is available or if you want to override any detail entered. The override is entered after you select the override button and establish the override caption. The default caption includes your user ID, the date, and the time the override is entered. You can change the caption's information or enter one of your own if you prefer.

You can use the Review > Interactive Overrides feature to view the overrides you have entered. This feature allows you to move between a return's override summary and the field where an override is entered. You will see how the interactive feature works when you enter an estimate in the next section.

A report listing the override captions and amounts in a return can be printed using File > Print > Preparer Reports > Override Report. The report also lists the form where each override was entered.

You can use Options > Clear all Overrides to remove all overrides.

Note: When you clear all overrides, the amounts will no longer be considered overrides and will change following the next calculation if the field is a system-calculated amount.

Adding a Note

Now let's return to Worksheet View.

1. Select **View > Worksheet** from the menu. The Navigation Panel displays.
2. At the bottom of the Navigation Panel, click the **Worksheet** tab. The view will change to Worksheet View when you select a form in the next step.
3. Do one of the following:
    - To open worksheets from the Worksheet Menu:
        - i. Select **View > Worksheet Menu/Tree**.
        - ii. Select **Interest** from Income in the Worksheet Menu below the toolbar.
    - To open worksheets from the Worksheets List:
        - i. Select **View > Full Window Worksheets List**.
        - ii. Click the **Worksheet** tab.
        - iii. Double-click **Interest** from Income.
4. Click in the **Interest Income** column for *Fidelity Federal*.

    In the next step, you will add a note as a reminder that the interest amount in this field is an estimate.

5. Click the **Notes** button on the toolbar to display the *Notes* dialog.

   The caption displays your user ID, the date and time the note was entered, and the form the note is attached to. You can keep the existing caption or enter your own.

   Note: Notes can be accessed from within any note on the same form or worksheet in the return by clicking the **Notes** button or selecting **Edit > Notes**. Use the Next or Previous buttons to scroll through the notes. This also applies to notes attached to the same detail worksheet.

   You also have the option to create a global note. This type of note applies to the entire return. The global note can be accessed from within any note on any form or worksheet in the return by clicking the **Global Note** button, or selecting **Edit > Global Note**.

   Note: All notes print in the accountant’s copy of the return. You can also view or print notes using the File > Print > Preparer Reports > Lists and Notes > View Report menu option.

6. Enter **Verify Fidelity Federal amount** as the note, then click **OK**.
7. Press **Tab**. The blue marker displayed on the left side of the field indicates a note is attached to the field, and the green type indicates the field is an estimate.

Editing Start-Up Window Preferences

Let's change the settings for the *Open Return* dialog that displays when CCH ProSystem *fx* Tax Preparation is opened.

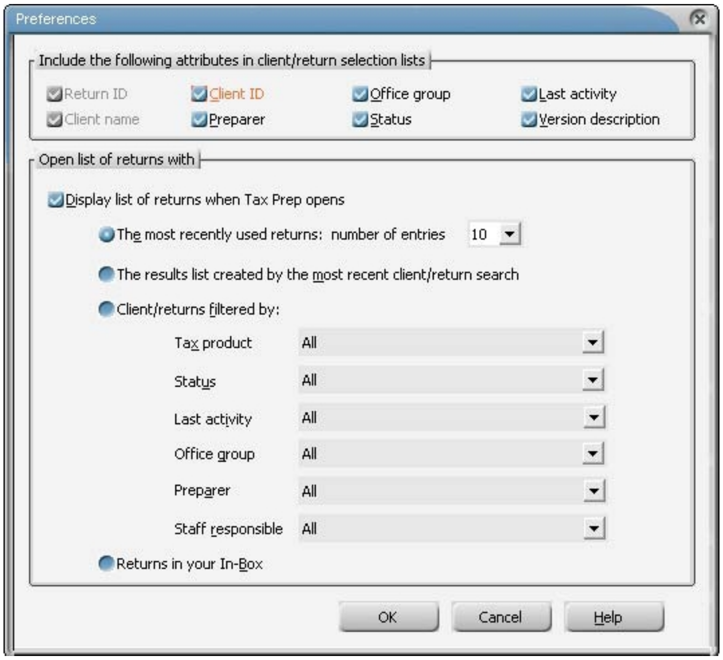
You can customize the dialog as follows:

- Add/remove columns from the search results list.
- Set default filtering.
- Apply filtering from a previous search.
- Display all returns in your database.
- Display only returns assigned to your In-Box.

