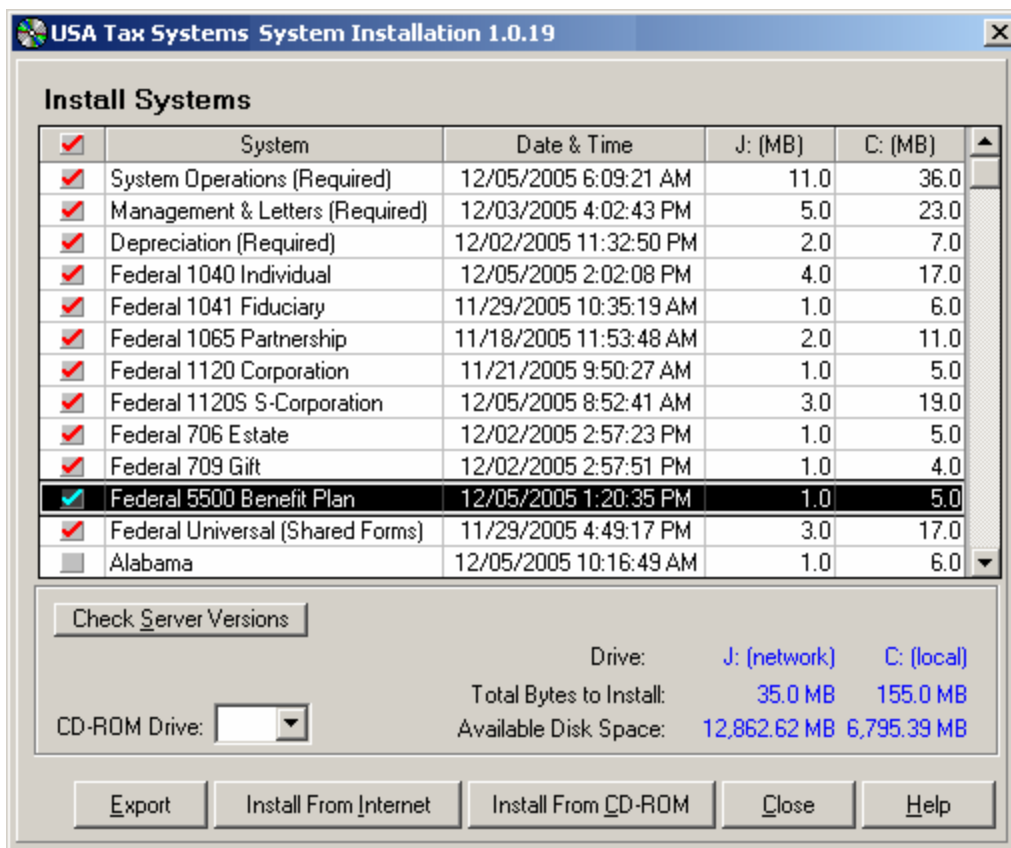




# Conversions2004

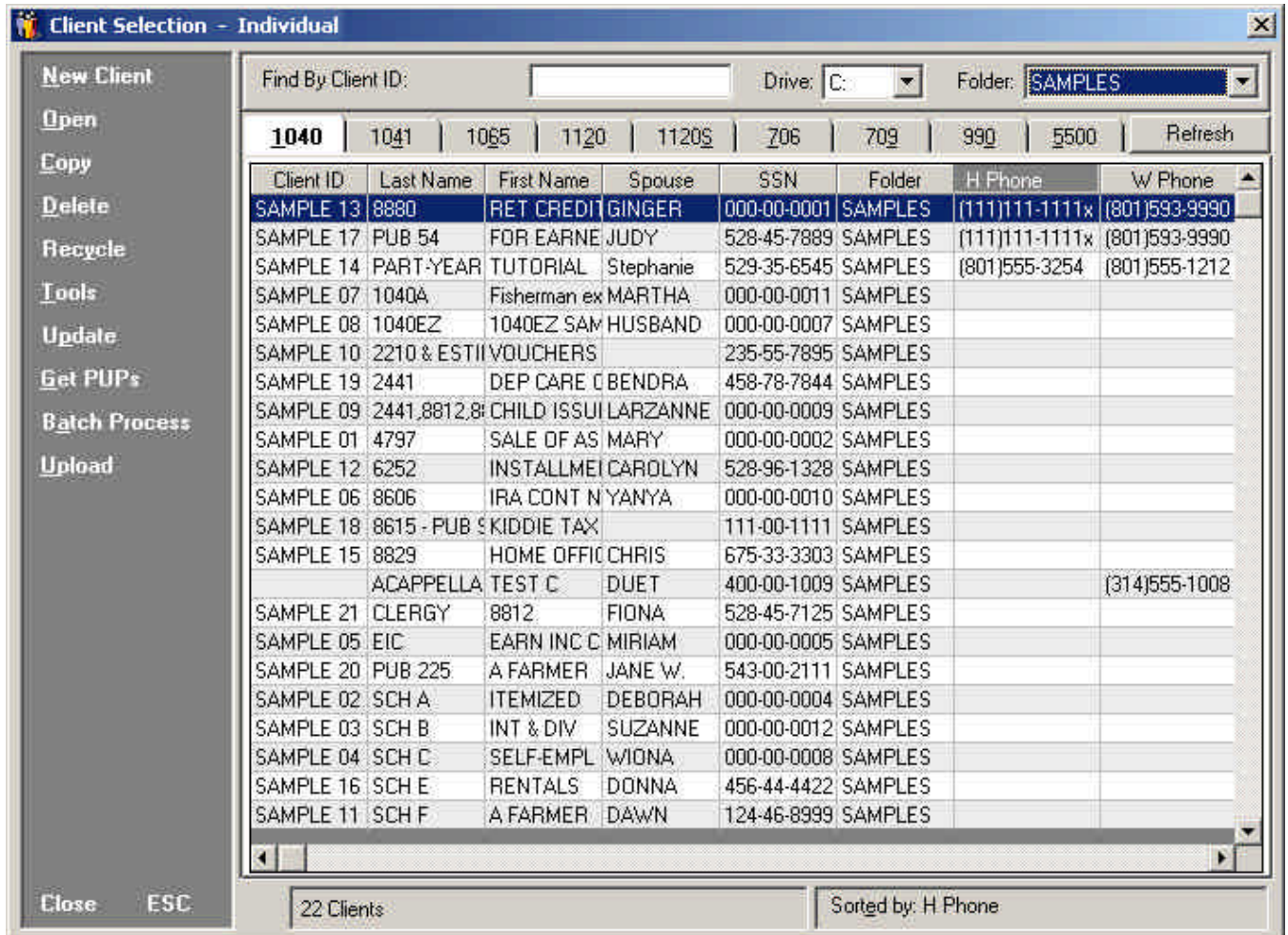
## Conversion Process

1. As a precaution, backup your client data in your prior year software package.
2. Install the USA Tax 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.
3. After the installation is complete, open the USA Tax 2004 Demo by clicking the *USA Tax 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".

