DT MAX

# USER'S MANUAL

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# INTRODUCTION

## *Welcome*

We are pleased to present the latest edition of the DT Max user's manual.

This guide comprises various sections designed to simplify the learning curve for newcomers and to give experienced users a reliable reference tool.

This preamble is followed by a brief look at the main components of DT Max while the sections that follow deal more thoroughly with the specifics of installing, setting up and running the program, including an overview of some of the program's most valuable features.

Next is a series of tax-related training guides. This section now contains a third component in light of the recent addition of the T3 trust program to our range of tax compliance products.

The last section of this manual pertains to software support. It explains how to get assistance with any problems or questions you may have regarding the program, and introduces the most important support tool of all, the DT Max knowledge base. This manual is an abridged version of our online knowledge base, which is the most complete and up-to-date resource at your disposal. It is the core of our software support service and serves as an information database, a training tool and a help resource all at once. We strongly recommend that you take the time to familiarize yourself with the DT Max knowledge base and make it your preferred method of support.

Our knowledge base includes a wide variety of frequently asked questions (FAQ's), some of which have been integrated into this manual and are identified by a small arrow in the left-hand margin.

We also recommend that you sign up for the Dr Tax email list to be notified of program updates and other important news.

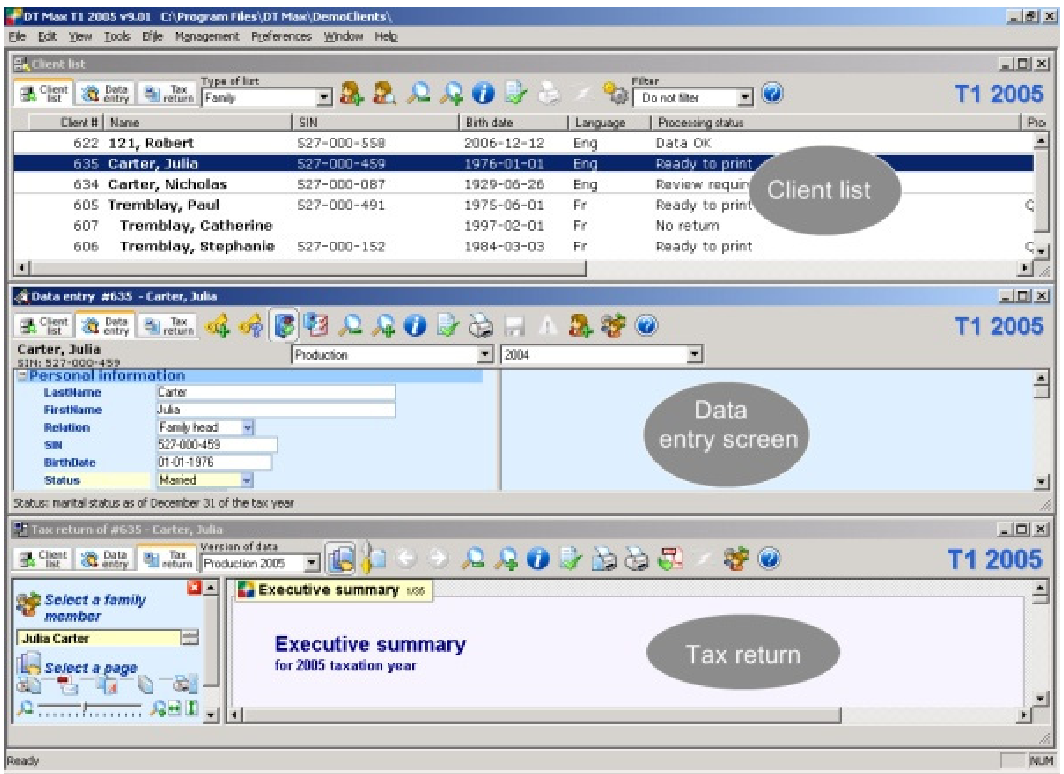
### *About DT Max*

The *About DT Max* option on the *Help* menu provides you with copyright, version and licence information. As per Windows standards, it identifies the copyright holder, tells you what version of the program you are using, and allows you to review the rights and obligations associated with your licence.

From there, select the option *Read licence agreement* to see the Dr Tax limited use software licence agreement.

### *The three screens*

When using DT Max, there are three screens to monitor.



In the program, these three windows are represented by the following three tabs:


The first tab displays the client list. This list comprises all the clients that you have on this database. These may be individuals, corporations, or trusts. You may customize this list per your preferences, within the options available in the customization feature.

The second tab is the data entry screen for your client's tax information. Note that if you check your client list, the cursor will be sitting on the name of that particular client. This is where all the tax information is entered for this client's file. It includes the annual tax information entered by the tax preparer as well as the permanent data, and the historical and carryforward information entered automatically by DT Max for reference in future years.

The third window displays the tax return, thus allowing you to see the results of the tax calculations. To refresh the results, simply click that window. If you are not using a large monitor, you may prefer working in full-screen mode. To do so, click the box in the upper right-hand corner of the screen.

## *Customization*

When DT Max is first shipped, a number of customizable features are preset in order to enable users to get started as quickly and smoothly as possible, the user's defaults.

To use the program efficiently, ensure that these settings meet your preferences. Some can be changed by using a keyword in a client's file but this way of proceeding should be exceptional. To view or change the preset default values, select *User's defaults* from the *Preferences* menu, or press [Alt+F2].

**Client information**

When preparing tax returns, certain fields require the entry of the same value. To eliminate the need to make the same entry repeatedly, some of them appear as client information settings. These can always be changed with the proper keyword in a client's file, as required.

They are:

- Province of residence (T1)
- Province or jurisdiction of head office (T2)
- Type of corporation (T2)
- Province of residence of trust (T3)
- Type of trust (T3)
- Language of client (T1, T2, T3)

**Tax calculations**
The *Tax calculations* tab is where DT Max enables you to select settings in compliance with your firm's requirements. These features are:

- Calculation of instalments / overpayments (T1, T2)
- Processing of March instalments / overpayments (T1)
- Select EI earnings default (T1)
- Automatic calculation of old age security pension (T1)
- Claim ITC refund if possible (T1, T2)
- Optimize provision for taxes (T2)
- Automatic conversion - $US to Can. $ (T1)

**Tax return**
The *Tax return* tab enables you to select what you want DT Max to print and in what manner. Choose appropriate settings for your firm in the following categories:

- Mailing address (T1, T2, T3)
- Phone number (T1, T2)
- Authorization form (T1, T2, T3)
- Type of preparer of tax returns (T1)
- Print balance due in "amount enclosed" field (T1, T2, T3)
- Print refund code to claim refund (T2, T3)
- CRA allowed to share information with Elections Canada (T1)
- Print address of firm on client letter and invoice (T1)
- Print current date wherever a signature is required (T1)
- Number of prior years to show on summaries (T1, T2, T3)
- Display the tax planning summary (T1, T2, T3)

**Miscellaneous**

- New client number range (T1, T2, T3)
- Verification requirements (T1, T2)
- Enable sorting where possible (T1, T2, T3)
- Display format of numbers (T1, T2, T3)
- Display company logo (T1, T2, T3)
- Show as "Inactive" (grey) any files not accessed in past 2 years (T1, T2, T3)

## *The client list*

The client list is a list of all the clients appearing in a database.

The list of T1 clients defaults to viewing clients by family unit, whereas the list of T2 clients defaults to viewing clients by corporation and the list of T3 clients defaults to viewing clients by trust. In either case, simply make a selection from the options offered in the drop-down box to change the way in which clients are displayed.

You can also click the drop-down menu titled *Filter list* to view clients by groups, assembled by DT Max according to your filter setup.

You may customize the items that appear in the client list by clicking the *Customize client list* icon or by selecting this same option from the *Preferences* menu. Note that you may only customize the client list when it is active (title bar highlighted).

## *Data entry*

Enter all your client's information in his/her tax file through the data entry screen.

All information is entered with keywords, which are like index abbreviations designed to help identify the information.

When you create a new file, you are taken to the SmartStart input assistant where you simply tick the sections (tax topics) that are relevant to your client and then work through the data entry keywords displayed in each of these sections.

## *Tax return display*

When DT Max displays a tax return, it first runs the calculations using the keyword data that has been entered, and then places the return on the print queue. Once a tax return is on the print queue, it can be displayed on the screen in exactly the same way that it would be printed. This enables you to do most of your verification on screen before investing the time and cost of printing the return. You must however ensure that all the documents you print for filing purposes meet the governments' respective requirements.

## *Efiling tax returns*

Efile (electronic filing) is the transmission of a tax return in electronic format to the government. It is basically an alternate way of filing income tax returns, which enables you to transmit a return directly from your computer. There is no need to print a paper copy of the tax return for the government.

The main benefits of efile are:

- *Costs reduction* from savings on paper, printing, photocopy and mailing.

- *Decreased investment of time and energy* with assembly being virtually eliminated from the process.

- *Increased accuracy* in the tax return data. In effect, the main source of rejection consists in data entry errors at the CRA and RQ levels. With efile, data entry errors are inexistent. Furthermore, the efile system performs a series of computer checks and balances intended for greater accuracy. It also allows the preparer to detect and fix errors before assessments are generated.

- *Speedy acknowledgment* of the reception of the tax return. Acknowledgments confirming that the tax return is accepted and currently being processed are normally available between three to 24 hours after the transmission.

- Efile *returns are processed more rapidly* than paper returns because fewer steps are handled manually. Refunds are usually sent within two weeks.

- Efile is an electronic, *environment-friendly system,* which shows that your firm cares about avoiding paper waste.

**T1 – individuals**
Efile is currently available for the filing of personal tax returns to the CRA (T1) and to Revenu Québec (TP1).

**T2 – corporate**
Efile is also available for the filing of corporate tax returns to the CRA and RQ (T2), and diskette filing ("D-File") is currently mandatory for the filing of Ontario CT23 returns for corporations subject to corporate minimum tax (CMT).

## *Printing tax returns*

DT Max offers the sophisticated and flexible printing system you need for your tax practice. With it, you can print

- client keyword data to use as an interview checklist
- customized information from the client list
- tax returns for production
- mailing labels
- blank copies of all forms supported by DT Max

**Exiting DT Max**
To exit DT Max, you may follow the Windows convention of selecting *Exit* from the *File* menu, or click the "X" located in the top right-hand corner of your screen. If you are more comfortable using hot keys, you may also exit the program with [Ctrl+Q]. If you attempt to exit while you have unsaved data, you will be prompted to decide whether or not you wish to save prior to exiting. You must never quit the program by simply turning the computer off, nor reboot while the program is still running. Otherwise, you are liable to lose data, damage your database or lock files, which may prevent others from using DT Max efficiently.

# INSTALLATION AND SETUP

## *Setting up and running the program*

### System requirements

The reliability that users demand from their operating systems and applications can only be obtained by ensuring that their computer system is up-to-date and meets certain requirements.

The following are the minimum system and software requirements for DT Max:

**Computer / Processor**

- Pentium 133 or subsequent model

**Memory**

For Windows 98

- 32 Mb of RAM minimum
- 64 Mb of RAM recommended

For Windows NT

- 32 Mb of RAM minimum
- 64 Mb of RAM recommended

For Windows XP, Windows 2000

- 64 Mb of RAM minimum
- 128 Mb of RAM recommended

**Approximate disk usage**

1 year

- 20 Mb
- + 4 Mb per year installed
- + 10 Mb for the knowledge base, per language, for the current year
- + 3 Mb for the knowledge base, per language, per additional year
- Additional space is required for the client database.

**Display**

Settings

- 16-bit colour (65536 colours) and 800X600 resolution or better required
- 1024X768 resolution recommended

**Printer**

Windows compatible, with graphics capability

- If printing less than 120 tax returns:
  Fast inkjet or laser printer with minimum 2 Mb of RAM, 4 Mb recommended

- If printing between 120 and 300 tax returns:
  Workgroup style laser printer with minimum 8 Mb of RAM

- If printing more than 300 tax returns:
  Network-ready laser printer with minimum 16 Mb of RAM

**Modem (for efile only)**

Windows compatible 28.8 K or faster, quality internal modem recommended. Internet access is highly recommended.

**Software**

- Windows 98, Windows NT 4.0 (with Service Pack 6a), Windows 2000, Windows XP, Windows ME (Millennium Edition) or subsequent. Note that DT Max **will not** run under Windows 3.1 or prior, nor under Windows NT 3.51 or prior.

  In order to be fully functional, the current version of HTMLHelp requires Microsoft Internet Explorer version 5.0 (IE5) or higher to be installed. Internet Explorer 6 (IE6) is included on the DT Max CD-ROM. Internet Explorer is more than just a browser. It is a key element of a complete and healthy operating system and serves as the portal to any Windows Update. You can continue to use Netscape or any other Internet browser of your choice.

- DT Max application CD-ROM

**Virus protection**
Many virus-protection software packages include a memory-resident protection program that constantly monitors your hard disk, watching for any changes made to executable programs.

This may interfere with or prevent the proper installation of DT Max and all its components (including HTMLHelp) because during installation, many if not all of the DT Max executable files and DLL files (applications with an .EXE suffix, or application extensions with a .DLL suffix) are modified or replaced.

It is therefore strongly recommended that before installing or updating DT Max, you exit all other Windows applications and disable any virus-checking program that might be running in the background.

## Installing the program

In most cases, as soon as you insert the DT Max CD into the computer's disk drive, the install program will start to run. If this AUTORUN facility is not enabled on your computer:

1. Click the *Start* button
2. Select *Run*
3. Type "D:\SETUP" and click *OK*.

(If your CD drive is not "D", remember to substitute the appropriate letter in the command string above.)

The install program will prompt you to indicate where you want DT Max to be installed and to select the features you would like among the options offered. Standard installation is preferable if you have no specific needs.

**Network installation**
In a network environment, it is preferable to install DT Max on the local hard drive of each workstation as installing onto a network drive would have a significantly adverse effect on the performance. Client databases can be located on a network drive and shared amongst many DT Max users. Note that a Dr Tax network licence is required.

**Uninstalling**
If, later, you wish to remove DT Max from your system, use the *Add/Remove programs* feature appearing in the Windows control panel.

**Installation options**
When installing DT Max, the following options are presented to you:

**Language selection**
This is the language of installation only. The language chosen here will not prevent you from running DT Max in the other language. Currently, the language options are English (United States) and French (Canadian).

**Licence agreement**
DT Max will only run if you agree to the terms of the licence agreement.

**Destination folder**
You can choose the default destination folder (C:\Program Files\Dt Max) or any other folder you prefer.

**Setup type**
The option *Typical* determines the setup specifications for you whereas *Custom* enables you to customize them per your preferences.

**Components**
The following components are available for installation:

**T1:** You can install the personal tax program for 1996 onwards. Please do so only if you have a valid T1 licence. If you do not, these features will only run in demonstration mode.

**T2:** When installed, the corporate tax program covers years 1994 onwards. Please only install it if you have a valid T2 licence. If you do not, the corporate tax program will only run in demonstration mode.

**T3:** If you are a licensed T3 user, you can install the trust tax program for years 2003 onwards.

**Knowledge base:** The knowledge base, which includes all the DT Max help documentation, is available in both languages. It should be installed in at least one of the two. Note that if installed in only one language, DT Max help will not be available in the other.