When beginning this lesson, you entered or selected search criteria in the *Open Return* dialog.

Now you will see how to configure CCH ProSystem *fx* Tax Preparation to generate a list of returns based on preset filter criteria when the *Open Return* dialog displays.

1. From the menu bar, select **Options > Preferences > Start Up Screen Preferences**. The *Preferences* dialog displays.



2. If it is not selected, select the **Display list of returns when Tax Prep opens** check box. When this option is selected, the *Open Return* dialog displays a list of returns based on one of the following search options:
   - Display the most recently used returns
   - Display a return list from a previous search
   - Apply selected filter
   - Display returns assigned to your In-Box

   When this option is not enabled, the list of returns does not display. The *Search Panel* displays, from which you can enter a search.

   Next, you will configure the *Open Return* dialog to display the five most recently accessed returns.
3. Select **The most recently used returns: number of entries**.
4. Select **5** from the drop-down list. The next time you open Tax Preparation, or open a return, the *Open Return* dialog displays the five most recently accessed returns.
5. Click **OK**.

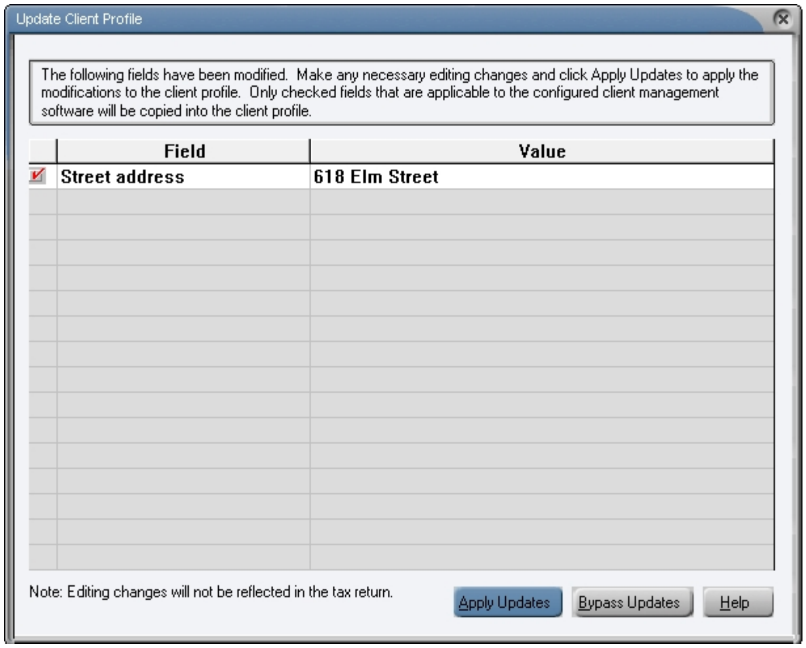
Ending Lesson 2

Follow the steps below as the final exercise in Lesson 2.

1. Click the **Close Return** button or click **File > Close Return**.

2. Click **Yes** to save your entries for return 16I:Mathews:V1, if available. If you have not licensed Client Manager skip to step 4.

   Note: If Client Manager is licensed, the *Update Client Profile* screen displays when you calculate the return before closing. This occurs because you have changed the home address, which is a field contained in both the return and the client profile. The street address is an example of Common Data that displays on the *Update Client Profile* dialog.

   Common Data is one reason CCH ProSystem *fx* is so powerful. As you continue to license systems to the practice office, the Common Data you enter is stored once.

   If you change this data, all systems, with your permission, are updated. This includes the address you changed in Tax Preparation.

3. Click **Apply Updates** to have the changed address entered in the Client Manager. The *Open Return* dialog displays.
4. Click **Close**.
5. If you want to continue, proceed with Lesson 3.

   If you want to take a break and leave CCH ProSystem *fx* Tax, close the *Open Return* dialog, then select **File** and **Exit**.

   When you are ready to begin Lesson 3, re-open CCH ProSystem *fx* Tax, enter your user ID and password, if required, and click **OK**.

Lesson 3

CALCULATING A RETURN

In Lesson 3, you will learn how to do the following:

- Open the Mathews return using the client ID.
- Enter Schedule C information and use the Lookup Value feature.
- View state worksheets.
- Calculate the return and view the return summary.
- Review the return's interactive diagnostics.
- Use tick marks.
- Recalculate the return.

