2013 TOOLBOX CS, v.2013.1.0
User Bulletin 8034: Initial Release

November 11, 2013

This user bulletin applies to all ToolBox CS® users, and describes changes made to this release of ToolBox CS.

SPECIAL INFORMATION

With this release, ToolBox CS no longer uses Microsoft SQL server. A conversion of SQL-based data will commence at the start of the application. After completion of the data conversion, you will be prompted to re-launch the application. ToolBox CS client data is stored in the same location as installed shared data files and stored in a folder named \ToolBox CSData\TLBXData.

ENHANCEMENTS

Client Handouts

With this release, ToolBox CS includes insightful tax and small business oriented content to help clients stay abreast of tax law changes or address specific client scenarios in an easy to understand graphical format. For a complete list, please see Client Handouts in the Help & How-To Center.

Examples of tax content added to ToolBox CS.

- Charitable Contributions, Children, Divorce, Education, Elderly, Real Estate, Residences and Vacation Homes, Retirement Plans, Sole Proprietors, and Stocks, Bonds and Mutual Funds.

Examples of small business content added to ToolBox CS.

- Business Dispositions, Business Financing, Business Formation and Start-Up, Business Valuation, Buy / Sell Agreements, C Corporations, Dealings with Business Owner, Employer Retirement Plans, Fringe Benefits, LLCs and Partnerships, Personnel and Compensation, S Corporations, Small Business Government Resources, and Sole Proprietors Planning.

Tax Organizers

With this release, ToolBox CS added individual, trust/estate, gift, exempt organizations, and business tax organizers for several unique client employment statuses and tax situations.

The following individual tax organizers have been added.

- Airline Personnel, Alien (Non-U.S. Citizen), Daycare Provider, Direct Sellers, Estate Tax, Expatriate, Farmers, Fiduciary Tax – Initial Year, Fiduciary Tax – Subsequent Year, Gift Tax, Long Haul Truckers and Overnight Drivers, Oil and Gas Income and Deductions, Personal Income Tax and Deduction Finder, and Realtors.

The following business and exempt organization tax organizers have been added.

- Corporation, Corporation Short-form, Partnership, Partnership Short-form, S-Corporation, S-Corporation Short form, and Exempt Organizations.

Email Tax Organizers

With this release, Toolbox CS can email, via MAPI-compliant email software, individual and business tax organizers using an Adobe Acrobat fillable form PDF. This organizer-only feature is available in an open organizer under the Print menu.

Backup and Restore

With this release, a change was made to ToolBox CS to more conveniently back up and restore client data as well as staff and firm settings, without the need to back up an entire database. Individual clients or the entire database of clients can be backed up and restored at any workstation using 2013 ToolBox CS.

Note: ToolBox CS can only restore client data that was first backed up using 2013.1.0 ToolBox CS. The restore functionality does not convert or restore prior SQL-based backups.

Tax Worksheets

With this release, ToolBox CS added over 50 invaluable tax worksheets, organized by tax topic, that can accompany a tax return, answer questions regarding health care, track basis in a retirement account or business, or be used to quickly answer complex tax-related questions. For a complete list, please see Tax Worksheets in the Help & How-To Center.

The following healthcare worksheets have been added.

- Individual Shared Responsibility Penalty
- Individual Shared Responsibility Penalty with Circumstances

Examples of individual tax worksheets added to ToolBox CS.

- Charitable Contributions – Carryover Schedule,
- Community Property – Allocation of Tax Amounts Between Individuals,
- Depletion – Cost Depletion Schedule,
- Depletion – Oil and Gas Depletion Schedule,
- Foreign Earned Income and Housing Exclusions,
- IRA – Roth IRA Basis Tracker,
- IRA – Traditional IRA Basis Tracker,
- Real Property – Estimated Tax on Gain from Sale,
- Rental – Limit on Rental Deductions for a Dwelling Unit Uses as a Home,
- Residence – Gain/Loss from Sale and Allowable Exclusion,
- Tax Benefit Rule – Refunds Previously Claimed as Itemized Deductions.

Examples of business tax worksheets added to ToolBox CS.

- Auto – Employer-Provided Annual Lease Value Method,
- Auto Sale – Gain/Loss Actual Expense Method,
- Cancellation of Debt – Qualified Real Property Business Debt,
- Like-Kind Exchange,
- Partner – At-Risk Basis,
- Partner's Outside Basis,
- Repossession of Real Property,
- S Corporation Shareholder – Basis in Stock and Debt.

Note: In order to better organize tax content, several Financial Calculators were renamed and moved to Tax Worksheets.

Financial Calculators

The following calculators have been added with this version of ToolBox CS.

Social Security Benefits – Starting at Age 62 vs. FRA – This calculator computes the break-even point and the cumulative benefits for an individual taking his own Social Security retirement benefits beginning at age 62 versus beginning at his or her full retirement age (FRA).

Regular 401(k) vs. Roth 401(k) – This calculator compares the results of contributing to a regular 401(k) versus a Roth 401(k) (a designated Roth account).

Tax Flowcharts

All flowcharts have been updated for 2014.

The following flowcharts have been added.