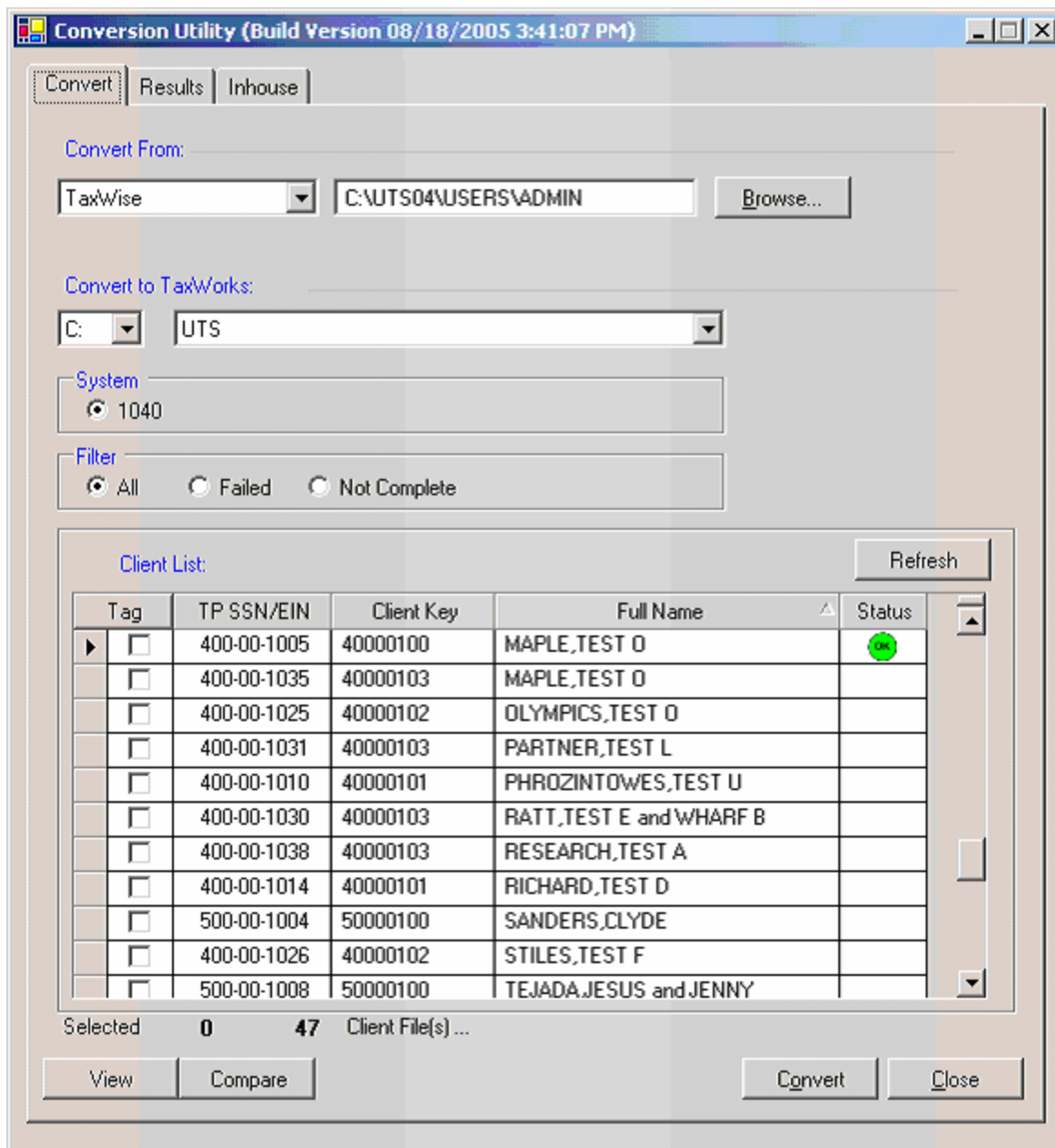


6. Tag the following items using your mouse. Do this by clicking on the gray box to the left of the item:
  - a. System Operations
  - b. Depreciation
  - c. Federal Universal (Shared Forms)
  - d. Federal 1040 Individual
7. Click the *Upgrade From Internet* button (Upgrades may take up to 1 hour).

8. Once the upgrade is complete, click the *Close* button.
9. Files that were upgraded will automatically decompress.
10. USA Tax 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. USA Tax will automatically close.
14. The USA Tax 2004 Conversion Utility will open.
15. Verify TaxWise Data Path:  
C:\UTS04\users\admin (Default TaxWise)  
*Note: Vendor Data Path will change with system selected at the bottom of the screen.*
16. Select the USA Tax Drive (default is C:)
17. Select the USA Tax 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.
19. Click the *Convert* button.