Opening the Return

As you learned in Lesson 2, there are several ways to open a return. In this lesson, you will use the client's ID to open the return.

To open the Mathews return, do the following:

1. If the *Open Return* dialog is not already open, click the **Open Return** button to open it.
2. Select the **Client ID** radio button if it is not already selected in the *By Specified Client* section of the Search Panel on the left side of the screen. Notice that you can search by either *Client ID* or *Name* to find a specific client.
3. Enter **Mathews** in the text box, then click **Go**.

Adding Entities and Looking Up Values

In this section, you will add two Schedule C entities. You will also utilize the Lookup option available in fields such as the following:

- State and City fields
- Date fields
- Business Code fields

Note: When using the lookup feature in a date field, an interactive calendar displays.

To add entities and look up values, do the following:

1. Do one of the following:
   - To open worksheets from the Worksheet Menu:
     i. Select **View > Worksheet Menu/Tree**.
     ii. Click **Income** from the Worksheet Menu.
     iii. Select **Business**.
   - To open worksheets from the Worksheets List:
     i. Select **View > Full Window Worksheets List**.
     ii. Click the **Worksheet** tab.
     iii. Select **Business** from Income.
     iv. Press **Enter**.
2. Enter **Mathews and Mathews** in the *Business name* field.
3. Move the cursor to the *Principal business or profession including product or service* field and enter **Publishing - Newsletter**. Notice that Mathews and Mathews now displays in the *Entity (Business)* section of the Navigation Panel.

   Note: The title of the *Entities* section changes based on the type of entities listed. For example, the title displays as *Rentals* for Schedule E and *Business* for Schedule C entities.

4. Press **Enter** seven times, then click the **Lookup Value** button or press **F4** to display the list of business codes.

5. Click **Search**.
6. Enter **publishing** in the *Search for* field, and verify that the *Down* radio button is selected.
7. Click **Find Next**.

   The highlight moves to **511000, Publishing industries (except Internet)**.
8. Click **OK** to insert 511000 in the *Business code* field.

Normally, you would enter the rest of the information for this entity; however, it is not necessary for this lesson. You will continue by entering a second entity to the return.

9. In the *Entity (Business)* section of the Navigation Panel, click **Add**. A new worksheet displays. Notice #2-Business now displays in the *Entity (Business)* section of the Navigation Panel.
10. Enter **Top Images** in the *Business name* field.

    Note: For purposes of this exercise, you will leave the business code for this second Schedule C blank. Later in this lesson, you will see how interactive diagnostics catches this omission and lets you add the information in a single step.

11. Enter **Graphic Designer** as the *Principal business or profession including product or service*. The #2-Business now displays as Top Images.
12. In the *Entity (Business)* section of the Navigation Panel, double-click the **Mathews and Mathews** folder to return to the first *Profit or Loss from Business (Schedule C)*.

Viewing State Forms

Now you will check the state forms for this return.

1. Do one of the following:
    - To open worksheets from the Worksheet Menu:
        i. Select **View > Worksheet Menu/Tree**.
        ii. On the Navigation Panel, select **California** from the *Tax Authority* drop-down list.

            Note: California is now the only option available on the Worksheet Menu.

        iii. Select **California > General**.
    - To open worksheets from the Worksheets List:
        i. Select **View > Full Window Worksheets List**.
        ii. Click the **State** tab on the Worksheets List.
        iii. Select **California** and press **Enter**.
        iv. Double-click **California Worksheet View**.
        v. Select **General** and click **OK**.

Before entering additional data, save the data you entered so far in this lesson.

2. Click the **Save** button on the toolbar. The status bar displays a message advising that the return data is being updated. Periodically saving your work safeguards against unexpected power failure or other potential data loss.

   On the *AutoSave* tab of the *Preferences* dialog (Options > Preferences > Tax Return Preferences), you can instruct CCH ProSystem *fx* Tax to automatically save data at intervals you specify. See Chapter 4, *Tax Preparation*, in the *CCH ProSystem fx Tax User Guide* for details.

Calculating the Return

Notice the word Calc displays in the bottom-right side of the status bar. When you are unsure whether a return needs to be calculated, check the status bar for confirmation. You are now ready to calculate the return.