**Demo database:** Up to three demo databases can be installed: one for the personal tax program (T1), one for the corporate tax program (T2) and one for the trust tax program (T3). Please note that once installed, a demonstration database cannot be installed again.

#### Desktop shortcut

You can choose to have the install program place DT Max on your Windows desktop.

#### Installing IE6

DT Max uses the HTMLHelp system for all its online help and knowledge base information. In order for this help to appear as it should, Microsoft's Internet Explorer 4.01 or greater must be installed on your computer. You can install it from Microsoft's Web site or you can install a customized version from the DT Max CD.

### User ID and password

Whenever you start DT Max, you are prompted to enter your user ID. This enables DT Max to read your user profile and recognize you as an authorized user. The user ID entered at the last session is remembered by DT Max, and automatically appears when restarting the program. If it is yours, you may proceed; otherwise, substitute your own user ID to the one being displayed.

If the DT Max security system is operational, you may also be required to enter a password. The use of a password would prevent other users from logging on using your user ID alone. The user ID is a code of up to four characters, which differentiates you from the other DT Max users on the same database.

If your firm requires the use of passwords, user ID's will be allocated by the system supervisor and set up with certain rights and privileges. Most frequently, your user ID will consist of your initials. The password is up to you, and you can change it whenever you want. If passwords are not required and you enter a new user ID, DT Max will consider this a request to create a new user ID and will ask you to confirm whether this is what you want.

If you only have access to your own clients but need to be able to enter data for the clients of another staff member in your firm, you will be able to do so if the user ID of that particular staff member is marked as an accessible user ID in the security system setup.

Because user ID's and passwords are tied to a database, you can have different ones for different databases, and also for the T1, T2 and T3 programs.

## The DT Max update policy

DT Max updates are released from time to time to incorporate changes in tax law, new forms and other program improvements.

Registered users can download updates from the Internet as soon as product testing and government certifications have been completed.

Major updates are also mailed on CD-Rom two or three times per year. Due to the time required for manufacturing and shipping, these updates are normally available on the Internet two weeks before the CD-Rom is delivered.

## Installing updates

To install a DT Max update, download the appropriate file from the Dr Tax Web site or use the CD-ROM that you received.

Downloading" simply means that you are transferring the program from its location on the Web to your own computer system. There are three ways to obtain available DT Max downloads:

- Directly from the Dr Tax Web site;
- From the DT Max program by selecting *DT Max on the Internet* from the *Help* menu, then clicking *Downloading from our Web site*; or
- From the DT Max updater program by selecting *Check for program updates* from the *Help* menu.

When you are ready to download an update, follow the steps below:

1. Click the underlined link for the version you wish to download.
2. A dialogue box will appear prompting you to enter your username and password:
    - your user name is your licence number
    - the password requested is your Dr Tax password

These two pieces of information can be found in your current version of DT Max by selecting *About DT Max...* from the *Help* menu.

Click *OK.*

If using the CD, insert it into the proper drive and let the automatic install program take over.

At this point, simply follow the instructions displayed on screen by the DT Max installation wizard. DT Max remembers what location you chose when you last installed the program or an update, and will prompt you to select the same location when you need to install again. Ensure that nobody is using DT Max at the time.

You will need to restart DT Max once the install process is completed.

### The DT Max updater program

DT Max comes with a sophisticated updater program that will enable you to download and install updates and patches quickly and efficiently.

Using the DT Max updater you can check for updates from DT Max or set it to automatically check for new releases at regular intervals, so you know you are always using the most current DT Max products. Either way, you will always be able to choose which updates you want to download and install.

To use the DT Max updater, select *Check for program updates* from the *Help* menu.

- *Check for updates now*

  Hit the *Check for updates now* button to start the update process right away.

- *Check automatically*

  Tick this box if you want the DT Max updater to check for new releases at start-up. Select how many days should pass between each request is made.

The installation of updates with the DT Max updater is completed in three steps.

1. Before any download or installation is performed, the DT Max update program will show you the most recent releases that are available and relevant to your setup. Select only the updates you want by ticking/unticking them.

2. Hit "Download". Each update you selected will be downloaded to your computer. During the transfer, you may still work with DT Max as you would if you were downloading from the Dr Tax Web site.

3. Finally, to ensure proper installation, you will be required to save your changes and quit DT Max. Then you can hit "Install". After the installation, the DT Max updater will allow you to restart DT Max with the most recent files.

**Tips and tricks**

- Updates marked with a star are required by at least one other selected update and cannot be unticked unless that other update is not selected.

- Updates marked with the warning symbol "!" are currently unavailable. You may tick their respective boxes for more detailed information.

- Updates that you have downloaded but not installed are saved on your hard disk so that they will not be downloaded more than once.

## Installing an updated licence key

The DT Max T1, T2 and T3 tax programs are available on a 12-month subscription basis. Every year you are required to install a new licence entitling you to produce tax returns for the current tax year.

When installed without a valid licence key, DT Max will operate in "demo" mode, which allows you to evaluate the software by producing tax returns for prior years. Please be advised that a 'DEMO' watermark will appear on all printed returns until you purchase a valid licence to use a fully functional version of the product.

You will receive your licence key in the mail and/or via email after your product order or renewal has been processed.

In DT Max, select *Install licence key* from the *Tools* menu. Provide the licence key information by entering all values (licensee name, efile number and licence key) into each DT Max database (T1, T2, T3) you wish to activate.

By installing your licence key in a database, all users will be granted access to the program as well as all optional features for which you are licensed. Please note that if you are working in a network environment, you will not have to install a licence at each individual workstation but only for each database (T1, T2, T3).

If you are renewing a DT Max product with the same licensing options as the previous year and your licensee name has not changed, you may update your licence key via the Internet. *Only one Internet licence download is permitted per licensee.*

Note that if you choose this option, DT Max will attempt to make an Internet connection to the Dr Tax server. Any required network or modem connections should be in place before selecting this option. Firewall software, if any, will detect that this Internet connection is taking place and prompt you for your permission to allow it to continue.

The Internet method uses your DT Max client number and password from your existing licence file. If you are using a demo version of DT Max you will not be able to download a new licence file unless you have made prior arrangements with Dr Tax client services and obtained your own client number and password.

Once a new licence key has been installed DT Max will automatically restart so that the new licence terms can take effect.

To review your licence information select *About DT Max* in the *Help* menu at the top of the screen. If the licensee name or efile number is incorrect, if you wish to add or change licensing options, or should your key ever be compromised, please contact Dr Tax client services as soon as possible at *cliservices@drtax.ca* or 1(800) 663-7829.

## Running DT Max

To start DT Max, double-click the *DT Max* icon on your desktop or select *DT Max* from your Windows *Start* menu. The logon splash screen will be displayed, with the options selected the previous time you ran DT Max already ticked or highlighted. These options are:

**Program**
Click the radio button corresponding to the program you want (T1 personal, T2 corporate, or T3 trusts). If you have omitted to install a program or do not have a valid licence for it, that particular option will be grayed out.

**Language**
Select *English* or *French* as the language in which you want to run the program.

**Year**
Select a year among the choices available. For T1, this refers to the tax year of the individual whereas for T2 or T3, this refers to the calendar year of the fiscal year-end for the corporation or trust. The years listed are the only ones available.

**Database location**
The database locations listed will be the ones previously used by DT Max. If you want to use another location, type it in the entry field or click the browse icon to locate it and DT Max will subsequently remember it as a valid database location. To create a new database, enter a new location (e.g. c:\clients). DT Max will do the rest.

**User ID**
The very first time you log on, enter your user ID. When prompted to create a new user ID, simply click *Yes*.

**Password**
If this particular feature of the security system is enabled, DT Max will prompt you to enter your password. In order to prevent security violations, it will <u>not</u> remember your password from one time to the next.

**Help**
This button brings you to the present help document, which is part of the DT Max knowledge base and help system.

## *Customization*

You can customize certain aspects of the user interface by selecting *User interface* from the *Preferences* menu.

**Client list**
Select the number of recently accessed client files that should appear on the *File* menu, from zero to 16.

**Data editor**
Select the colour scheme you wish to use.

**Keyword display**
Tick the box *Always show keywords in UPPERCASE* to change the default (mixed case).

**GIFI totals (T2)**
To disable this feature, untick the box *Show automatically calculated GIFI totals in the editor*.

**SmartStart defaults**
Click *Reset SmartStart default sections* to restore the SmartStart sections to their original status.

**Method to select pages**
Typically, the program defaults to the method *Always show index at side*. If you wish to change the method, the following alternatives are available in the *Tax return* frame:

- *Always show index at side*
- *Show index at side - auto-hide after selecting the page* (recommended with a 800X600 screen resolution)
- *Use pop-up mode to select page pages - do not show index at side*

**Use of colours**
By default, DT Max uses background colours to differentiate between report types, that is between federal and Quebec returns, diagnostics, client letters, etc.

However, you can also use background colours to differentiate between family members, that is between family heads, spouses and dependants, or between plans or tax years.

If you wish to change the default, simply tick the appropriate box.
Similarly, if you do not want the tax return displayed with coloured background, select the radio button *never - always use white background*.

**Location of knowledge base files**
If you do not want the knowledge base path to be a subdirectory of the program path, which is where DT Max will place it by default, enter your designated path in the box.

This is preferable if you want all members of a tax group or all users on a network to access the knowledge base from a central location. This will slightly reduce access speed but save significant disk space.

Once this preference is entered, DT Max will remember it (a mark will be set in your registry) and subsequent updates will be installed in that same location.

## Language of use

DT Max is a bilingual program that you can use in either English or French. You choose the language in which you wish to use the program on the opening splash screen. This choice will be remembered by DT Max so that the next time you run the program, it will automatically be set to the language last chosen. In DT Max, to change the language of use from English to French, choose *Switch languages* in the *File* menu, or press [Ctrl+L]. To switch from French to English, the option is *Changer de langue*.

The language in which you use the program does not prevent you from printing a return in the other language. This is governed by the language of your client, as defined in the client file. The default language is determined in the *Preferences* menu under *User's defaults - Client information - Language of client.*

When displayed on the screen, a client's tax return will be in your language, that is the language currently chosen by the user to run DT Max, which may or may not be that particular client's language. Correspondence intended for the client will be displayed in his/her language.

DT Max does not translate your entries. They remain in the language in which they are originally made.

There are entirely different sets of keywords and options in English and in French because the keywords represent abbreviations of the purpose they serve. While entering data, the keywords are only available in the language in which you are running the program (you can see the corresponding keyword in the alternate language by pressing [Alt+K] on the keyword). If someone else uses the program in the other language and edits the keywords in the same client file, the keywords will all appear in the language currently being used.

## Tax preparer information

This feature comprises three options that allow you to set up the identification profile of the individual or firm preparing the tax returns. The name and address of the tax preparer will appear exactly as entered on the client letter, the invoice, the authorization forms and the efile forms, if any.

The address will also be used as the "c/o" address on page 1 of the T1 tax return (see the keyword CARE-OF), if the option selected for the keyword MAIL-ADDRESS was the accountant's address. (Note that MAIL-ADDRESS can be used in a client's data to override the address entered in this setup.) This same address will be printed on the fourth page of the T1 and TP1 forms if you selected *Professional tax preparer* as the setting for the *Type of preparer of tax returns* option of the printing defaults, within the user's defaults menu.

The address information setups are intended to provide you with default values. These may be overridden on an individual basis using the FIRM-ADDRESS keyword, which incidentally can also be set to *Never show address of firm*.

You may set up two distinct addresses for the tax preparer, namely the main address and an alternate address.

**Main address of tax preparer**
This should be the address used most frequently. Simply enter all available information in the fields provided to that end.

**Alternate address of tax preparer**
This allows you to set up a different address to be substituted to the main address at your convenience. Fill out the alternate address information in the same fashion as for the main address then select the condition under which you would like the alternate address to be used.

In *Identification numbers*, enter all information available, where applicable.

If there are several trustees in your firm, the trustee number entered as the default may be overridden in a particular client's data by using the keyword TRUSTEE-NUM in the BANKRUPTCY group.

For tax preparers who are discounters, the DISCOUNT keyword may also be used to indicate which address is appropriate.

## User's defaults

**Print address of firm on client letter and invoice**

For the T1 program only, this box should be checked in order for DT Max to print the address of the firm on the client letter and invoice. However, be sure that it is not checked if you intend to print these documents on company letterhead, or if for any reason you do not want to use the name and address of the firm as entered in the *Identification* option of the *Preferences* menu.

**Authorization form**

This setting tells DT Max whether you want the authorization form (T1013 for T1 and T3 or RC59 for T2) printed with the tax return. It allows you to indicate the periods for which the authorization will apply. You can change this setting in the client's file, if necessary, using the keyword AUTHORIZE. The default value, however, must be changed in the *User's defaults*.

**New client number range**

This refers to the range of client numbers that DT Max will assign your new clients when you create new client files.

If you run DT Max on more than one computer, or if you have more than one DT Max databases on your computer, it is important that you set different, non overlapping ranges of numbers for new clients, for each computer or database. This will ensure that new clients added to any of your databases have a unique client number. If you wish to merge different databases together, there will be no risk of different clients having the same client number.

If you efile, it is also essential that all clients have a unique client number since the client number is used to build the efile document control number (DCN) for the client. The CRA will reject any client with a duplicate DCN.

When selecting a client number range, simply enter the lowest number you want as the start number and the highest as the end number, keeping the above rules in mind. The range set pursuant to these directions only applies to new client numbers generated automatically by DT Max. You can always select a client number yourself when creating a new client file. In such a case, however, be sure to use a client number that will not conflict with those used in your other databases.

**Automatic conversion of $US to Can $ (T1)**
This box should be checked if you want DT Max to automatically convert US dollar amounts (which it will recognize as such) to the corresponding amount in Canadian dollars, based on the CRA's average conversion rate. (A table of rates appears at the right of that dialogue box.) If the box is not checked, DT Max will assume that the amounts were entered in Canadian dollars. This value can be changed in a client's file, if necessary, using the keyword US-CONVERT. You can also modify the exchange rate in any group using the appropriate EXCHANGE keyword in the group.

**Type of corporation (T2)**
The type of corporation defined here will be the default type for all new clients. This is the value used for the keyword CORPTYPE. You can change it in the client's file if necessary. The default, however, must be changed in the *User's defaults*.

**Type of trust (T3)**
The type of trust defined here will be the default for all new clients. This is the value used for the keyword TRUST. You can change it in the client's file if necessary. The default, however, must be changed in the *User's defaults*.

**Print current date wherever a signature is required**
Check this box if you want DT Max to print the current date wherever a signature is required on personal tax returns. If you leave this box unticked, no date will appear unless you use the keyword SIGN-DATE in the client's file.

**Select EI earnings default (T1)**
For the T1 program only, this option should be used to select a default setting for employment insurance insurable earnings. If specific EI earnings are not entered, you may want DT Max to assume that they amount to T4 earnings (a typical employee situation) or to zero (a typical self-employed situation). However, you may also choose not to have a default setting, which would make DT Max prompt you to enter an amount. This is appropriate for users who have many clients of both types and are willing to enter amounts individually for every client. You can change this value in a client's file with EIC-EARN, but the default must be changed in the *User's defaults*.

