

# TaxInterest™

IRS/State Interest and Penalty Software



## NEW USER ORDER FORM

### Accurately Calculate Interest and Penalties on Federal Income Taxes, and Calculate Interest on State Income Taxes

When you prepare an amended or late return, do you guess at the interest and penalty amounts and tell your client to wait for the notice from the IRS? When a notice or IRS Account Transcript arrives, do you glance at it to see if it “looks right”? If so, there is a better way.

If you are verifying figures on IRS notices, preparing an amended return for a client, calculating interest and penalties for non filers, or calculating interest and penalties on uncertain tax positions for FIN 48, TaxInterest software is the answer.

#### Let TaxInterest software be your interest and penalties expert

- Simplifies individual and corporate calculations
- Calculates interest for all states with income tax
- All rates are updated quarterly with new jurisdictions added periodically
- Displays interest and penalty totals instantly
- Easily create custom interest rate tables for special jurisdictions, sales tax, estate tax, lookbacks, and more
- Calculates federal penalties on failure to file, failure to pay, negligence, substantial understatement, fraud, and other accuracy related penalties
- Computes large corporate “Hot” interest and GATT refund interest
- Produces FIN 48 interest and penalty calculations
- Allows for multiple payments
- Permits extensive payment allocation options
- Calculates interest for Canadian federal, provincial, and territorial income tax
- Determines correct IRS interest with historical federal rates back to 1954
- Computes interest on multiple-year deficiencies

TaxInterest Software Order Form		TIMEVALUE software																												
Name _____		<p><b>To order TimeValue Software products, call or complete order form and return today!</b></p> <p>All products are backed by a one year money-back guarantee and unlimited product support for the first year.</p> <table border="0"> <thead> <tr> <th></th> <th>List Price</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td><b>Number of Users</b></td> <td></td> <td></td> </tr> <tr> <td>Single-user Edition</td> <td>\$149</td> <td>= \$ _____</td> </tr> <tr> <td><b>Additional Users</b></td> <td></td> <td></td> </tr> <tr> <td>Quantity _____</td> <td>x \$99</td> <td>= \$ _____</td> </tr> <tr> <td></td> <td>Sales Tax 8.00% (CA Only)*</td> <td>\$ _____</td> </tr> <tr> <td><input type="checkbox"/> Digital Download with PDF User's Guide</td> <td></td> <td><b>FREE</b></td> </tr> <tr> <td><input type="checkbox"/> CD and Printed User's Guide (Shipping \$8)</td> <td></td> <td>\$ _____</td> </tr> <tr> <td></td> <td><b>Total</b></td> <td>\$ _____</td> </tr> </tbody> </table> <p>* Sales tax not applicable for download only orders.</p> <p>The first year of update service is included in the initial purchase price. Annual update service fee for single user edition is \$99. Add \$50 per additional user.</p>			List Price	Amount	<b>Number of Users</b>			Single-user Edition	\$149	= \$ _____	<b>Additional Users</b>			Quantity _____	x \$99	= \$ _____		Sales Tax 8.00% (CA Only)*	\$ _____	<input type="checkbox"/> Digital Download with PDF User's Guide		<b>FREE</b>	<input type="checkbox"/> CD and Printed User's Guide (Shipping \$8)		\$ _____		<b>Total</b>	\$ _____
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## TaxInterest software makes figuring interest and penalties easy

IRS interest rates are built-in, including underpayment, refund, motivated tax, and large corporate underpayment rates. All states with income taxes, Canadian federal, provincial, and territorial interest rates are also included. Income tax penalties for the IRS for late filing or late payment, or any accuracy related penalties can be selected to calculate automatically.

### Great for tax planning

If a client wants to file a late return or is seeking a settlement, you can give the bottom line on tax, interest, and penalties. You can even compute "what-if" scenarios based on your client's ability to pay. Assessing potential, outstanding, and future liabilities sets you apart from other preparers.

### Verify IRS notices in minutes

Errors are often caused by incorrect dates, inappropriate application of tax law, misapplied payments, and inaccurate penalty calculations. If the notice is wrong, TaxInterest interest and penalty software gives you clear documentation familiar to the IRS which can be used to resolve the problem.

### IRS accepted; accurate results

- Calculate interest for IRS and state underpayments or overpayments. Even create custom interest rate tables.
- Simply enter tax and payment amounts and applicable dates. TaxInterest software does the rest!
- Give your clients a complete picture of interest and penalties even before filing their past due or amended return.
- Interest and penalty dates are clearly displayed. Comprehensive reports are just a click away.

"I won't be without TaxInterest software; it has benefited my clients many times."