Note: The calc option is not available when all calculations in the return are up to date.

Warning! If you have licensed CCH ProSystem *fx* Tax software on a PAYP basis, calculating the return will use one federal and one state Individual authorization.

1. Click the **Calc Return** button to calculate both the federal and state portions of the return.

   If you need to authorize the return, click **Yes** to apply the authorizations. If you do not want to authorize, click **No**, and the calculation will be canceled.

   Messages about the calculation display in the *Calculating Return* dialog as the calculation progresses.

   Note: Once the calculation process begins, it cannot be canceled. The time required to calculate a return will vary depending upon the size of the return and the speed of the computer.

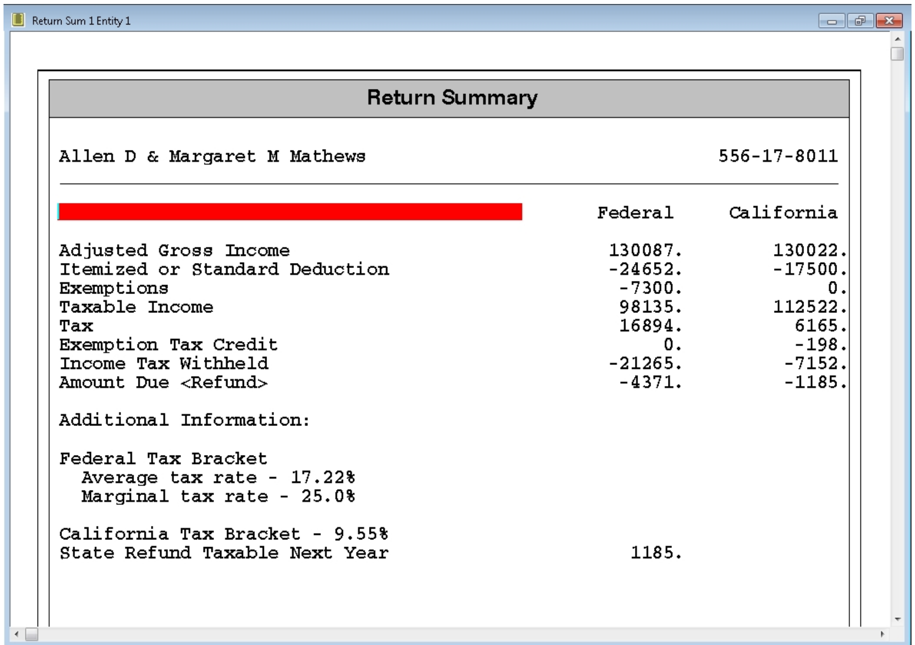
2. If you have selected the **After each calc, display 'Calc Complete'** field in the Options > Preferences > Tax Return Preferences > Miscellaneous dialog, a Calc Complete message displays when the calculation is complete. Click **OK** if the message displays.

   Notice that after calculating, the *Calc* button is not available and the word Calc no longer displays on the status bar. This indicates that all calculations in the return are up-to-date.

Viewing the Return Summary

After the calculation is complete, you can view the return summary, which recaps amounts such as adjusted gross income and taxable income. The return summary always reflects the results of the latest calculation.

1. Select **Review > Return Summary** or the **Return Summary** button on the menu.
2. Select the **Page 1** radio button on the *Return Summary* dialog.
3. Select **OK**. The *Return Summary* window displays in a new window.



Return Sum 1 Entity 1

Return Summary

Allen D & Margaret M Mathews 556-17-8011

	Federal	California
Adjusted Gross Income	130087.	130022.
Itemized or Standard Deduction	-24652.	-17500.
Exemptions	-7300.	0.
Taxable Income	98135.	112522.
Tax	16894.	6165.
Exemption Tax Credit	0.	-198.
Income Tax Withheld	-21265.	-7152.
Amount Due <Refund>	-4371.	-1185.