**The CRA allowed to share information with Elections Canada (T1)**
For the T1 program only, this option tells DT Max that you want to specify whether or not the CRA may provide the taxpayer's name, address and date of birth to Elections Canada over the next 12 months in order to help keep the National Register of Electors up to date. If you wish to efile you must select *Yes* or *No,* as leaving the box blank will make you ineligible for efile. The selection can be changed in the client's file at any time, if necessary, using the keyword ELECTIONS. The default setting, however, must be changed in the *User's defaults*.

**Print balance due in "amount enclosed" field**

This tells DT Max what you want printed in the "amount enclosed" field on the return.

**Calculation of instalments and overpayments (T1)**

This feature allows you to select the method you want DT Max to use when calculating instalments and overpayments. You can change this value in a client's file, if necessary, using the keyword INSTALMETHOD in the personal tax program and the keyword INSTALMETH.R in the corporate tax program. The default value, however, must be changed in the *User's defaults*.

**Claim ITC refund if possible (T1, T2)**

Check this box if you want DT Max to claim the refund of unused eligible investment tax credits, provided that your client is entitled to such a refund. The selection can be changed in the client's file, if necessary, using ITCREFUNDOV in the personal tax program and ITCREFUND in the corporate tax program. The default, however, must be changed in the *User's defaults*.

**Province or jurisdiction of head office (T2)**

This is the province or jurisdiction of the head office of your corporate client, on the last day of its fiscal period. DT Max will use it as a default value in the tax file of any new corporation, for the keyword JURISDICTION. You can change this entry in the client's file, or add additional jurisdictions, as required. To change the default value itself, however, you must make the change in the *User's defaults*.

**Province of residence of trust (T3)**

This is the province or territory of residence of the trust at the end of the taxation year. DT Max will use it as a default value in the tax file of any new trust for the keyword RESIDENCE. You can change this entry in the client's file if need be. To change the default value itself, however, you must make the change in the *User's defaults*.

**Language of client**

This is the language in which the material for most of your clients will be printed. Such material includes tax returns, diagnostics, letters to client and invoices. This value is used as a default for the keyword LANGUAGE in the personal tax program, the corporate tax program and the trust tax program. Incidentally, there are different settings for T1, T2 and T3, which are independent of one another. This value can be changed in a client's file but the default must be changed in the *User's defaults*.

**User-defined logo**

You can choose to have your company logo displayed and printed on certain pages of the tax return. These are typically the pages which are given to your client, the taxpayer, and do not form part of the return which is filed with the government. Your company logo must be created (or saved if you already have one) as a Windows bitmap file (i.e. with the ".bmp" extension). To do so, you may use the *Paint* program, which comes with Windows, or any other commercial graphic software at your disposal. The logo will automatically be scaled to fit the available height. It is suggested that the height be set between 100 and 200 pixels, at 16 or 256 colours.

**Mailing address**

This selection tells DT Max what you want printed as the default mailing address, whether it will be the client's, the accountant's or another. In special cases such as bankruptcy and discounting, where a government does not allow you to make a choice, DT Max will ignore the default value selected, and print the address in compliance with the government's requirements. You can change this setting in a client's file, if necessary, using the keyword MAIL-ADDRESS in the personal tax program, and the keyword MAILADDRESS in the corporate and trust tax programs. The default value, however, must be changed in the *User's defaults*.

**Processing of March instalments and overpayments (T1)**

In the T1 program only, this feature allows you to select how you want March instalments and overpayments to affect the calculations made by DT Max. You can change this value in a client's file, if necessary, using the keyword INST-EXCEED. The default value, however, must be changed in the *User's defaults*.

**Currency format**

Select how you want numbers formatted on the data entry screen. You can make different selections depending on whether data entry is done in English or French, and whether the tax return is printed in English or French. The formats available are:

- 12345.67
- 12345,67
- 12,345.67
- 12 345,67

**Automatic calculation of old age security pension (T1)**
For the T1 program only, check this box if you want DT Max to automatically calculate the amount of old age security pension received, for those of your clients who have reached the age of pension. If this box is not checked, you will have to enter manually the amount of old age pension received, for each client, using the keyword OAP-OV or T-SLIP. This value can be changed in a client's file, if necessary, using the same keywords. The default, however, must be changed in the *User's defaults*.

**Number of prior years to show on summaries**
This option enables you to select the number of prior tax years to which you wish to refer for comparison purposes, up to a maximum of four prior years for the T1 and T3 programs and two prior years for the T2 program. Note that the comparative data can only be displayed if it is still present on the print queue.

**Display the tax planning summary (T1, T2, T3)**
This box must be checked if you want DT Max to display the tax planning summary when one or several tax plans are available.

**Province of residence (T1)**
For purposes of the T1 program only, this is the client's province or territory of residence on December 31 of the taxation year. DT Max will use it as a default value for every client file, for the keyword PROV-RES. This value can be changed directly in the client's file, and will remain until changed again. The default value, however, must remain unchanged for other client files being opened for the first time.

**Printing refund code to claim refund (T2, T3)**
For users of the T2 and T3 programs only, if an amount is refundable, use this option to tell DT Max how you want to claim the refund.

**Prevent reprinting of government copies**
In the *Printing options* of the *Preferences* menu, this selection enables DT Max to know at what stage of the tax preparation process you deem the tax return to be final and therefore want DT Max to prevent the reprinting of copies to government destinations. Please note that if you choose "after collating" or "after mailing", these options will not take effect until you provide this information to the program.

**Enable sorting where possible**
In the T1 program, this box must be checked if you want DT Max to sort alphabetically the entries that can be sorted. These include DONATIONS, MEDICAL expenses, and other keywords involving both a dollar amount and a description of source.

**Show as "Inactive" (grey) any files not accessed in past 2 years (T1, T2, T3)**

Check this box if you want DT Max to show as being inactive any client files that have not been accessed in the past two years. These files will appear in grey.

**Optimize provision for taxes (T2)**

For the T2 program only, check this box if you want DT Max to determine the optimal amount of the provision for taxes that should be reflected in the financial statements of the corporation.

A schedule indicating the proposed adjustments for purposes of the optimization will be produced. The selection can be changed in the client's file, if necessary, using the keyword OPTIMIZE. The default setting, however, must be changed in the *User's defaults*.

**Phone number (T1, T2)**

This selection tells DT Max what you want printed as the default phone number for the client, if applicable. You can change this setting in a client's file, if necessary, using the keyword PRINT-PHONE in the T1 program, and the keyword PRINTPHONE in the T2 program. The default value, however, must be changed in the *User's defaults*.

### SELECTED FAQ'S ABOUT INSTALLATION AND SETUP

- **My screen turns partially black in DT Max.** You may experience some colour problems in DT Max if your current display values are set to 256 colours only. Most of today's display adapters can support 16-bit (65536) or 32-bit colour settings.

  It is also very important to have the most recent driver installed.

  To rectify this problem most efficiently, it is best to get specific instructions from the Web site of your adapter's manufacturer, where you can download the most recent adapter driver available. To find out what brand of display adapter you are using,

  1. click the *Start* button
  2. select *Settings*
  3. select *Control panel*
  4. select *System*
  5. click the *Hardware* tab
  6. click the *Device manager* tab
  7. select *Display adapter*.

  For more assistance, visit *www.driverguide.com*.

- **What is *Windows Update*?** *Windows Update* is the online extension of Windows that helps you get the most out of your computer. It contains a catalog of fixes, updates and enhancements to Windows and to many programs operating with Windows. The catalog allows you to "shop" for components that will make your computer perform better.

  Be sure to download any *Critical Updates* recommended for your system. These critical updates will fix known problems (such as security issues) specific to your computer.

  **Users of Windows 98, Windows 2000 and Windows XP**
  Start the *Windows Update* service from the link on your *Start* menu.

  **Users of Windows NT 4.0**
  Visit the Microsoft *Windows Update* Web site.

- **How do I update my device drivers?** Most hardware manufacturers regularly release updates of these drivers to fix problems or improve performance. These updates are normally available on the manufacturers' respective Web sites.

  **Procedure**
  1. Highlight the *My computer* icon on your desktop, then click the right mouse button.
  2. Select *Properties* from the menu displayed.
  3. Click the *Hardware* tab.
  4. Your hardware devices will be listed under the *Device manager* tab. Click the "+" sign next to the type of device, then select the relevant product.
  5. The *Driver* tab provides more information about the hardware, such as the manufacturer's name. Write this information down as manufacturers and model numbers may vary even for one model of computer.
  6. Click *Update driver* and follow the instructions on the screen. Note that some devices don't have a *Driver* tab. In this case, you may be able to view information about the driver by selecting the icon that is specific to that particular type of hardware in the *Control panel* (e.g. the modem icon).

  See your hardware documentation and Windows help for more information.

- **How can I find out which Microsoft Windows version I am using?** To find out which particular version of the Windows operating system you have, proceed as follows:

  1. Highlight the *My computer* icon on your desktop, then click the right mouse button.
  2. Select *Properties* from the menu displayed.

  Your Windows version should be indicated under the *General* tab, below *System*.

- **When I open the DT Max help, why does the HTML Help viewer display the error message "Action cancelled" in the topic pane instead of displaying the desired topic?** Microsoft's Security Update 896358 restricts execution of HTML Help files to the local machine. To correct the problem, select one of the two alternatives below:

  A - Install the DT Max knowledge base files (.CHM) on the local drive (preferably in the default installation directory C:\Program Files\DT Max\KB\).

  B - If you prefer not to install them locally, you must re-enable the execution of HTML Help files for the "Local Intranet" zone.

  We have compiled the fix into a registry excerpt that you can download and install with a simple double-click of the mouse.

  1. Download the file available at *http://www.drtax.ca/download/public/DTMaxKB_FIX.zip.*
  2. Unzip it and save it.
  3. Open the file "DTMaxKB_FIX.reg" on every computer concerned. Windows will merge the registry setting contained in this file into the registry of the computer.

  You must perform these steps on every client computer in your organization in order to enable HTML Help for your office.

  More details on this topic are available in the Microsoft knowledge base article found at *http://support.microsoft.com/kb/892675/.*

**Please refer to the DT Max knowledge base for more information.**

# PROGRAM FEATURES

## *Managing the client list*

### The client database

When tax information is entered into your client's file, it is stored in the client database. The DT Max database is independent from the program itself. This is why you must indicate the desired database location on the DT Max splash screen, thereby telling the program where to go find it so that you can access it.

You can choose the location of your database and create it in the directory of your choice. For instance, in the relevant field on the splash screen, you could simply enter "C:\Clients" and DT Max would automatically create the new directory named "Clients" on your hard drive.

Within a database, each taxpayer has his own unique client number and is managed independently from the other taxpayers present in the same database.

In the T1 program, the notion of family comes into play to create groups of clients brought together using the keyword RELATION. The database keeps not only the tax information pertaining to your client but also that of each of his family members. Then, in the client list, when you select the option *Family* in the drop-down menu located in the upper-left area of the screen, you can see the name of the family head, with the name of the spouse slightly to the left, and the names of dependants to the right. DT Max uses all the tax information available with respect to a family unit in order to optimize the tax results for the entire family.

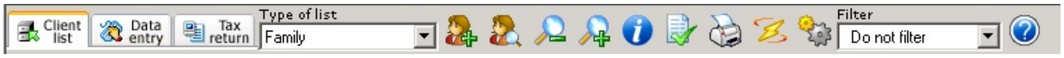
This data is what you will see when displaying the tax return, although some of it may be used in financial or tax planning.

Information about a client's processing status, i.e. where the client stands in the tax preparation process, is also stored in the client database.

The client database is a permanent record of such information. You can access it at all times to check up on the tax data, see what status a client has reached in the tax preparation cycle, verify your investment advice, or even just to locate a client's address and phone number or notes added to a client's file.

There is no maximum number of databases that can be created, used and managed. The only limitation stems from the fact that a client belonging to database X **cannot** be merged into database Y **unless** his client number in X is not currently in use by another client already present in database Y.

## The client list




Three tabs 

appear on all screens while working in DT Max.

is the first tab. It takes you directly to the client list.

The fourth item on the toolbar is a drop-down box which specifies the type of display that is being requested. You can also indicate that you only want the print queue or the efile queue displayed.

 enables you to add a new client to your database using the dialogue box that appears in the centre of the screen.

 enables you to locate a client in the client list.

 is used to show processing status information. It will bring up a dialogue box indicating everything you need to know about the processing status of your client.

 enables you to mark the keywords and tax return as verified.

 enables you to print the client list.

 is used to efile a client's tax return. Personal efile (T1) and federal corporate efile (T2) are currently available.

 is a customization feature used to select the items you want to appear in the client list.

The next item is a drop-down box where you can select which filter you want to use.

provides context-sensitive help which, in this case, brings up the main help screen for the client list.

**Customizing the client list**
Select *Client list settings…* from the *Preferences* menu or click that icon on the client list toolbar. The items that will appear on the client list may be selected by ticking the appropriate boxes. You may customize the client list by choosing the items that you want without even having to access a client's file.

Some of the most popular choices for customization are the social insurance number, home and work telephone numbers, and processing status. Language is equally important if you have clients from both English and French linguistic groups, whereas birth dates enable you to conveniently "remember" a client's birthday. Of course, if numerous choices are selected, you may have to scroll to the right of the screen to view some of them.

The order and width of each field in the list are adjustable. Click the line between two field names to make it wider or narrower. Drag a field title to another position to change its location.

**Family unit**
Grouping clients by family unit is essential to proper T1 optimization. It enables DT Max to know what income, deductions or credits can be moved from one person to another. The RELATION keyword specifies the relationship between a family member and the head of the family, whereas the keyword OPTIMIZE can be used to specify how you want optimization to take place within a family unit. Therefore, the T1 client list defaults to viewing clients by family unit.

Note that when entering client information or displaying a tax return, you can click *Open family member's file* . This dialogue box enables you to go to the data entry screen or to display the tax return of another family member without having to return to the client list first.

You can also create a file for a new member of the family unit, who will then be set up with the default values of the family. These settings are usually those of the family head. Then again, they can also be those of another family member if that new person is linked as their dependant.

The family grouping capabilities of DT Max have their limits and will not enable the entry of extended family units unless the link is made via the family head or the spouse.

**Marked clients**

Many batch processes provide you with the option to apply a particular operation to a selection of marked clients only. This requires you to previously scroll through the client list and use the Windows marking features to select every client you wish to include in the batch. To select a range of clients, hold down the [Shift] key and click the first and last items desired. To select multiple, non consecutive clients, hold down the [Ctrl] key and click each desired item, one at a time.

**Changing the accountant code**

You can change the accountant code shown on the client list by selecting the option *Change accountant* from the *Management* menu. Simply type in the new accountant code (up to four letters) that you wish to start using. Should the responsibilities of a staff member change (e.g. an individual leaves the firm), you can change the accountant code manually through the keyword ACCOUNTANT in the files of affected clients. If, for instance, you want the clients currently assigned to ABC to be reassigned to XYZ, use a filter to list ABC's clients, mark those clients, and then change the accountant code as explained above. Incidentally, such a change can be made as a batch selection for the current family, marked clients, your own clients or all the clients on the database.

Note that it is also possible to blank out the accountant code for selected clients. In this case, the next accountant to access the file of one such client will automatically be set as the new accountant assigned to that particular client.