20. Once the conversion is complete, the status of each client will be displayed in the *Status* column.
21. To view a conversion report. Click the *Results* tab.
22. When you are done click the *Close* button
23. USA Tax 2004 will automatically open.
24. If the Client Selection does not open automatically click, the *Clients* button located on the button bar.
25. 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 USA Tax 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.
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 USA Tax to previously converted clients will be lost.

## **Disclaimer Statement**

### ***The goals of the USA Tax data conversion are as follows:***

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

### ***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 USA Tax 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.

### Depreciation Worksheet Conversions (All Systems)

- ✍ All Asset will carry to “Do Not Carry” – you will need to assign the form and multiple number manually.
- ✍ 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.
- ✍ Vehicles split on forms they will carry to “do not carry” or may convert incorrect information.
- ✍ 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 USA Tax Depreciation Worksheet
- ✍ We recommend you print a copy of the USA Tax Federal Depreciation Schedule and verify that the USA Tax 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 USA Tax Depreciation Worksheet
- ✍ If you had selected to delete the asset next year, the asset will not convert.
- ✍ 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 USA Tax Depreciation Worksheet.
- ✍ 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 USA Tax 2004 Depreciation Worksheet, click the 179 button, and remove any unnecessary information.

## Individual Conversions

**Note:** USA Tax 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 USA Tax.
- ✍ Detail statements – All amounts and descriptions may not convert.
- ✍ Non-Calculated Forms – Will not convert.
- ✍ Other Expenses – Limited descriptions will convert.
- ✍ Carry to form number/multiple numbers – Will not convert.

# TaxWise® to USA Tax®

## Automated Individual Conversion Items (1040)

The **underlined and bold titles** are the titles that correspond with the Forms Pane of the USA Tax 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

### **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

### **Form 4797 and Form 4562**

All Information (from Depreciation Worksheet)

### **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 1<sup>st</sup> and 2<sup>nd</sup> State  
Taxpayer/Spouse Name 1<sup>st</sup> and 2<sup>nd</sup> State payer number  
Taxpayer/Spouse Address 1<sup>st</sup> and 2<sup>nd</sup> 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) Employer Identification Number  
Entity Name K-1 Materially Participated Checkbox

### **K-1 (1065)**

Entity Ownership Code (Taxpayer, Spouse, or Joint)	Some is not at risk
Entity Name	Publicly Traded Partnership (PTP)
Employer Identification Number	Foreign Entity
K-1 Materially Participated Checkbox	

**K-1 (1120S)**

Entity Ownership Code (Taxpayer, Spouse, or Joint)	K-1 Materially Participated Checkbox
Entity Name	Some is not at risk
Employer Identification Number	

**Assets (Depreciation)**

Asset Description	Federal Prior Section 179
Date Placed In Service	Federal Prior Section 179
Sale Date of Disposition	Salvage Value
Business Use Percentage	Federal Prior Depreciation
Current Special Depreciation	Override Current Depreciation
Prior Special Depreciation	Business Miles
Depreciation Type	Commuting Miles
Recovery Period	Other Miles
MACRS Convention	Auto Expense Method
Other Listed Property	Vehicle Available for Personal Use
No Evidence to Support	Vehicle used by more than 5% Owner
No Written Evidence to Support Business Use	No Other Vehicle Available for Personal Use
Federal Cost	Prohibit Employee Personal Use
Federal Current Section 179	Prohibit Employee Personal Use Except Commuting
Treat All Use of Vehicle as Personal Use	Meet Qualified Auto Demo Require
Provide More than 5 Vehicles	Increase Ded. Limits for Elec Vehicle & No Limits

**8829 – Form 8829**

Area used	Smaller of home's adjusted basis or fair market value
Total area of home	Value of land included on line 35
Business use percentage	Carry to Form Number/Multiple Number

**6252 – Form 6252**

Description	Date sold
Date acquired	Gross Profit Ratio

**1116 - Foreign Tax Credit**

Resident County	Elect simplified AMT method
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**2106 - Employee Business Expense**

Occupation	Taxpayer/Spouse Indicator
Vehicle placed in service date	Qualified Performing Artist