Additional Information:

Federal Tax Bracket
Average tax rate - 17.22%
Marginal tax rate - 25.0%

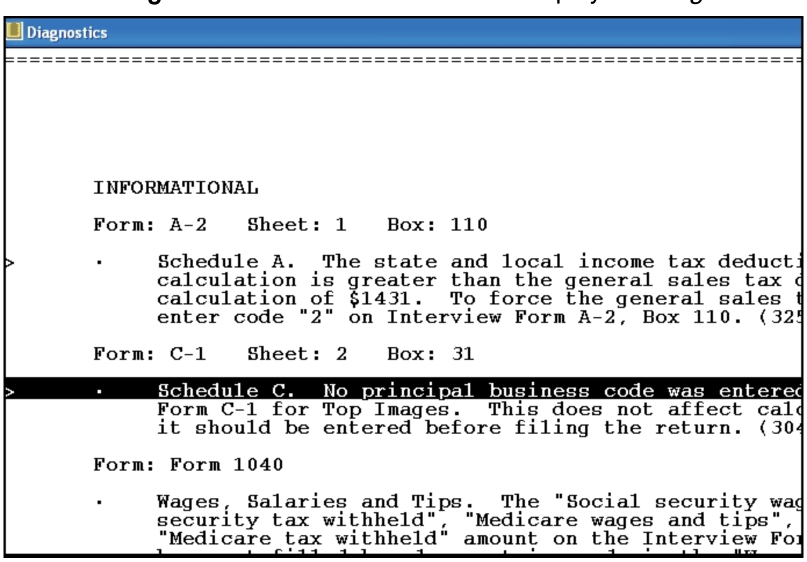
California Tax Bracket - 9.55%
State Refund Taxable Next Year 1185.

4. Close the summary and return to the California worksheet.

Reviewing the Interactive Diagnostics

Now you can review the diagnostics for the Mathews return.

1. Click the **Diagnostics** button on the toolbar to display the *Diagnostics* window.



Diagnostics

INFORMATIONAL

Form: A-2 Sheet: 1 Box: 110

• Schedule A. The state and local income tax deducti
calculation is greater than the general sales tax c
calculation of $1431. To force the general sales t
enter code "2" on Interview Form A-2, Box 110. (325

Form: C-1 Sheet: 2 Box: 31

• Schedule C. No principal business code was entered
Form C-1 for Top Images. This does not affect calc
it should be entered before filing the return. (304

Form: Form 1040

• Wages, Salaries and Tips. The "Social security wag
security tax withheld", "Medicare wages and tips",
"Medicare tax withheld" amount on the Interview For

Interactive diagnostics let you move directly from a diagnostic message to the return field it relates to. Diagnostics that are interactive are identified by a pointer [>] on the left of the screen.

2. Scroll down to "Schedule C. No principal business code..." and select it.
3. Select **Link to Field** from the *Review* menu, or double-click the selected diagnostic.

   A split screen with the cursor in the *Business Code* field displays.
4. Enter **541400** in the *Business Code* field.
5. Close the diagnostics window.

Using Tick Marks

Now that you have reviewed the diagnostics, you can use tick marks on the Mathews return to show that you have reviewed a particular amount field. This eliminates unnecessary return reviews.

Let's enter a tick mark for wages earned in the grid containing W-2 detail.

1. From the Navigation menu, select **Federal** from the *Tax Authority* drop-down list.
2. Do one of the following:
   - To open worksheets from the Worksheet Menu:
     i. Select **View > Worksheet Menu/Tree**.
     ii. Click **Income**,
     iii. Select **Wages, Salaries and Tips**.
   - To open worksheets from the Worksheets List:
     i. Select **View > Full Window Worksheets List**.
     ii. Click the **Worksheet** tab.
     iii. Select **Wages, Salaries and Tips** from Income.
     iv. Click **OK**.
3. Be sure the Tick Marks > All option is selected in the *View* menu.
4. Right-click within the first row of the *Wages* column.
5. Select the **Insert/Delete Tick Mark** option which is toward the bottom of the menu. A red check mark, the tick mark, displays in the bottom-right corner of the entry field.
   - The *Insert/Delete Tick Mark* option works as a toggle.
   - Use one of the following methods to insert/delete a tick mark when an entry field is in focus:
     - Double-click the right mouse button.
     - Right-click and select **Insert/Delete Tick Mark** from the menu.
     - Select **Insert/Delete Tickmark** from the *Review* menu.
     - Press **Ctrl+T**.

Note: The system generates a reverse tick mark whenever a calculation causes the data in a tick-marked field to change. A reversed tick mark is indicated by a white check mark in a red, blue, or green background.

Recalculating the Return

Since you have changed data in the return, you need to recalculate the return before printing it. You will print the return in Lesson 4.