**Changing client numbers**

When you need to change client numbers, select *Renumber client* from the *Advanced utilities* option of the *Tools* menu. To change the client number for the current client, enter the new number you wish to assign and click OK. If the number entered is already in use, an error message will appear.

You can change client numbers for a batch of clients such as the current family, marked clients, your own clients or all clients on the database. For these batch client selections, you will have to enter a new number range then click OK. The outcome of the renumbering process will be summarized in the DT Max results log.

## Adding clients

The DT Max T1 program treats all clients as members of family units in order to efficiently optimize their respective taxes. One member of any given family unit must be designated as the family head. The particular identity of the family member designated for that purpose is of very little importance. Note, however, that the family head must be entered in the database prior to the spouse and dependants. Incidentally, for purposes of its T2 and T3 programs, DT Max treats all corporations and trusts on an individual basis.

Generally, clients are added to the client database from the client list. When viewing the list, click the right button of your mouse and choose *Add new client* or press [F3]. In the dialogue box that appears, select the type of client you wish to add depending on whether it will be a family head, a spouse (married or common-law) or a dependant. If you are adding a spouse or dependant, make sure that the cursor is placed on the family head.

DT Max will suggest a client number to be assigned to this new client but you may change this recommendation freely as long as the number that you wish to use is not already being used for another client currently on the database.

If your new client is not a member of an existing family, DT Max will treat that person as the head of a new family unit.

The client addition is implemented by clicking *OK*. The program then creates an outline data record for this new client and puts it into the data entry screen, waiting for you to enter the rest of this client's tax information.

### Adding a spouse or dependant

When adding a spouse or dependant to the database, DT Max will insert for you, in the proper fields, all the information that it can enter automatically. These are standard or default values. Please make sure that you verify these entries before accepting them. For purposes of the spouse's file, these fields are LASTNAME, RELATION, STATUS, SEX, PROV-RES and LANGUAGE. In the file of a dependant, no entry will be made in SEX. However, a blank SIN (000-000-000) will be used for that person.

In addition to a family head and a spouse, DT Max allows each family unit to have up to 15 dependants. Because DT Max assumes that all members of a family unit reside at the same address, you are only prompted to enter the address for the family head and not for the spouse or the dependants. However, if the spouse or a dependant has a different address, it may be specified in that person's own file at any time.

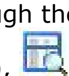
Avoid entering the same address separately in the individual files of several family members as this would make your work difficult if a family moves. It might also cause mistakes to occur in the tax calculations in certain cases where you may have entered an address slightly differently for family members who actually reside at the same address.

## Removing clients

To remove a client from the database, go to the *Client list* and place the selector bar on the client you wish to remove. From there, you may either choose *Delete marked client* from the *File* menu, right-click and choose *Delete this client*, or simply press [F4]. It is important that you use caution when deleting clients in order to avoid improper or accidental deletions. To that end, DT Max will prompt you to confirm whether you really want to delete the selected client.

Note that if you delete a client to whom a spouse and/or dependant is attached, you will delete them as well. If this is not what you want, be sure to separate them prior to deleting. The message prompting you to confirm the deletion is most helpful in such cases as it indicates whether you are about to delete a single client or a whole family.

## Finding a client

To find the client you are looking for, you can scroll through the client list but it is usually more efficient to use the *Find client* icon  (T1),  (T2, T3) or press [Ctrl+F], then enter the client's name, the client number or the SIN in the *Find client* dialogue box and launch the search. (Note that this search utility is automatically activated when you type numeric or alphabetical characters in the client list.)

**Searching by name**
Type in the last name of the T1 client, the company name of the T2 client or the trust name of the T3 client you want to locate, and make sure that the *Name* option is selected. Then, click *OK* or press [Enter]. If this client's name is there, the selector bar will place itself directly on it. If more than one client have the same name, the selector bar will go to the first family head having that name if the client list is displayed by family, or to the first person on the list having that name if the client list is displayed by individual. If the client name is not on the list, the selector bar will move to the client directly following that name in alphabetical sequence. This search starts at the top of the file.

**Searching by client number**

Type in the client number of the client you want to locate and make sure that the *Client number* option is selected. Then, click *OK* or press [Enter]. If this client number is in the file, the selector bar will go directly to it. If the client number is not on the list, the selector bar will move to the client directly following that number in sequence. This search starts at the top of the file.

**Searching by SIN (T1)**

Type in the social insurance number of the client you want to locate and make sure that the *Social insurance number* option is selected. Then, click *OK* or press [Enter]. If the SIN is valid and appears in the file, the selector bar will go directly to it. If it is not a valid SIN, you will get an error message. If the SIN is valid but does not appear on your list, the selector bar will stay put. This search by SIN starts where the selector bar is positioned. To abort a search, click *Cancel* or press [Esc].

## Client filters

The DT Max filter system enables you to filter your client list so that only those clients who match a certain set of criteria are displayed. From the *Tools* menu, you can select and define a number of different filters thereby creating a powerful system for accessing your client database.

When a filter is in use, its name appears in the drop-down menu located at the top right-hand corner of the client list. This menu can be used to apply previously defined filters or to disable the application of a filter. By switching to the individual client list, all clients passing the filter will be shown. By staying in the current family list, only families whose heads pass the filter will be shown.

Note that if your database is rather large and you are using a filter which does not let many clients pass through, the program's operations will run more slowly. In such a case, it would therefore be preferable to only use filters when necessary.

**Client list filter selection**

When you select the option *Filter the client list* from the *Tools* menu, a list of available filters is displayed. Nine different filters are available, eight of which are customizable while the other is predefined as *Your clients only* and can be applied on a permanent basis through the access rights granted with respect to the security system. If you select a filter which has previously been defined, you may choose to apply or edit that filter. If the filter you have selected is not yet defined, then you will only be able to edit it.

When a filter is applied, the client list will only show those clients who have passed through the filter, that is those who have met the criteria set for filtering purposes.

To disable the filters and list the contents of all of your client database, from the *Tools* menus, select *Filter the client list* followed by *No filter* and then *Apply filter*, or select *Do not filter* from the drop-down menu appearing in the top right-hand corner of the client list.

**Filtering on keywords**
You can filter on up to four keywords at a time so that only the clients whose data contain any of these keywords will pass through the filter. For example, if you want a list restricted to the clients whose data include the keyword RRSP, simply enter this keyword for one of the filter settings and leave the wildcard symbol (*) for the other three.

Inversely, you can use the symbol "!" in front of a keyword in order to find clients whose data do not contain a certain keyword. For example, entering !ELIG-ROOM as a filter setting will give you a list of all clients who do not have any RRSP contribution room available. Keywords must be typed in exactly as they exist. Abbreviations cannot be used.

**Filtering on processing statuses**
You can select up to five processing statuses to filter the client list so that clients whose data indicate any one of the specified statuses will pass through the filter. Click the *Change processing status filters* button to add, change or remove a status that was previously selected. If the wildcard symbol (*) appears on all five selection fields for processing status filters, no such filtering will take place as wildcards let all clients through with respect to the criteria for which they are used. The drop-down box titled *These processing statuses apply to...* offers additional conditions designed to limit the status search to federal and/or Quebec returns.

**Filtering on calculated tax data**
This is an advanced feature that enables you to search for clients who meet certain criteria respecting their tax results. The method used for defining the desired criteria consists in writing logical expressions using predefined variables that match specific values in the tax return.

In filter conditions, use variables corresponding to amounts or numeric codes only. Do not use variables that correspond to words such as a name. At present, the variables and fields that can be used are those available in the client letter and in the feature *Show fields on tax return*, i. e. numbers to which you want to compare the values of the variables and the following operators:

- Mathematical and relational operators

| | |
|---|---|
| + | add |
| - | subtract |
| * | multiply |
| / | divide |
| = | equals |
| != | does not equal |
| < | less than |
| > | greater than |
| <= | less than or equal to |
| >= | greater than or equal to |
| ( ) | brackets containing an expression |

  These operators enable DT Max to compare amounts.

- Logical operators

| | |
|---|---|
| %AND | logical AND |
| %OR | logical OR |

Examples:

- To find clients with a federal balance owing greater than $1, use the client letter variable "%42" with the operator ">" as follows: %42 > 1

- To find clients with net income greater than $30,000 who did not have an RRSP deduction this year, the relevant fields are found using the *Show fields on tax return* feature and the T1 federal summary:

| | |
|---|---|
| E11:236 | net income |
| E11:208 | RRSP deduction this year |

  Use the "%AND" operator to add the second component of the filter (i.e. RRSP deductions equal 0):

  (%E11:236 > 30000) %AND (%E11:208 = 0)

  Remember that the condition appearing on either side of the "%AND" operator must be enclosed in brackets.

- To find clients with self-employment income greater than $100,000 and to whom a capital gains deduction (super-exemption) is still available, the relevant client letter variables are:

| | |
|---|---|
| %30 | business income |
| %31 | professional income |
| %32 | commission income |
| %33 | farming income |
| %34 | fishing income |
| %53 | capital gains deduction (super-exemption) available |

  Add up the income variables to get the total, and use the ">" operator to ensure that the total is greater than $100,000, as follows:

  (%30+%31+%32+%33+%34 > 100000) %AND (%53 > 0)

  Remember that the condition appearing on either side of the "%AND" operator must be enclosed in brackets.

It is important to note that this particular type of filter can only be used for clients whose tax return results are on the print queue. Incidentally, it is advisable to restore a backup of your current database in a "dummy" database, then recalculate all your clients, and apply your filter. This will keep your current database from changing the date under *Last activity* for all the clients on the client list.

At the beginning of a tax season, there are few, if any, tax return results on the print queue for the relevant tax year. Therefore, if you wish to apply this type of filter at the beginning of the season, you might want to change the tax year to the previous one, where you should have complete tax return results.

**Filtering on accountant codes**
The accountant code is the four-character entry made in the keyword ACCOUNTANT. Filtering on any given accountant code will produce a list of all the clients matching this code and for whom this staff member is responsible.

If you enter a wildcard (*) as a setting for that type of filter, clients with any accountant code whatsoever will pass through the filter. If you leave this setting blank, only the clients to whom no accountant code has been assigned yet will pass through. If your access level in the security system only allows you to work on the files of your own clients, you will not be able to change the setting for the accountant code filter.

**Filtering on client birth dates (T1)**
This type of filter focuses on a specific range of client birth dates. If you wish to list all clients over a certain age, enter 01-01-1870 for one of the settings and enter the applicable date for the other one in accordance with the age range you wish to target. The order in which you enter the two dates does not matter.

If you wish to list all clients born on a specific day or month, enter the applicable month and day, followed by the wildcard year 1867 in both date ranges (dd-mm-yyyy). Having wildcards (*) as settings will let all clients pass through so long as birth dates appear in their files.

**Filtering on days since last activity**
You can use filters to identify the clients whose files have not been modified for a certain period of time. To that end, you may indicate the period of time you wish to target by specifying the applicable number of days.

For example, if you are only interested in those clients whose files have been active during the last year, indicate "between 0 and 365 days" in the filter settings. The order in which you specify the two entries does not matter. Note that the range "between 0 and 0" would refer to the current day. To filter an unspecified period of time, simply leave the wildcards (*) as filter settings.

**Editing filters**
The filter editing options are all displayed on one screen. Begin by giving the filter a name, preferably something unique and self-explanatory. On the client list screen, when that filter is applied, its name will appear in the drop-down menu located in the top right-hand corner of the screen. This is the name by which this filter will be referenced on the client list filter selection window, accessible from the *Tools* menu. When you have finished editing the filter, press [OK] to save your data. Then, you may apply it from the client list filter selection window or from the drop-down menu on the client list screen.

You can create a filter using any or all of the following criteria:

- Accountant code
- Processing status
- Days since last activity
- Client birth dates
- Keywords
- Language
- Calculated tax data

**Helpful filter uses**

The filter system can be very useful for a variety of tasks, both during the tax season and year-round. Below are a few examples of practical filter uses.

**List your own clients or those of another ACCOUNTANT in the firm**

In a larger firm, it is useful to be able to list only your own clients, not only to speed up your operation of the program but also to avoid overlooking clients. This is particularly important on a network where many users are accessing the same database.

**List clients whose data processing is overdue**

During the tax season, you can filter out all the clients who have not yet been processed in order to schedule work sessions on their files.

**List all clients who will turn 65 years old this year (T1)**

This enables you to generate a list of clients to contact in order to discuss retirement income investment plans.

**Use filters in combination with other features**

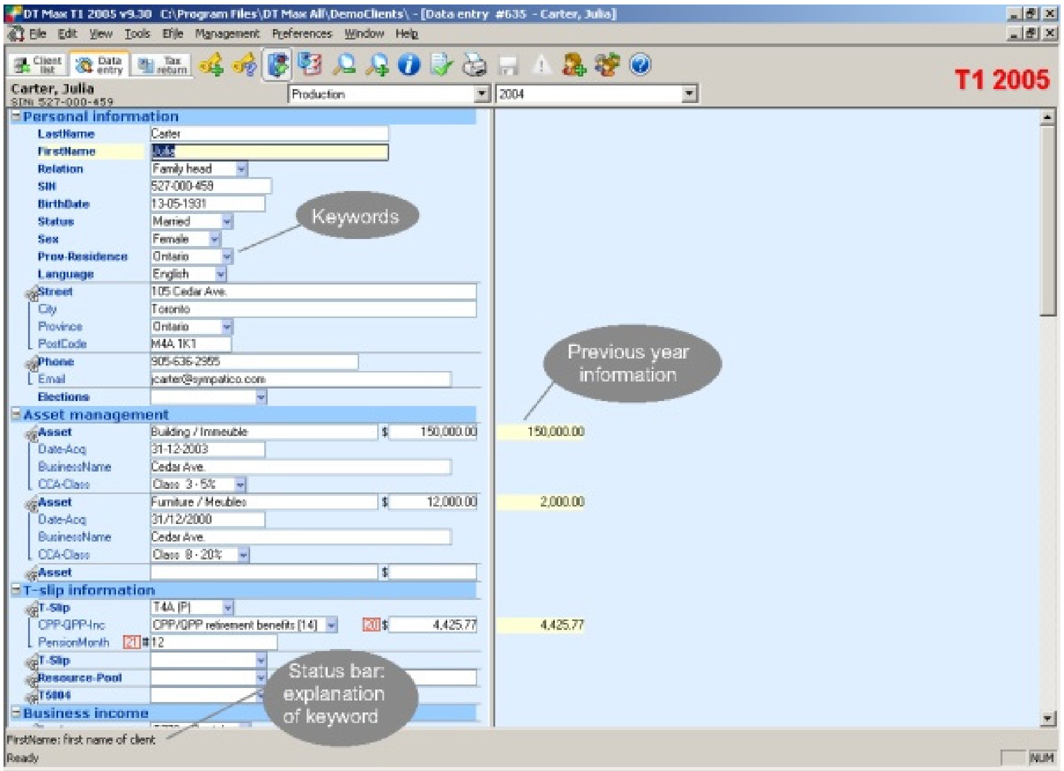
Filters can be used with any procedure that picks up marked clients in the client list in order to make that particular procedure selective. For instance, filters can be used for:

- Batch calculations
- Printing client list data
- Printing mailing labels
- Printing keyword data
- Changing accountant codes
- Changing processing statuses
- Extracting client data.