– L. Savich, EA

"I saved a client \$3,000 on a deficiency with TimeValue Software's TaxInterest product. I saved more than I paid for the software right there!"

– P. Beasterfield, EA

### System Requirements:

- Supports Windows XP and above (including Windows 7), and Windows Server 2008, 2003, and Terminal Services
- Citrix is being used successfully by TimeValue Software customers with no known issues in this environment
- At least 10MB RAM and 5MB disk space

**Table: IRS Interest Rates – FEDERAL** Rates current to 03-31-2012

Name: **Jim Smith** ID:

Event	Date	Amount	Description
1 Tax	04-15-07	8,500.00	2006 Return
2 Payment	02-01-08	2,500.00	Payment
3 Entered penalty	06-01-08	463.73	2210 Penalty
4 Payment	12-31-09	2,000.00	Credit Transfer
5 Payment	12-31-10	2,000.00	Y/E Payment
6 Payment	12-31-11	2,000.00	Y/E Payment

Active Penalties: **Failure to File Return When Due – IRC §6651(a)(1)**  
**Failure to Pay Tax Shown on Return – IRC §6651(a)(2)**

**Compute Results**

Compute date: 03-15-12

<b>Tax</b>	<b>8,500.00</b>
<b>Penalties</b>	<b>3,781.23</b>
<b>Interest</b>	<b>2,251.28</b>
<b>Refund Interest</b>	<b>&lt;0.00&gt;</b>
<b>Payments</b>	<b>&lt;8,500.00&gt;</b>
<b>Total</b>	<b>6,032.51</b>

**INTEREST AND PENALTY DETAIL REPORT**

Taxpayer name...: Jim Smith  
Taxpayer ID#...:

Events	Date	Amount	Event Date Balance (1)
2006 Return			
Payment	04-15-07	8,500.00	8,500.00
2210 Penalty	12-31-07	<2,500.00>	8,642.76
Credit Transfer	06-01-08	463.73	9,015.71
Y/E Payment	12-31-09	<2,000.00>	9,116.36
Y/E Payment	12-31-10	<2,000.00>	7,705.13
Y/E Payment	12-31-11	<2,000.00>	6,000.81
Interest Computation Date	03-15-12		6,032.51

(1) Balance includes any interest and penalties accrued as of the Event Date

**PENALTY COMPUTATION DETAIL REPORT**

Failure to file tax return when due, 6651(a)(1)  
Taxpayer Name...: Jim Smith  
Taxpayer ID#...:

Amount subject to failure to file penalty	Amount
Failure to file tax return when due, 6651(a)(1)	8,500.00
Date return received by IRS	02-01-08
Due date (with extensions)	04-15-07
Months late, including fractions	10
Months used in computation (maximum of 5)	5
Penalty rate	5%
Gross penalty computation (amount x months x rate)	2,125.00
Less offset for the failure to pay penalty	212.50
Penalty before considering minimum	1,912.50
Minimum penalty for income tax returns (1)	100.00
PENALTY FOR FAILURE TO FILE TAX RETURN WHEN DUE	1,912.50

The penalty computations are based on an original due date of: 04-15-07  
The computations are based on the information entered in TaxInterest's

Date	Rate	Base	Interest	Balance
04-15-07		8,500.00		8,500.00
09-30-07	8.00	8,500.00	142.76	8,642.76
12-31-07	8.00	8,642.76	176.03	8,818.79
02-01-08	7.00	8,818.79	179.61	8,998.40
02-01-08		8,998.40	55.24	9,053.64
03-31-08	7.00	<2,500.00>	6,553.64	6,553.64
06-30-08	6.00	6,628.00	74.36	6,702.36
09-30-08	5.00	6,727.61	99.61	6,812.69
12-31-08	6.00	6,812.69	103.52	6,916.21
03-31-09	5.00	6,916.21	85.79	7,002.00
06-30-09	4.00	7,002.00	70.17	7,072.17
09-30-09	4.00	7,072.17	71.66	7,143.83
12-31-09	4.00	7,143.83	72.39	7,216.22
03-31-10	4.00	<2,000.00>	5,216.22	5,216.22
06-30-10	4.00	5,216.22	51.70	5,267.92
09-30-10	4.00	5,267.92	52.79	5,320.71
12-31-10	4.00	5,320.71	53.91	5,374.62
03-31-11	3.00	5,374.62	54.46	5,429.08
06-30-11	4.00	5,429.08	25.46	3,454.54
09-30-11	4.00	3,454.54	34.62	3,489.16
12-31-11	3.00	3,489.16	35.35	3,524.51
03-15-12	3.00	<2,000.00>	26.75	3,551.26

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