You can use the *Recalc* option on the menu by clicking **Calc > Recalc** to calculate a return when no changes have been made to the data since the last calculation. This situation could occur, for instance, if changes are made to the office group in Office Manager while you are working on the return.

1. To recalculate the return, click **Calc > Return**.

   Note: This will not require another authorization because no changes have been made to the amounts, Social Security Number, or FEIN since the last calculation.

2. If you selected the **After each calc, display 'Calc Complete'** box in the Options > Preferences > Tax Return Preferences > Miscellaneous tab, a Calc Complete message displays. Click **OK**.

Ending Lesson 3

Complete the following steps as the final exercise in this lesson.

1. From the menu bar, click **File > Close Return**, or click the **Close Return** button if it is available.

   Note: In Lesson 1 you added a *Close Return* button. If you do not see a *Close Return* button, see *Customizing the Toolbar* on page 20.

2. Click **Yes** to save your entries.
3. If you want to continue, proceed with Lesson 4.

   If you want to take a break and leave CCH ProSystem *fx* Tax, close the *Open Return* dialog, then select **File** and **Exit**.

   When you are ready to begin Lesson 4, reopen CCH ProSystem *fx* Tax, enter your user ID and password, if required, and click **OK**.

Lesson 4

Printing a Return

In Lesson 4, you are going to print the Mathews return and check the return's activity log.

You will do the following:

- Open a return from the *File* menu list of returns.
- Print the return.
- Set the return's status as Ready for Review.
- Forward the return to another staff member if other users have been configured.
- View the return's activity history.

Opening the Return

To begin Lesson 4, you will use another method of opening an existing return.

1. If you exited CCH ProSystem *fx* Tax Preparation in the previous lesson, open it now. Otherwise, select **File > Open**.
2. The *Open Return* dialog displays a list of the most recently opened returns.

   Notes:

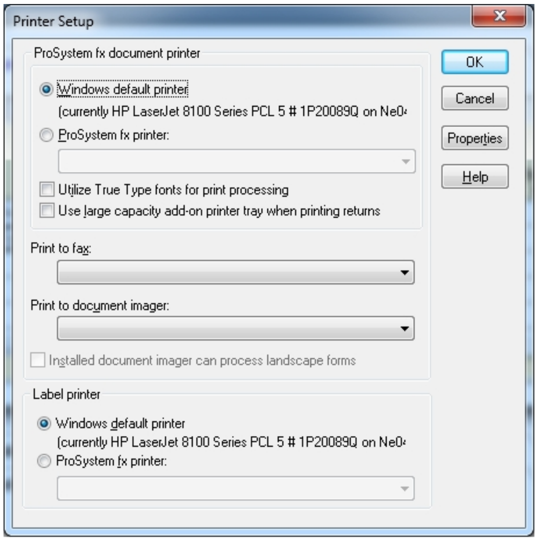
   - The Mathews return will open if it is the only return that you have been working with.
   - When you configure the *Open Return* dialog to generate a list of returns, the *Search Panel* does not display with the list of returns.
     - To access the panel, click **Open Search**.
     - To collapse the panel, click **Close Search**.

3. Select the row containing the **16I:MATHEWS:V1** return ID.
4. Click **Open**.

Setting Up a Printer

You are now going to print the Accountant's copy of the return. First, you will set up printer information.

1. Select **File > Printer Setup** from the menu. The *Printer Setup* dialog displays.



2. Select the correct printer for both documents (i.e., forms and worksheets) and labels. Choose either the default Windows® printer or a specific printer to be used with CCH ProSystem *fx* Tax applications.

   Notes:

   - Do not select the **Utilize True Type fonts for print processing** box. For this exercise, you will be using the generic CCH ProSystem *fx* fonts.
   - The printer you choose here is the printer that will be used for all CCH ProSystem *fx* Tax applications, including multiple CCH ProSystem *fx* Tax Preparation sessions, until you change it.

3. Click **OK**. Click **OK** again when the *Printer Setup* message displays.

Previewing a Return

You can preview the return, prior to printing.

1. Select **File > Print Preview** from the menu. The *Preview Entire Return* dialog displays.

   You can add the *Print Preview* button to your toolbar.
2. For this exercise, clear each check box except the **Accountant** option.
3. Click **OK**. The *Print Preview* screen displays the return in Adobe® PDF format. Use the Adobe®

navigation controls to move around in the return.