## *Processing tax data*

### The data entry screen

The data entry screen is divided into several sections (tax topics). All information is entered by using keywords, which are like index abbreviations designed to help identify the information.  On the status bar at the bottom of the screen appears a short one-line explanation of the information that the keyword is meant to bring up.




Enter client information using the keyword system. When displaying a client's previous year information on the right-hand side of the screen, most of the keywords are awaiting the current year's annual information. The previous year's information remains on the right-hand side to enable you to compare data and make sure that you are aware of significant differences, if any.

## The DT Max SmartStart input assistant

The SmartStart input assistant is available in the DT Max keyword data editor starting in tax year 2003. From a client profile screen, simply tick the sections (tax topics) that are relevant to your client, and then work through the data entry keywords displayed in each of these sections. The SmartStart input assistant enables new users to become productive right away by instantly creating a customized input list for new clients.

**Client profile**
The client profile screen appears when you click the *Client profile* icon on the toolbar or whenever you create a new client, unless you *disabled* this feature. On the left panel of the client profile screen, select the sections that you believe to be relevant to your client. When you click *Continue*, these sections will appear in the keyword data editor to create a data entry page customized specifically for that client.

The right panel of the client profile screen is designed for information purposes only. It lists the keywords available in the section highlighted on the left, thereby allowing you to determine whether you really wish to select that section. If you require more information about a keyword you see on the right, double-click it to link to the corresponding keyword help in the DT Max knowledge base.

Certain common sections are pre-selected in the client profile when you create a new client. Note however that there are different pre-ticked sets for family heads, spouses, dependants, corporations and trusts respectively. If you wish to modify which sections are pre-ticked when you create a client, set up the pre-selections the way you want, then tick the box labelled *Save as default selection for new ...* (this box applies to family heads, spouses, dependants, corporations and trusts, as the case may be). Then, the next time you create a new client, you will get your own pre-ticked selections.

If you are a seasoned DT Max user and do not want the client profile screen to automatically appear for new clients, simply untick the box labelled *Use the SmartStart input assistant* that appears in the new client dialogue window.

**SmartStart mode and data review mode**
The keyword data editor has two modes: SmartStart mode and data review mode. Click the SmartStart toggle icon on the toolbar to switch back and forth between these modes.

In SmartStart mode, the keyword data editor displays the section headers that you ticked in the client profile. Each section header can be expanded (by clicking it) to show the keywords available in that section. Remember that for each section, you need only enter information for the keywords that are relevant to your client. Just leave the other ones blank.

You can add or remove sections at any time by clicking the client profile icon and ticking or unticking more sections. Note however that unticking a section will have no effect if that particular section already contains keyword data.

The data review mode shows the client's complete keyword data without the SmartStart section heading. In review mode, you can still modify data and use the [F11] or [F8] functions to add new keywords.

**Compatibility with classic DT Max**
In both SmartStart mode and data review mode, you can still use [F11] to directly type the keyword you need. When in *SmartStart* mode, keywords typed in directly will automatically open the corresponding section. Keyword aliases and the [F8] keyword help are fully integrated into the SmartStart input assistant.
Seasoned users who **do not** wish to use SmartStart should do the following:

1. In the dialogue box that appears for new clients, untick the box labelled *Use the SmartStart input assistant*.

2. Click the SmartStart toggle icon in the toolbar to put DT Max into data review mode.

**Data entry toolbar**


Three tabs 

appear on all screens while working in DT Max.

is the second tab. It will bring you to the data entry screen.

 enables you to add a new keyword to a client's file in a dialogue box that appears in the centre of the screen.

 will tell you what a particular keyword does, and how it is used by DT Max.

 allows you to activate and disable the SmartStart sections.

 allows you to select the required SmartStart sections.


enables you to zoom out.


enables you to zoom in.


is used to show processing status information. It will bring up a dialogue box indicating everything you need to know about the processing status of your client.


enables you to mark the client's keyword data as verified.


enables you to print the keywords for the client whose data is being entered.


is used to save information you have just entered. This is only necessary when you want to make sure that your latest changes to a client's file are saved immediately.


enables you to see what errors and warnings are present in the data you have entered. Note that this icon is highlighted only when warnings or errors are in fact present in your client's keyword data.


is used to add a new client to your database (T1 only).


appears only in the T1 program. It enables you to go to the data entry screen of another family member quickly without having to return to the client list first.

Below the toolbar you will find two drop-down boxes. The first one specifies the type of return being displayed. Choose the type of return you want by clicking the desired selection. The second box is where you select information to be displayed on the right-hand side of the screen.


provides context-sensitive help which, in this case, brings up the main help screen for data entry.

## The keyword system

The keyword system enables you to enter a client's tax information by using a variety of keywords and the options that they offer, and letting the software take responsibility for the calculations and decisions that need to be made in order for a tax return to be properly prepared. The keywords that you use tell DT Max what kind of tax information you have, and the options you choose (where required) make this information more specific and, consequently, more useful.

When using keywords, you don't have to worry about identifying the proper field or line number where to enter the tax information.

Data is entered on a single screen, in any order you like. You never need to search through hundreds of forms. The program organizes and manages the data for you, thereby optimizing the tax payable for any given family unit.

Family members are grouped together as a unit in order to enable optimization and simplify client management for the tax preparer. An individual file is created for each member of the family unit, where all relevant data is entered, respectively.

Keyword help (activated by clicking the *Keyword help* icon or by pressing [F8]) allows you to quickly find the applicable keywords for any tax information. The most commonly used keywords soon become familiar. However, because previous year information is available for comparison on the right-hand side of the screen (as on a financial statement), you should not have to enter new keywords very often.

Also, when creating new client files, you can display the file of a similar client, existing or fictitious, on the right-hand side of your screen to eliminate the need to enter new keywords.

The keyword help system, together with features such as the text macros and the "ditto" key, give you superior speed and convenience in data entry.

Displaying the keyword data of a client's spouse or any of the client's tax plans on the right-hand side of the screen will help tax planning as well as verification of data entry. You can also enter data from plans by selectively marking data on the right-hand side and copying it into the tax file.

After all data is entered in this compact format, you are just one mouse-click away from viewing the complete tax return on the screen, exactly as it would be printed.

**Types of keywords**
The DT Max database stores client information in a flexible format using keywords. This method enables the program to keep a vast amount of data of all kinds in a compact and efficient manner.

Each keyword is an abbreviation or mnemonic expression of the information it represents. The different types of keywords used are described below:

**Numerics**
These keywords are followed by a single number. If the number is a dollar amount, a "$" is shown to the right of the place where the amount is to be entered. If it is a whole number (integer) then a "#" sign is shown.

**Alphanumerics**
These keywords are followed by text (a letter, one or several words). Each keyword has a limit as to the maximum length of the text.

**Options**
These keywords are followed by a word or phrase which can only be selected from a list of options.

**Compounds**
These keywords are followed by any two of the types listed above.

**Paragraph keywords**
Paragraph keywords enable you to enter large amounts of text, up to one full screen at a time. The data entry screen shows the keyword and the first line of text followed by three dots (...) to indicate that this text is continued.

**Group keywords**
Some keywords are gathered in groups. These are cases where several pieces of data are linked together. A framing bar on the left of group keywords indicates which keywords belong to the same group.

**Carryforward and historical amounts**
Carryforward and historical amounts entered into a client file by DT Max are indicated as such by the "^" mark to the right of the calculated amount.

**Group keywords**
Some keywords are gathered in groups. These are cases where several pieces of data are linked together. One example is the information found on a T4 slip, where various tax amounts and contributions are all tied to the income amount. To start a new group, just type in the keyword for the first item in that group (group header). After you have entered the data and pressed [Enter], the next relevant keyword will automatically appear on the input line, ready for you to enter data. If no data is available for that keyword, just press [Enter] to skip to the next keyword. While a group is still open, a dotted line appears to the left of all the keywords that belong to that group. Once you have been through all the keywords in that group, the group can be closed and you can continue entering data in the usual way.

To open a group, use either of the following three methods:

- Click the left framing enclosing the group keywords
- Press [F6], or
- Place your cursor on one of the keywords, right-click and select *Expand group*.

To close a group:

- Click any dotted line to the left of the group;
- Press [F6] or [Shift+F6]; or,
- Right-click and select *Contract group*.

There are also groups within groups. For instance, the CCA-CLASS group exists within the BUSINESS group (T1, T3). These behave in a similar manner.

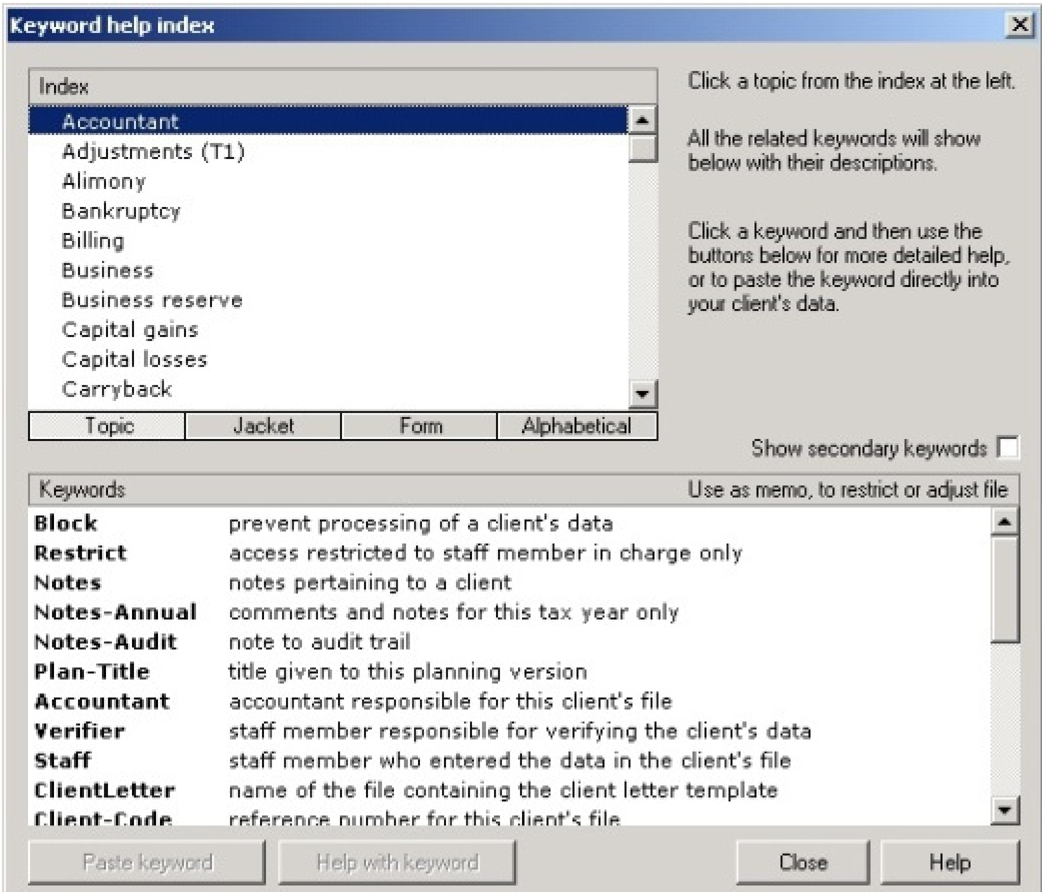
**Paragraph keywords**
Paragraph keywords allow you to enter large amounts of text, up to one full screen at a time. If you need to enter more than one screen of text, you can use the same paragraph keyword repeatedly. Paragraph keywords can be used to enter notes, to answer questions about a tax return or its forms, or even to create customized schedules. Enter as much text as you need. When finished, click *Save* to close the window and return to your client's data entry screen.

When viewing the client database, you will see the keyword and the first line of text followed by three dots (...) to indicate that this text is continued. To edit or view the entire text, click that particular field or move the cursor to that keyword and press [Enter]. To delete text, click *Clear*. The screen of text will reappear, ready to be edited further.

**Identifying the appropriate keyword**

As soon as you have entered a keyword, DT Max displays a brief one-line description of what the keyword represents, on the status bar at the bottom of the data entry screen. (If the status line is not there, make sure that the *Display status bar* option on the *View* menu is checked.) This will help you ensure that you are entering the data correctly. If you input an invalid keyword, an error message will appear. Online help is available to guide you with the use of the keywords.

The [F8] function key displays a menu offering several methods to find keywords:



- Topic - provides an alphabetical index by tax topics
- Jacket order - provides an index arranged in the order in which items appear on the jacket of the tax return
- Form number - provides an index of the various tax return schedules and forms by number
- Alphabetical list - provides an alphabetical index by keyword
- Secondary keywords - shows a list of all the keywords

Select the method you want to use, then move the cursor to the item you are interested in and press [Enter] to display the candidate keywords for this subject. When you find the keyword you need, click *Paste keyword* and press [Enter] (or double-click the keyword) to paste the marked keyword directly into the data input line.

**Context-sensitive online keyword help**

More information about the use of the keyword and what it is intended to do is also available online from within the program. From the data entry screen, simply place your selector bar on any keyword you want and press [Ctrl+F8]. When searching for a keyword, click the icon *Keyword help index*. In the window displayed, select *More information about this keyword*. Or, select *Keyword help* from the *Help* menu.

**Repeating keywords**

Some keywords can be repeated several times in a client's file, while others are intended to be used only once. If you try to re-enter a keyword which can only be used once, DT Max will warn you of the error and ask you to correct it.

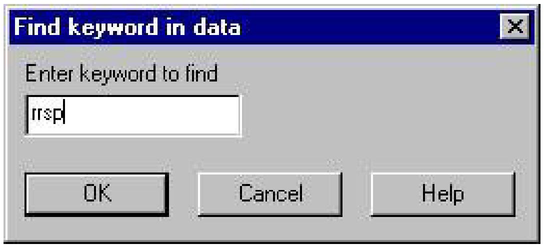
**Abbreviations**

DT Max will recognize keyword abbreviations provided that the first letter of the abbreviated keyword is correct. This enables you to enter data with a minimum of effort while displaying the data with explicit descriptions. If the abbreviation keyword entered is unambiguous, the full length keyword will automatically be shown underneath (together with a short description on the status bar). If the abbreviation entered is ambiguous, a list of keywords matching your abbreviation will be displayed for you to select the one you want.

**Aliases**

Aliases allow you to type words that are easy to remember, as well as actual keywords. For example, typing the common term WELFARE (T1) prompts the DT Max keyword SOCIAL-ASSIST to appear, and the T-slip name T4PS (T1) prompts the keyword T-SLIP with the cursor sitting on the option T4PS ready to be selected.

**Finding a keyword in a client's file**
When you are looking for a particular keyword in a client file that contains a large amount of information, it can be very helpful to have DT Max find the keyword for you. To do so, press [Alt+F7] to bring up the following dialogue box:




Type in the keyword you want to search for and click *OK* or press [Enter]. If the keyword is in the file, the selector bar will place itself directly on it. To abort a search, click *Cancel* or press [Esc].