- Alimony Decision
- Classification Process under “Check-the-Box” Regulations
- Dependency Exemption
- Dependency Exemption – Special Rules for Divorced Parents
- Dependent Status for Children of Divorced or Separated Parents
- Earned Income Credit
- EIN – Ownership and Structure Changes Requiring New EIN
- EIN – When is One Needed?
- Employee Commuting – Business or Personal
- Family-Owned Business – Covered and Exempt Employment
- Foreign Earned Income and Housing Exclusion
- Inherited IRA – Death after Required Beginning Date
- Inherited IRA – Death before Required Beginning Date
- IRA Contributions and Deductions
- Like-Kind Exchange
- Payroll Tax Deposits
- PALs – Real Estate Professional and Rental Activities
- Reporting Sales of Business Property (Form 1040)
- Student Loan Interest Deduction
- Treatment of Home with Rental or Personal Use

Forms

The following federal forms have been added.

- Form 211 – Application for Award for Original Information
- Form 907 – Agreement to Extend the Time to Bring Suit
- Form 952 – Consent to Extend the Time to Assess Tax Under Section 332(b)
- Form 1127 – Application for Extension of Time for Payment of Tax Due to Undue Hardship
- Form 1128 – Application to Adopt, Change, or Retain a Tax Year
- Form 4466 – Corporation Application for Quick Refund of Overpayment of Estimated Tax
- Form 8919 – Uncollected Social Security and Medicare Tax on Wages
- Form 8950 – Application for Voluntary Correction Program (VCP)
- Form 8951 – Compliance Fee for Application for Voluntary Correction Program (VCP)
- Form 8952 – Application for Voluntary Classification Settlement Program (VCSP)
- Form 12507 – Innocent Spouse Statement
- Form 12509 – Statement of Disagreement
- Form 13711 – Request for Appeal of Offer in Compromise
- Form 13844 – Application for Reduced User Fee for Installment Agreements
- Application for Health Coverage & Help Paying Costs
- Application for Health Coverage & Help Paying Costs – Short Form
- Application for Health Coverage & Help Paying Costs – Short Form Instructions
- Application for Health Coverage & Help Paying Costs Instructions
- Application for Health Coverage – No Financial Assistance
- Application for Health Coverage – No Financial Assistance Instructions

CHANGES

Financial Calculators

Health Savings Account Evaluator — With this release of ToolBox CS, a calculation issue with *Income Tax Savings* field for a HSA plan was fixed.

Buying vs. Renting – Home — With this release of ToolBox CS, a calculation issue with the *Points amount* field was fixed.

The Health Savings Account Evaluator and Marginal Tax Rate financial calculators have been updated for 2014. The remaining year-specific calculators will be updated in a future release.

Tax Worksheets

Sole Proprietor – Hiring your Dependent Child, IRA – Allowable Deduction or Roth Contribution, SEP – Sole Proprietor's Contribution, 401(k) Plan Contribution to Individual (Solo) 401(k), and SIMPLE IRA Plan – Sole Proprietor's Contribution have been updated for 2014. The remaining year-specific calculators will be updated in a future release.

IRA – Allowable Deduction or Roth Contribution (formerly IRA Phaseout) — With this release of ToolBox CS, a rounding issue with the *Regular IRA deductible contributions* field was fixed.

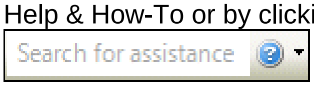
Forms

The following forms have been updated.

- Form 4419 – Application for Filing Information Returns Electronically (FIRE)
- Form 4852 – Substitute for Form W-2, Wage and Tax Statement, or Form 1099-R, Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
- Form W-9 – Request for Taxpayer Identification Number and Certification
- Form 8275 – Disclosure Statement
- Form W-7 – Application for IRS Individual Taxpayer Identification Number
- Form 4868 – Application for Automatic Extension of Time To File U.S. Individual Income Tax Return - 2013
- Form 982 – Reduction of Tax Attributes Due to Discharge of Indebtedness
- Form 1045 – Application for Tentative Refund
- Form 12153 – Request for a Collection Due Process or Equivalent Hearing
- Form 4506 – Request for Copy of Tax Return
- Form 14039 – Identity Theft Affidavit

HELP & SUPPORT

ToolBox CS Help & How-To Center

For answers to questions on using ToolBox CS, access the Help & How-To Center by choosing Help > Help & How-To or by clicking the  button and selecting a topic. You can also use the search 

field in the toolbar to search for topics. For more information, including sample searches, see Finding answers in the Help & How-To Center.

Product support

From the Support Contact Information page on our website, you can complete a form to send a question to our Support team. To speak directly with a Support Representative, call (800) 968-0600, press **2** for Product Support, and listen to the available options. Normal weekday support is available from 9:00 a.m. to 8:00 p.m. eastern time. For additional details (including extended support hours for tax season and hours for other applications), visit the Support section of our website. You can also access the Support section from within ToolBox CS by choosing **Help > Additional Resources > General Support Information**.

Website resources and email subscriptions

Visit our website to access the ARNE Community (an online user forum), to learn about training courses, to view blogs and articles, and more. You can access the website from within ToolBox CS by choosing **Help > On the Web > CS Professional Suite Home page.**

We issue software update notices via email. You can sign up to receive these notices by visiting the My Account section of our website. You'll need to create a web account (if you don't already have one) and then sign up for the Email Subscription service where you can indicate which notices you want to receive.