4. Exit the PDF. Click **No** to the save changes message.

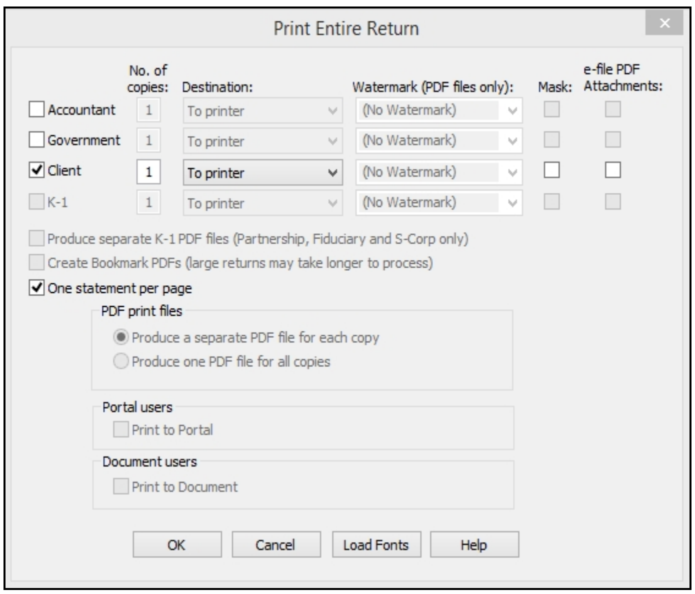
Printing the Tax Return

In this example, you will print a hard copy and create a PDF file of the Mathews return.

1. Select **Print > Entire Return** from the *File* menu. The *Print Entire Return* dialog displays.

   Note: Several other options are available by clicking **File > Print**. For the purpose of this exercise, we will be printing the entire return.

2. Clear the **Accountant** and **Government** check boxes.



3. Select a print **Destination**. *To printer* is the default.
   - **To printer**. Prints the return immediately to the printer selected from the *Printer Setup* dialog.
   - **To print file**. Creates a print file which can be later printed in batch mode from *Production Processing*.
   - **To PDF file**. Prints to a PDF file viewable in Adobe® Reader® or Adobe® Acrobat®.
   - **To PDF file and printer**. Prints to both a printer and a PDF file.

Notes:

- You can also print to either a fax or document imaging software you have installed and set up on the *Printer Setup* dialog.
- If you choose to print to a PDF file:
  - You can add a watermark by choosing a watermark from the drop-down list. You will be prompted to choose a file save location when you click **OK** in step 6.
  - You can produce PDFs with collapsed bookmarks by selecting the **Create Bookmark PDFs** check box.
- You can mask the SSN, EIN, and banking information on copies, other than government copies, by selecting the **Mask** check box.

4. Select the **One statement per page** check box to print each supporting statement on a new page.
5. Click **Load Fonts**.
6. Click **OK** to print the client's copy of the return. If you prefer not to print the return at this time, click **Cancel**.

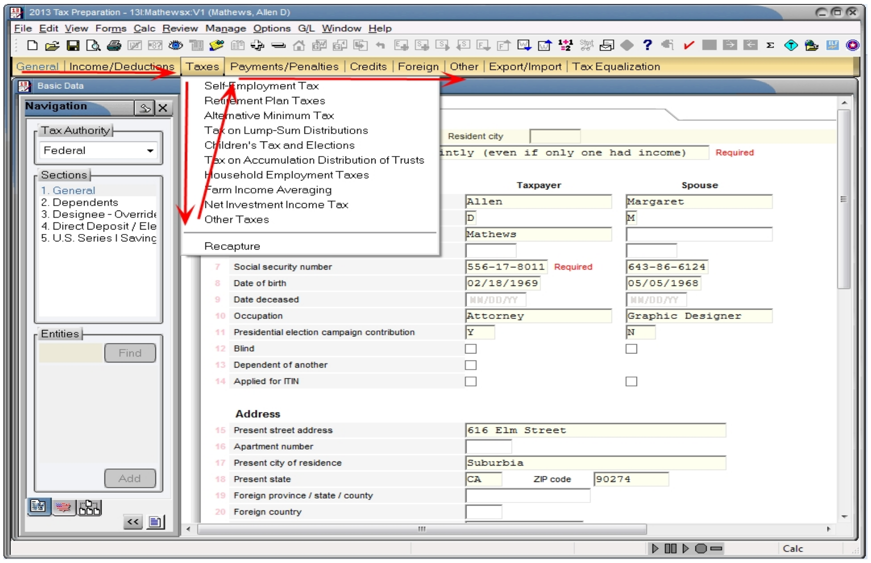
   Note: The print order for entities differs between worksheet and interview views. (Print order and other print options are set using Office Manager > Configure Applications > Tax Preparation > Print Options.)