**Note attached to a keyword**
You can attach notes to any keyword entered in a client's file by clicking your mouse's right button and choosing *Attach note to keyword*, or by choosing this same option from the *Edit* menu. A keyword note can also be edited by pressing [Ctrl+N]. Enter as much text as you require. When finished, click OK or press [Esc] to close the window and return to the client's data entry screen.

A keyword to which a note is attached appears with a paper clip symbol to its right. This is how a reviewer, for instance, would know that such a note exists. The notes can be viewed later by simply clicking the paper clip.

**Keyword properties**
If you wish to view the properties of a keyword, select *Keyword properties* from the *Edit* menu, or right-click the keyword and make that same selection.

The keyword properties dialogue box contains such information as the current data entered for this keyword, a description of the keyword, the applicable type of keyword entry, the possible minimum and maximum values of the keyword as well as the maximum length allowed. The properties also indicate whether the keyword is a calculated carryforward, whether it has a note attached and whether it has been checked individually.

The keyword help provides the context-sensitive information about the use of that particular keyword.

**Adding a keyword**

If the keyword you are adding belongs to a keyword group, DT Max will prompt you to enter the parent keyword (group header). Clicking *Index* is akin to pressing [F8] when the data entry screen is active (title bar highlighted). It brings up the *Keyword help index* dialogue box. At the bottom left, choose which of the indexes you wish to consult. Selecting an item from an index will bring up the relevant keyword. When a keyword is highlighted, you can either paste the keyword into the client's file (also possible by double-clicking), or get more information about the use of this keyword.

## Macros editor

DT Max enables you to store up to 26 commonly used pre-defined words or phrases which can be recalled with only three keystrokes when entering data into your client's file. Each macro can be up to 40 characters long. Any phrase which you find yourself entering repeatedly is a candidate for a text macro. Common examples of macros are the names of banks or financial institutions, charitable institutions supported by many of your clients, companies issuing dividends, etc. However, macros cannot consist of keywords, or keywords combined with numeric or alphanumeric information.

**Setting up your text macros**

To customize your list of text macros, press [Alt+F1] or choose *Text macros* in the *Preferences* menu. Then, change the default set of text macros to those you find most useful. A letter from A to Z is used to label each macro in order to help identify the macros when entering them in your clients' files.

There are two basic sets of macros, one for English-speaking clients and one for French-speaking clients. When entering the macro for a client whose LANGUAGE is designated as English, DT Max will use the English set of macros. Similarly, the French list is used for clients whose LANGUAGE is French. Note that the text of the macro will remain as entered even if you change the language of the client afterwards.

If you have both English and French clients, it will be easier to manage the macros if the same keystrokes are used for the same text in both sets.

**Using text macros when entering information in a client's file**

To enter information in a client's file using text macros, the active window must be the data entry screen. Then, activate the macros editor by pressing [Alt+M] and the letter matching the macro you wish to use. For example, to enter the name "Royal Bank of Canada", which could be labeled with the letter "R" in your list, you would press [Alt+M] followed by R. DT Max would then insert the words *Royal Bank of Canada* into your client's file, exactly as if you had typed them in yourself, manually.

## DT Max function key summary

Below is a summary of the function keys most commonly used in DT Max.

| | |
|---|---|
| F1 | Context-sensitive help |
| [Alt+F1] | Add / edit a text macro |
| F2 | Open data entry screen |
| [Alt+F2] | Show user's defaults |
| [Shift+2] | Repeat the last entry (on French keyboards) |
| F3 | Add a new client to the database |
| F4 | Delete marked client from the database |
| F5 | Mark the beginning / end of a range of lines |
| [Alt+F5] | Clear marks |
| F6 | Expand / contract the current keyword group |
| [Shift+F6] | Contract the current keyword group |
| F7 | Access to the DT Max knowledge base |
| [Alt+F7] | Find a keyword in the client's data |
| F8 | Display the keyword index |
| [Ctrl+F8] | Display keyword help |
| F9 | Display the tax return |
| [Alt+F9] | Recalculate the client's tax return |
| F10 | Open client list screen |
| F11 | Add a new keyword |
| F12 | Jump to a selected page in the tax return |
| [Alt+C] | Copy from the right to the left-hand side |
| [Alt+F12] | Switch to the file of the spouse (T1) |
| [Alt+J] | Enter a different amount for another jurisdiction |
| [Alt+K] | Translate a keyword |
| [Alt+M] | Select a text macro |
| Page Up | Move ½ page up |
| Page Down | Move ½ page down |
| [Ctrl+C] | Copy the selected data |
| [Ctrl+F] | Find a client in the client list |
| [Ctrl+L] | Switch languages |
| [Ctrl+N] | Attach / edit a keyword note |
| [Ctrl+P] | Settings for production printing |
| [Ctrl+Q] | Save data and exit DT Max |
| [Ctrl+V] | Paste the selected data |
| [Ctrl+X] | Cut the selected data |
| [Ctrl+Backspace] | Delete the selected keyword |
| [Ctrl+PgUp] | Come back to previous page |
| [Ctrl+PgDn] | Move ahead to next page |
| Home | Move up to the top of the first page |
| [Ctrl+Home] | Move up to the beginning of the new file |
| End | Move down to the bottom of the last page |

| | |
|---|---|
| [Ctrl+End] | Move down to the end of the current file |
| " or ' | Repeat the last entry (English keyboards) |
| = | Mark this keyword as checked |
| [Alt+F3] | SmartStart client profile |
| [Alt+F8] | Use SmartStart sections |
| [Alt+F6] | Collapse all SmartStart sections |

**The Windows *Search* utility**
This tool will help you locate files and folders in your system directories:

1. Click the *Start* button
2. Select *Search*
3. Select *For files or folders*
4. In the field titled *Search for files or folders named*, type all or part of the name of the file you wish to locate. If you do not know the name of the file, or if you want to refine the search, click *Search options* and provide whatever information you can to help the search process. If you want to indicate the location from where to start the search, select one in the *Look in* drop-down list.
5. Click *Search now*.

**Windows marking conventions**
You can use Windows marking conventions to mark selected clients, lines of data, or pages to print.

- To select a range of items, hold down the [Shift] key and click the first and last items desired.
- To select multiple, non consecutive items, hold down the [Ctrl] key and click each desired item, one at a time.
- To unmark all items, click anywhere in the active window (after ensuring that the [Shift] or [Ctrl] key is released).
- To unmark a single item, hold down the [Ctrl] key and click the item you wish to unmark. Repeat with as many items as necessary.

## Selecting a tax year

DT Max supports tax years 1996 onwards for the T1 program, whereas the T2 program can process fiscal periods from 1994 onwards and the T3 program supports tax years 2003 onwards. You may thus select a year among those installed, on the opening splash screen, and prepare tax returns for the chosen year.

This option is intended primarily for early entry of next year's data, if available, and to allow you to look at next year's carryforwards, if you wish to do so. To switch to a different tax year while using DT Max, select *Change tax year* in the *File* menu. The tax year and version number in use are always displayed on the top line of the screen when the program is running.

## Carryforwards from previous years

A carryforward amount calculated by the program appears with a caret symbol (^) to the right of the value, thus letting you know that this amount was not entered manually. If you edit a carryforward, the caret is dropped, indicating that the value was entered manually rather than calculated automatically.

If you enter a client's tax information for this year and launch the calculations, you have used the carryforward information that was available at the time. If, afterwards, you enter information for the same client in the previous year and recalculate, the newly calculated carryforwards will not be written into the active data for this client. Instead, they will be made available for display and comparison in a separate area on the right-hand side of the screen. They will not overwrite the active carryforwards because the latter have been used in preparing a tax return.

A message will appear to remind you that the calculated carryforwards may have changed, and DT Max will offer to display the new carryforwards on the right-hand side. You may then compare and make the changes you deem appropriate.

The carryforward amounts appearing on the right-hand side can be marked (by pressing the [^] key, usually above the number 6 on the keyboard) and copied into the client's current year data.

## Comparing data / Right-hand side display

In the data entry screen, the information appearing in your client's current file is listed on the left-hand side, by keyword and option. On the right-hand side of the screen, you can display this client's information from the previous year, from a tax plan, for his/her spouse or for any other client in the same database. You can also display carryforwards to a stub or post-bankruptcy period (T1), carryforwards from the previous year and carryforwards to the next year. In this context, entering current year information for a client is fast and easy because the keywords needed are at your fingertips. Comparison with previous year amounts also enables a quick basic check of your input.

Choose what to display on the right-hand side by clicking the *Right-hand side display* drop-down menu in the data entry screen. Of course, you can always choose *No right-hand side display*.

**Data entry templates**
Sample clients can be displayed on the right-hand side of your current client's data entry screen. Several templates of sample clients have been designed to show how to enter particular types of tax situations. They include sets of keywords to help speed up and simplify data entry.

You can bring up the list of sample clients by selecting *Data entry template* from the right-hand side display drop-down menu, in the data entry screen. From this list, highlight the template that you wish to use, then click OK to have it appear on the right of your screen.

**Entering different jurisdiction amounts**
In most cases, DT Max assumes that the amounts to be reported on a provincial return will be the same as those on the federal return. This prevents you from having to enter the same amounts twice. When the amount reported for provincial purposes differs from the amount used on the federal return, the provincial jurisdiction amount must be entered separately. To that end, press [Alt+J] and DT Max will provide a specific field for this different amount. In cases where several different amounts are required, as for a corporation filing returns for several jurisdictions, the keyword JURISDICTION will provide as many possibilities as necessary.

## The "ditto" key

When you need to enter the same keyword or portion of text repeatedly (e.g. medical expenses paid to the same pharmacy), the "ditto" key is very useful. To repeat the previous keyword, press the "ditto" key (single quote ['], or double quotes ["]). On a French keyboard, press [Shift+2]. Press the "ditto" key again and the text data from the previous keyword will be repeated as well.

## Customized input sheets

If you wish to print a customized input sheet, select the previous year's data for right-hand side display and print the client's keyword data for the year. In this way, the previous year's amounts will appear on the right, for reference, and blank input fields will be available on the left for you to enter new data. You can also print the keyword entry order list, which can serve as a useful reminder of the keywords or as a complete input sheet.

## Verification system

Since you are responsible for the tax returns you generate, verifying the results is an important task. DT Max can be configured to require verification of a client's tax data prior to the client's file moving ahead to the next stage of processing. You can require verification of the information either in the file before the tax return is generated or on screen before the tax return is printed, or both. Having DT Max monitor the process of producing tax returns is very helpful. When verification is required, DT Max will make sure that each tax return is checked by a person who is identified in the security system as having authority to verify tax returns. This way, you can rely on a certain level of quality control.

**Setting a requirement for verification**
Set your preferences on the requirement for verification by choosing *User's defaults* from the *Preferences* menu, or pressing [Alt+F2]. Select the *Miscellaneous* tab. Ensure that the requirement for verification is set to the same value for all users. If the DT Max security system is active, its setup must identify all users who will be authorized to verify returns so that they are able to mark clients as verified.

**Verifying keyword data**
To verify the information entered in a client's tax file, go to the data entry screen. When you (the verifier) are satisfied that the information is complete and correct, click the *Verify keywords* icon . Your client's information will then be tagged as verified, which you can monitor by looking at the client's processing status .

**Verifying the tax return**
To verify a client's tax return, display the return on the screen. When you (the verifier) are satisfied that the tax return is correct, click the *Verify return* icon . Your client's tax return will then be tagged as verified, which you can monitor by looking at the client's processing status .

If the verification process does not seem to work properly, make sure that the requirement for verification is set correctly and that you have been designated as an authorized verifier in the security system.

**Checking individual keywords**
When you verify keyword data, you can individually mark each entry as checked. To do so, when you are satisfied that the entry is correct, mark it by either right-clicking and choosing *Mark keyword as checked*, or by pressing the "=" sign. A small check mark will appear on the right of the amount that has been verified.

## Deleting data

You can delete a single item of data from the data entry screen when it is active (highlighted) by moving the cursor (selector bar) to that item, as represented by a keyword, and then right-clicking and choosing *Delete this keyword*, or by pressing [Ctrl+backspace]. Similarly, you can delete larger batches of data from the data entry screen when it is active (highlighted) by marking the data that you wish to delete, right-clicking and choosing *Delete marked keywords*.

Mark (or unmark) single items of data by moving the cursor (selector bar) to that item, holding down the [Ctrl] key and clicking the left mouse button. Mark blocks (in groups) by pressing [F5] on the first item of the group, scrolling down to the last item, and pressing [F5] again. Remove marks either by clicking the right mouse button and choosing *Clear marks*, or by pressing [Alt+F5].

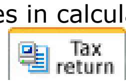
## Calculating data

You can perform simple calculations involving certain data as it is being entered in the dollar-amount entry fields. The results alone will be remembered by DT Max. If you require the details and wish to proceed with more extensive calculations, use the keyword CUSTOM-SCHED.

When calculating, you can use the following symbols for the operations described:

| | |
|---|---|
| + | plus |
| - | Minus |
| * | multiply |
| / | Divide |
| ( ) | brackets (to control order of calculation) |

**Tax calculations**
When calculating a T1 tax return, DT Max takes into account the possibilities for transfer of data between spouses and from dependants to their supporters. However, DT Max can only do this if all the information is available in the database. If spousal or dependant data is missing, DT Max's calculations may be erroneous. Therefore, it is important for all members of a T1 client's family to be entered in the database. The corporate tax return is optimized as well, although the information from related corporations is not taken from their respective tax files. The same applies to trust returns.

To see changes in calculations when entering data for a tax return, click the *Display tax return* tab 

on the grayed out return, or press [F9]. In case of data errors, DT Max will not be able to recalculate until these errors are corrected. DT Max will not display tax returns that are not required (e.g. certain dependants). If you want to see a return or schedules that are not being displayed, enter the keyword DISPLAY-OV in the client's file. If you wish to recalculate a tax return even though DT Max does not deem it necessary, select the option *Recalculate current client* from the *Tools* menu, or press [Alt+F9].

**Calculating a batch of clients**
If you want to run calculations for a large batch of clients, mark the clients you want calculated in the client list, and choose *Batch calculations* from the *Tools* menu.

## Saving data

DT Max systematically saves the information entered in a client's file when a calculation is performed or when you exit the data entry screen. If you do not want the information saved, select the option *Close without saving* from the *File* menu.
If you want to personally make sure that data is being saved, click the *Save data* icon  or select *Save* in the *File* menu.

Note that if you were to turn your computer off or sustain a power failure before the latest data entered is saved, this data would be lost.

**Errors / warnings in data**
When you update a client's data, DT Max may produce one or several error and/or warning messages for that client. These error or warning messages can be viewed at any time from within the data entry screen by clicking the *Error and warning messages* icon on that toolbar or by selecting the *Show errors/warnings* option from the *Edit* menu.

Errors that prevent calculations must be fixed or the data cannot be calculated and, in the client list, the client will appear with a processing status indicating *Data errors*. Errors that prevent filing (T2) will occur if information that is required by the CRA is missing. As long as such an error remains, no RSI's, for instance, will be generated. GIFI errors (T2) are errors that have been detected with respect to the GIFI data entered. Such errors must be rectified in order to paper-file the federal RSI's or efile the federal or Quebec return. Warnings, however, are intended to bring potential problems to your attention. If deemed unimportant or irrelevant, you can ignore a warning and resume calculations after clicking the *Close* button.

In order to resolve errors and/or warnings, select the warning or error from the list, click the *Go to keyword* button and DT Max will bring you to the problem area in the data. Warnings that are ignored will also appear on the diagnostics report.

**Show messages…**

The options available for the feature *Show messages…* are the following:

**Always**

This is the default setting. Each time you update or calculate, this will prompt the display of the warning box, listing the warnings that remain unresolved.

**New messages only**

The warning box will only be displayed if new warnings have arisen since the last update or calculation. Previous unresolved warnings will still be listed.

**When requested**

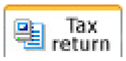
This option prevents the automatic display of the warning box, which must therefore be requested by the user when required. This is done by clicking the *Show errors/warnings* icon on the data entry toolbar or selecting this same option from the *Edit* menu.

Note that the options available for *Show messages…* will not affect in any way the display of errors that prevent calculations.

## Tax return display


Three tabs 

appear on all screens while working in DT Max.



is the third tab. It enables you to display the tax return.

The fourth item on the toolbar is a drop-down box, which specifies the type of return that is being displayed. Choose the type of return you want by clicking the appropriate selection.

 will show the page selection index.

 will take you to the previous page of the tax return.

 will take you to the next page of the tax return.

 will take you back to the last page viewed.

 will take you back to the next page viewed.

 enables you to view more of the tax return by making it smaller.

 enables you to see a section of the tax return better by making it larger.

 gives you access to the processing status information. It will bring up a dialogue box indicating everything you need to know about the processing status of your client.

 enables you to verify the tax return displayed on the screen.

 enables you to print the page of the tax return that is displayed on the screen.

 enables you to print the entire tax return or any portion of it, as you prefer.

is used to save the pages displayed as a PDF file, and email them if need be.

is used to efile a client's tax return (T1, T2).

enables you to display the tax return of a family member of the T1 client whose return is currently displayed on the screen.

provides context-sensitive help which, in this case, brings up the main help screen for displaying tax returns.

**Scrolling through the tax return**
You can use the Windows scroll bars to move through the return. However, it is much easier to use the *Page selection index* to choose the page of the return you wish to see displayed.

**Zoom in / zoom out**
You can see the return more clearly by zooming in on it. To do so, you may click the icon titled *Zoom in* on the toolbar. In the same manner, you can zoom out to make the text smaller.

**Modifying the tax return**
To modify the tax return, go back to the data entry screen by clicking the *Data entry* tab on the toolbar or by pressing [F2].

**Verifying plans**
Note that when verifying returns and comparing plans, you do not have to scroll up and down the tax return to compare results. Your marker will be set at the same place on all of your clients' tax returns and plans for that year. All you have to do is choose the plan you want in the *Type of return* box on the toolbar.

**Export or email tax return pages**
You can export or email a selection of pages of the tax return as a PDF file by selecting the *Save/email PDF file* icon from the displayed tax return toolbar.

Select to *Save as a PDF file* or to *Email the selected pages directly* and fill in the relevant information. If you select *Email the selected pages...*, the *Email recipient* entry will be filled in automatically using the client's EMAIL keyword data. Otherwise, it will be remembered from the last session.

Note that in order to use this email feature you must have a MAPI client enabled (an attribute of your email program). Some advantages of exporting pages of a tax return:

- A tax preparer can email pages of the return to the taxpayer for verification.
- The authorization forms can be emailed to the taxpayer, then printed, signed, and mailed or faxed back by the taxpayer.
- Parts of the tax return can be emailed (or sent on a diskette) to banks, trustees or government agencies on behalf of the client even though these parties do not have DT Max installed.

Note that emailing a PDF file containing confidential information is not recommended as this format can easily be read by third parties.

## The client letter (T1)

DT Max provides you with a client letter, which can be used by any tax practitioner as it offers the flexibility to customize it to suit your preferences.

The T1 program automatically generates a customized client letter in accordance with the contents of the taxpayer's return (and the returns of his family members, if any). In it, you can find the areas where the taxpayer's signature is required, an indication of the balance due or refund payable, and various other tax-related information pertaining specifically to the taxpayer (e.g. the maximum RRSP deduction eligible for the following year.)

DT Max's default client letter is located in the DT Max sub-directory under DT1WLET.YYE and DT1WLET.YYF (where the "YY" part represents the last two digits of the applicable tax year), for the English and French versions respectively.

Do not edit the default client letter as your changes could be overwritten upon installing a subsequent version of DT Max.

**Customizing the client letter**

Customization of the client letter is enabled for the sole purpose of fulfilling your needs. This feature should only be used if needed, as maintenance of customized client letters is rather demanding.

- If you need or want to edit it during the tax season, you will have to find out which clients were sent the letter already.
- You should verify the customized client letter when you receive a new version of the program that may contain relevant changes, to ensure that it remains accurate.
- You will have to check that the syntax is correct (i.e. the required control codes are used in the proper places).

Despite these warnings, there are several excellent reasons for customizing the client letter. For instance:

- You can translate the letter to a language other than English or French for a particular client.
- You can expand the letter by adding conditions that will enable you to give your client a more detailed analysis of the tax return.
- You can modify the margins to fit your company's letterhead.
- You can adjust the level of formality in the language.
- You can use it to identify what documents to get from your client, based on what was provided the previous year.
- You can use it as a reminder to submit instalments to the governments.

**Exporting the client letter**

You can export the T1 letter generated for a particular taxpayer. To do so, right-click the tax return screen, then click the icon *Save client letter as RTF file.* This feature enables you to make any final changes you deem necessary using a word processor before printing and mailing the letter.

### Archiving tax returns in PDF format

Archiving allows you to preserve an electronic copy of your clients' tax returns, thereby reducing the paper clutter in your office. DT Max archiving uses the PDF technology developed by *Adobe*.

When a client's tax return is archived, DT Max enters the information about the archiving of that return in the client's file using the PROGRESS keyword, as in the example below:

PROGRESS 21/04/2005 Archived
NOTE Archive file: C:\DATA\T1DATA\ARCHIVE\T1\2005\77788877.PDF [ABC]

DT Max records when the file was archived, which user archived it (per the user ID), the location of the archive file and it's name. You can enable and specify both the location and the naming convention used for the files by selecting *Archiving* from the *Preferences* menu. It is important to ensure that a different location has been specified for each different database and that all users of the database have the same archiving configuration.

### SELECTED FAQ'S ABOUT THE PROCESSING OF TAX DATA

- **How do I copy selected keyword data from a spouse (or from another client)?** On the right-hand side of the screen, display the keyword data that you want to copy by selecting the option *Spouse* or *Other client* in the drop-down menu titled *Right-hand side display*, in the keyword data editor. Mark the data that you wish to copy by using the [Ctrl] key with your left mouse button for single keywords or [F5] for a block of selected keywords. From the right-click menu, select *Copy to left-hand side*.

- **How can I obtain more information on a keyword?** Pressing [Ctrl+F8] in the keyword data editor provides online help for the keyword that is highlighted. [Ctrl+F8] works for keywords located in the keyword help listings as well as for keywords found in the client data.

- **How do I enter a Quebec amount that is different from the federal equivalent?** After you have entered the federal amount for a keyword, press [Alt+J] and DT Max will prompt you to enter the Quebec amount. Remember that you only need to do this when the Quebec amount is different.

- **How do I delete a keyword?** In the keyword data editor, place the cursor on the keyword you want to delete and press the 2-key combination [Ctrl+Backspace].

- **How can I find the keyword that will insert an amount on a specific line number?** The [F8] key or the *Keyword help index* icon, in the keyword data editor, gives you access to the keyword help system. After pressing [F8], select *Jacket order* under *Index by*. From the listing of the line numbers that appears, move the cursor to the line number that you require. The keywords that are relevant for that line number will then appear on the screen.

- **How can I restrict a group of users' access to certain clients in the database?** The DT Max security system can restrict authorized users to their own clients or include the clients of other users whose ID's are accessible. To that end, the security system level must be set to *Password and user ID mandatory*. Users will then have access to their own clients AND to those of other users, as long as a right of access has been granted. Access to some of those clients can be restricted further with the keyword RESTRICT. Such restricted clients can only be accessed by the person who is responsible for them, as identified by the user ID.

## *Utilities*

### Processing statuses

As each client file progresses through the stages of income tax return preparation, DT Max maintains a current processing status for the clients in the database. This status is used by the program to ensure that a client has correctly reached a certain stage before moving on to the next stage.

DT Max automatically records data entry, tax calculations, printing and efile statuses for all clients. It also enables you to keep track of manual tasks such as verification, assembly, mailing and reception of assessment notice for each client's return.

The current processing status for a client is shown at all times in the client list.

In DT Max, a variety of other features provide useful client management tools when considered in light of processing statuses.

- The processing status summary gives a breakdown of the number of clients having reached a particular stage.
- Using the client filters together with the status summary will give you a good idea of the progress and workload of each tax preparer. The filter system can help you identify the clients who have reached a particular processing stage such as, for example, those who are ready to be verified.
- The verification system ensures that tax returns are verified by key personnel.
- The DT Max security system can apply restrictions as to which users are allowed to carry out tasks such as setting the status of a client to "verified".
- The keyword BLOCK can be used to stop the processing of any client.

**Status information**
The current and historical status information of a particular client can be viewed at any time by selecting *Status information* from the *Management* menu or clicking the *Status information* icon on the toolbar.

The dialogue box shows you which stage of income tax return preparation the client has reached and how he got there. Use this dialogue box to select and annotate manual processing statuses. For example, tick the *Tax documents received* status and enter the date, your initials and whatever notes you deem necessary.

All changes made here will show on the client list and, where applicable, in the data entry screen for the client. If necessary, you can reset the current client file to its initial status by clicking the *Reset statuses* button.

Changing processing statuses for a batch of clients is possible with the *Change statuses* option of the *Management* menu.

**Listing of individual processing statuses**

The processing statuses available are listed below. The codes shown in round brackets indicate how the status can be set or changed according to the following:

| | |
|---|---|
| A | status set automatically by DT Max |
| M | status set manually by the user |
| B | status set manually by the user for a batch of clients |

**No data this year (AMB)**

The client exists on your database but no data has yet been entered in his file for the current tax year. When you begin a new tax year, each of your clients will have this status, which will be advanced by the program as soon as data is entered for a client for the current year.

**Inactive (MB)**

The client is not expected to require tax calculations in the near future. As soon as you edit the data of a client with this status, it will be updated accordingly. You might use this status for someone who is no longer a client.

**Blocked (M)**

Some data has been input for this client for the current year but the file has been blocked from further processing by the preparer. This might occur, for example, if a client has provided you with some tax information but forgot an important slip and had to return later. You would then block his/her file from processing and note the reason using the keyword BLOCK. The only way to change this status is by deleting the BLOCK keyword from the client's file in the data entry screen, or by reactivating the client when prompted by DT Max.

**Review required (AMB)**

This status is set when a tax return from a previous year is recalculated. In this case, the new carryforwards for the current year may have changed. Once a client with the status *Review required* is updated, DT Max assumes that the review has taken place and the status is changed to *Data OK*.

**Tax documents received (MB)**
This status is available to indicate which client files are ready to proceed into tax production. Later, when tax data is entered, the status automatically changes to *Data OK*.

**Errors in data (A)**
Data has been entered for the client for the current tax year but for some reason, it has been saved with errors. This may happen if, for instance, DT Max has pointed out an error in the data (such as a missing date of birth) and you had to refer to that client for further information prior to fixing the error.

**Data OK (AMB)**
This shows for any client file with current year data that was saved without errors.

**No return required (A)**
This client's tax calculations were run and DT Max has determined that the client does not require a tax return. Dependants in a family unit often get this status.

**Ready for verification of keywords (A)**
This client's keyword data has been entered and is ready to be checked before printing or efiling. This status and other verification statuses only appear if the verification system has been enabled in the *Miscellaneous* tab of the *User's defaults*, in the *Preferences* menu.

**Keywords verified (MB)**
Keyword data for the client has been verified by designated personnel.

**Ready for verification of return (A)**
This client's tax calculations were run and they are ready to be checked before printing or efiling. This status only appears if the verification system has been enabled in the *Miscellaneous* tab of the *User's defaults*, in the *Preferences* menu.

**Ready for efile (A)**
The client is on the efile queue, ready to be marked for efile and transmitted.

**Transmitted by efile (A)**
The client's return has been efiled to the government but no acknowledgement has yet been received.

**Efile errors (A)**
The client's return that was efiled to the government contains errors. The errors found are in the keyword EFILE-RESULT. In the client's file, you will have to correct the errors and retransmit.

**Efile acknowledgement OK (AM)**
The client's tax return has been efiled and an acknowledgement file has been received from the government. When the acknowledgement is received, the entry *Efile acknowledgement received* for the keyword PROGRESS is automatically placed in the client's file.

**Ready to print (A)**
The client's return is on the print queue, ready to be printed.

**Printed (AMB)**
The government destination for the client's tax return has been printed. When this destination is printed, the keyword PROGRESS automatically shows *Printed* in the client's file. If you do not want DT Max to consider the client as "printed", remove the PROGRESS entry from the client's keyword data.

**Collated (MB)**
The various components of this client's tax return have been collated and the information slips have been attached.

**Mailed (MB)**
The client's tax return has been mailed to the taxation center.

**Assessed (MB)**
The assessment notice for this client has been received.

**File closed (MB)**
The client's tax file has been closed for the current taxation year.

**Quebec processing statuses**
For clients requiring Quebec TP1 returns, separate processing statuses are maintained for the federal and provincial returns.

**Changing processing statuses**
DT Max enables you to change the processing statuses for a single client or for a batch of clients.

**Single client**
You can change the processing status of a particular client
- by using the Progress keyword in that client's file, in the data entry screen, or
- by viewing and editing the contents of the *Status information* dialogue box.

**Batch of clients**
You can change the processing statuses for a batch of clients by using the *Change statuses* option from the *Management* menu. This feature enables you to move statuses forward or backwards through the various processing stages.

**New carryforwards**
The message *"New carryforwards"* appears automatically when you try to access the data entry screen of a client whose processing status indicates *Review required*. This status takes place, for example, after a previous year's tax return has been recalculated. Those new carryforwards may have been generated by the recalculation but they were not written directly into the current year's file because the status was other than *No data this year*. In order for DT Max to automatically write carryforward data into the current year, the processing status must be *No data this year*.

If you wish to review those new carryforwards, select *Yes* to have them displayed on the right-hand side. After review, if you wish to copy them into the current year's data, use the Windows marking conventions and select *Copy to left-hand side* from the *Edit* menu or from the menu prompted by right-clicking in the data entry screen. If you do not wish to review these new carryforwards, simply select *No*.

Remember that in the DT Max T1 program, all family members may have to be verified individually to prevent the error message indicating that *"There are errors in the input data..."*.

**Summary of processing statuses**
When you select *Status summary* on the *Management* menu, DT Max determines how many clients have reached any given stage of processing. For each processing status, the program calculates the number of family heads, spouses and dependants, and the total number of clients having reached that particular status. Status summary reports can be printed by clicking *Print*. You can also set up client filters so as to get a status summary for any given filter. The summary of processing statuses is only available when viewing the client list.