An example of the print order difference follows:

- In Interview View, entities are sorted and printed based on the order in which they were added.
- In Worksheet View, items on the Interest (Schedule B) worksheet print in the order in which they appear in the grid.

Worksheet print order is based on the position of the worksheet in the Worksheet Menu (e.g., they print in the order that the categories are presented, from left to right).

Within a category, each worksheet is printed from top to bottom before the system continues to the next category. The following example illustrates worksheet print order.



Setting a Status

The return is now ready for review. Therefore, you will set the return status accordingly. It will be recorded in the return's history log.

1. From the menu bar, select **Manage > Set Status**, or click the **Set Status** icon on the toolbar. The *Set Status* dialog displays.
2. Select the **Ready for review** radio button.
   - Aside from setting the status for a return, network users can forward the return to another staff member for review.
   - The names of other staff members display in the *Forward to* list.
3. Click **OK** to set the selected status and add it to the history log.

Forwarding a Return

To forward a return, do the following:

1. Select the return to forward.
2. Select **File > Forward Return**.
3. Select a staff member's name in the *Forward to* list.
4. Click **OK**. The return prompts you to save and close the return. The return is forwarded to the In-Box of the selected staff member.

   The In-Box displays the next time the selected staff member opens CCH ProSystem *fx* Tax or clicks the *In-Box* button.

   Note: When it is not open by another user, you can still access the forwarded return.

Viewing the Return's History

This option lists the activity in the log by user, date, and time, to the client's activity log.

Status changes are also posted to the log, providing a valuable tool for tracking a return's progress through the production cycle.

A return history is kept for each return if the *Maintain status/activity history* processing option is activated when an office group's History/Backup options are configured in Office Manager.

Return history is kept by session, which begins when you open the return and ends when you close it.

1. Select **File > Open** and double-click **Mathews** in the *Open Return* dialog.
2. Select **Manage > View History** from the menu or **View History** on the toolbar. The *Return History* dialog displays.

   The *Return History* log records activity for all sessions with the exception of the current one. The activities of the current session are posted to the log when you close the return.
3. Click **OK** to close the history log.

   If you are licensed for Client Manager (where activity history is kept for all applications), you can print a client history report. For details, please see Chapter 11, *Client Manager & To Do List*, in the *CCH ProSystem fx Tax User Guide*.

Ending Lesson 4

This ends Lesson 4. To exit CCH ProSystem *fx* Tax Preparation, do the following:

1. Click the **Close Return** button (or select **File > Close Return**), and select **Yes** to save changes. The *Open Return* dialog displays. Click **Close** on the *Open Return* dialog.
2. Select **File > Exit** from the menu.

   Note: Use the Office Manager > Delete Client Data > All client and tax return data > Specific client function to delete this client now that you have completed these lessons. For details, see Chapter 3, *Office Manager*, in the *CCH ProSystem fx Tax User Guide*.

What's Next

This concludes our quick start to CCH ProSystem *fx* Tax. We know the powerful features of CCH ProSystem *fx* Tax will make your tax return processing and office administration efficient and productive.

CCH ProSystem *fx* Tax has the following additional help resources:

- **Online Help**. When in doubt about a procedure or command, press **Help** when it appears on a dialog to access context-sensitive CCH ProSystem *fx* Tax Help.
- **Field-level Help**. With your cursor in the field, press F1 for field-level Help.

- **Form-level Help**. With your cursor in a field, press F2 for form-level Help.
- **Step-by-Step**. Select **Help > Step-by-Step > Help** to read procedural, or “how-to,” topics for completing specific tax functions.

We suggest that you familiarize yourself with the *CCH ProSystem fx Tax User Guide* for an in-depth explanation of all CCH ProSystem *fx* Tax options.