## Back up and restore

Loss of information stored in computers can be very costly because of the large investment in time that it represents as much of the data may be irreplaceable. Loss of data may be due to a variety of causes, e.g. hard disk failure, theft of equipment, careless copying or deletion of files, fire or water damage, etc. Therefore, we recommend that you back up your files regularly, especially if the information is sensitive for your client, or before any major change such as re-indexing or installing a new version of the program. You must have a backup that will be able to cope with any of these disasters, one that will be reliable and available for you when you need it.

Back up regularly enough that the amount of data that you stand to lose since the last backup is acceptable. This may mean backing up every day, or every week. It depends on your particular circumstances and the amount of fresh data being entered daily. You should also store your backup files in a location that is physically remote from your computer to prevent potential losses due to fire or other disasters.

To back up with DT Max, choose *Backup* from the *Tools* menu and follow the instructions on the screen. To restore a database, insert your first diskette into the floppy drive, choose *Restore* from the *Tools* menu, and follow the instructions.

## Extract and merge

*Extract* and *Merge* are utilities that enable you to transfer client information for specific clients in a DT Max database from one computer to another. They can also be used to build a master database from separate databases on different machines. The extract and merge features can be used to

- Retrieve certain DT Max client information from your office computer's database in order to work on it using your home computer
- Bring previous year and carryforward information to a client's office in order to enter current year information
- Update your office database with the work done at home or at a client's
- Merge the databases of two or more firms that are amalgamating
- Separate clients or databases of firms that are splitting up
- Update printing or efile information to a designated database
- Update information to an archive database
- Create a selective backup of your client files.

When using the extracting utility, you select information for specific clients from your database and write it to a disk file, i.e. the extracted file. Because the material is copied, no data is removed from the database. To extract, select the option *Extract* in the *Tools* menu. The extracted file is then taken to another computer where the data will be merged into an existing DT Max database located on this other computer. To merge data, select the *Merge* option in the *Tools* menu. This database will then be updated in such a way as to include new data for the merged clients as well as original information for other clients.

**Extracting client information**
When you select *Extract* from the *Tools* menu in the T1 program, DT Max brings up the following dialogue box:


You can extract one or several marked families, your own clients (that is the clients marked with your user ID) or the entire database. Note, however, that you cannot extract one single client without his family members because the information of the entire family unit is treated as a whole.

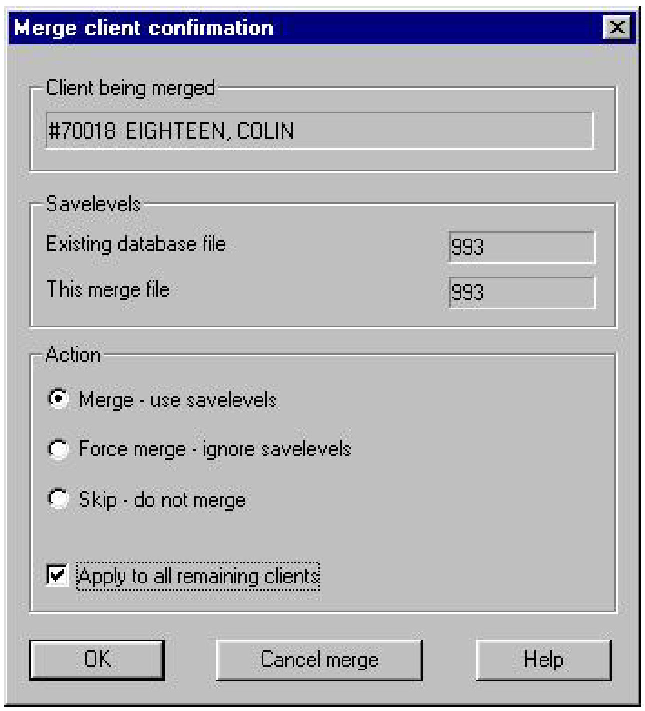
The choice of *Data to extract* enables you to choose between the current years and all years available for the clients selected. Select the current years when you want to temporarily move information from one computer to another, and select all years when you need to permanently move a client's complete set of records to another computer. You should avoid selecting *All years* unless truly necessary as it can turn into a long process on busy networks or slow computers.

The backup and restore features may be better suited for *All years* and *All clients*.

An extract file can include print and efile data (output) along with entered data (input). This is particularly useful if the destination computer or database is to be used for printing or efile processes. After extracting, DT Max creates a results log which you can save or print. This record of what you have done can let you know whether or not the latest data is on the database that you are consulting.

The extract and merge utilities can be used to transfer data between groups. If, for instance, one group of users has an old printer that performs very slowly, they could have printing done by the other group with a better printer. Similarly, one group may be in possession of the computer used for efile, which the other group would need to use as well. In both cases, extract/merge would enable the necessary data transfer.

**Merging client information**
When you choose *Merge* from the *Tools* menu to merge extracted data into a DT Max database, DT Max brings up the dialogue box titled *Select file to merge from* where you will choose the desired extracted file. You will then see the dialogue box below:



You can merge some or all the clients from the extracted file. It is useful to be able to merge selectively, thereby selecting files from a master database and allocating clients to different members of your firm.

**Using savelevels**
DT Max relies on internal logic to decide whether or not each client should be merged. To that end, DT Max maintains an internal savelevel number for each client file. Each time a client's file is updated or saved, this savelevel is incremented by 1. Therefore, a copy of a client's file that has recently been worked on will have a higher savelevel than old data for the same client on another database. Under most circumstances, using savelevels ensures protection against inadvertently overwriting new data with old data during a merge. Problems in using savelevels will occur where one given file has been worked on from different databases simultaneously, since DT Max will always search for the highest savelevel. In such circumstances, DT Max may not know which is the most up-to-date file. However, DT Max can merge selectively by keyword.

**Forcing a merge**
If you force a merge, all client files on the diskette will be merged into the database regardless of savelevels and the merged information will overwrite any existing data on that database for the merged clients. You may still choose to do so if you know for a fact that the desired information resides in the extracted file, even though the source file may have been saved more frequently and show a higher savelevel.

**Duplicating client numbers**
Client numbers in a DT Max database must be unique. Therefore, if the same client number exists on the extracted file and in the database but for different clients, the merge will fail. If the client on the database has not been replicated elsewhere, you may renumber this client to enable the merge to succeed.

***Warning:*** If you have already merged your databases but found only a few duplicate numbers, do not re-number an entire database and attempt to merge again. You would end up with two copies of each client from the merged database. Instead, delete the unnecessary clients. You can use your log file to know which client numbers are the ones you wish to retain.

## Cloning family members (T1)

The cloning feature available in the client list by selecting *Tools* and *Clone family members* is used to create a copy of one or more family members. This is useful in the following situations:

- Splitting up a family to prepare the return of a separated or divorced spouse
- Preparing the return of a dependant who has moved out of the family household
- Copying joint-custody dependants to a spouse who is separated or divorced from the family head

Cloning makes a copy of the selected family member, and assigns them a new client number. This copy (the clone) appears as a separate entry in the client list. Note that only the current year data is copied for the clone.

Once the copy is made, there is no more link between the original member and the clone, i.e. changes affecting one of them (including changes to permanent data such as the address, for example) will not be applied to the other.

To clone a family member:

1. In the client list, place the cursor on the family member you wish to clone.
2. Select *Tools* then *Clone family members*.
3. In the dialogue box that appears, verify that the options *Current individual only* and *Add to a new family* are selected.
4. Check (or uncheck as relevant) the option *Make cloned family member inactive in original family*.
5. Click OK.

The program will create a new family with the clone as the family head.

If *Make cloned family member inactive in original family* was ticked the family member will be inactive in the original family. The tax data of inactive family members do not take part in the tax calculations of the family for the years that they are inactive, but continue to take part in the tax calculations for other years where they remain active (e.g. prior years). This is useful for instance in the case of a separated or divorced spouse as it excludes the ex-spouse from the original family after the split, while retaining the correct family makeup before the split.

You can clone more than one family member into a new family:

1. Mark the family members to be cloned in the client list (using the spacebar).
2. Proceed per the cloning instructions above except in step 3, select *Marked individuals only*.

You can also clone one or more family members into an existing family:

1. Proceed as above but in step 3, select *Add to an existing family*.
2. In the field provided, enter the client number of the head of the family to which the clone(s) should be added.

Note that the program will not allow you to produce a family with more then one spouse.

Do not use the cloning feature to duplicate families for the purpose of creating *"What if"* tax scenarios as you need to avoid the confusion resulting from having two or more sets of information. Instead, us the tax plans which are available specifically to that end.

## Advanced utilities

The advanced utilities featured in DT Max are operations that should only be carried out by users with a very good understanding of computers generally, and of DT Max more specifically, or under the direction of Dr Tax technical support staff. Since none of these functions are essential to the normal operation of DT Max, it is preferable to avoid using them unless you have sufficient knowledge and the authority to do so.

The DT Max advanced utilities are:

- Renumbering clients
- Synchronizing the setup files
- Unlocking client files
- Rebuilding database
- Reindexing efile archive
- Analyzing efile archives
- Viewing the system logs

### Synchronizing the setup files

Synchronization of setup files is carried out to ensure that other members of the firm, or a team using the same DT Max database, all operate with the same preference settings. To launch this utility, select *Synchronize setup files* under *Advanced utilities* from the *Tools* menu, tick the level of synchronization you wish to use and click *OK*. The different levels of synchronization available are the following:

**Company setup**
This will target all new users, who will then start with identical settings to those currently in force for the firm.

**All users and company setup**
With this option, all users will start with identical settings to those in force for the firm. Any different settings a user may have will be reset accordingly.

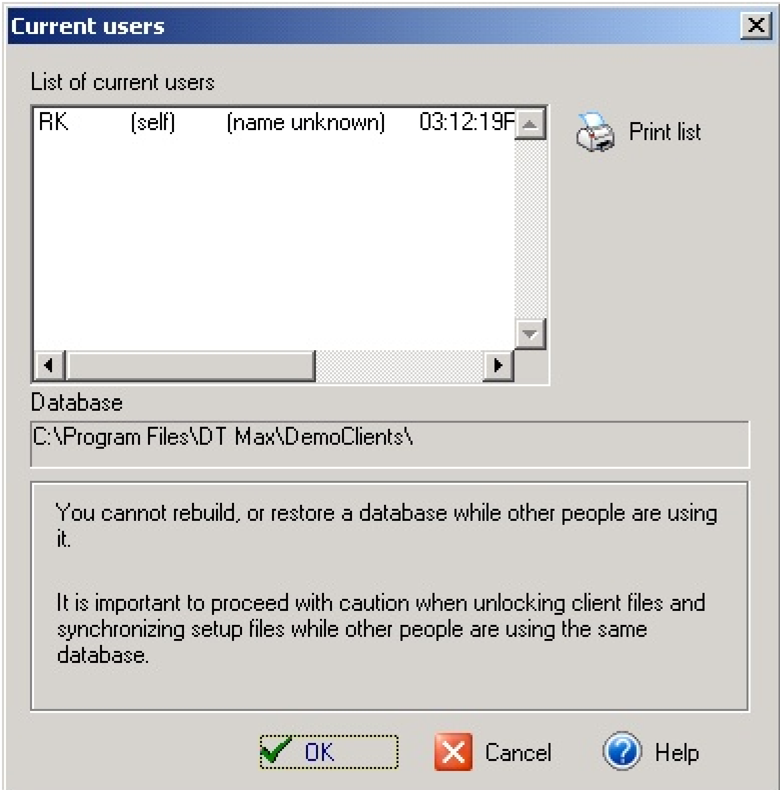
**Selected users**
Only the users you select, with the Windows marking conventions, will by targeted by the synchronization process. This is useful in order to synchronize specific settings for a particular group of users or a particular task. For example, you may want to synchronize your forms manager settings with those used by staff members responsible for final production printing. The settings targeted by the synchronization process are:

- Identification
- User's defaults
- Forms manager
- Customized destinations
- Billing
- Macros
- Filters

This process does not affect printer settings, the fields shown on the customizable client list, or the user interface settings, which are all stored in the Windows registry together with various other items.

## Multiple users of the same database

Certain DT Max tools and utilities cannot be used while other staff members are using a database. These include rebuilding a database and restoring a database. Others can be used in such circumstances, but only with great caution. These include unlocking client files and synchronizing setup files. It is obviously important to know who is using the DT Max database before attempting to use any of these tools. To find out, choose *List other users* from the *Tools* menu and you will see the following dialogue box:




This will indicate the user ID and name of each person using the same database at that particular time. Click *Print list* if need be.

## *Special attributes*

### The security system

DT Max features a multi-level security system which enables users to set up the program so that only authorized personnel are allowed to use certain specified attributes.

When DT Max is first installed, all users can access any program feature as passwords are not required until the security system is activated.

The user ID and password concept is tied to the DT Max database. If you use different databases on different disks or sub-directories, each database must have its own security system setup. If a user wishes to input a confidential set of clients, a new database can be set up in a separate sub-directory, defining that particular person as the system supervisor and sole authorized user of that database.

To activate the security system, you must follow the steps below:

1. Choose a system supervisor
2. Assign system supervisor status to someone in DT Max
3. Make passwords mandatory for using DT Max
4. Assign access rights for all other DT Max users

When running DT Max, a user is first required to enter his/her user ID, that is a unique code typically consisting of the user's initials.

If the security system is active, DT Max will check to see that the user ID and password are authorized. If not, the user will be prompted to enter the user ID or the password again, as the case may be. For security reasons, the password is not visible on the screen while being typed in. Once the correct user ID and password have been entered, DT Max will only allow that user to access those parts of the program for which they were given authorization, as assigned by the system supervisor in the security system. Users can see what rights they were granted by selecting the change password option.

If your environment does not warrant relying on a security system, there is no obligation to use such a feature. A password requirement that was previously set can be disabled.

**Assigning access rights to DT Max users**

If the security system is active and passwords are required to access DT Max you, as system supervisor, must register the DT Max users onto the system and assign individual rights to each of them. To that end, select *Individual users' passwords and rights...* from the *Security system* option in the *Preferences* menu. If a DT Max user is already listed, double-click the user ID or highlight it, then select *Edit*.

If you wish to remove someone from the list of authorized users, highlight that person's name or user ID and select *Delete*. To add a new user, select *New*.

When editing existing users or adding new users, you will be presented with the access rights dialogue box. There, you can change a user's name, user ID, password and individual access rights.

It is important to keep in mind that, in order to properly assign the required access rights for each user, the whole picture must be taken into account with respect to your personnel's use of DT Max. Be sure to understand the implications of giving or taking away access rights. The various access rights available are described below.

**System supervisor (full rights)**
The system supervisor has access to every area and feature of the program and has the power to add, remove or edit authorized users. In order for passwords to be mandatory in DT Max, at least one person must be designated as system supervisor.

**Access all clients in database**
If ticked, the user can access all client files on the database. If this box is not ticked, in principle, the user can only access his own clients' files. However, by clicking the *Add* button located beneath the box of accountant codes accessible, you can add accountant codes to which you want this user to have access.

**Data entry**
If this box is not ticked, the user cannot enter data in client files, display or print client keyword data, or extract clients from the client list.

**Delete clients from the database**
If this box is not ticked, the user cannot remove clients from the database.

**Change processing statuses of clients**
If this box is not ticked, the user cannot change the processing statuses of marked clients in the client list nor add or edit the PROGRESS keyword when entering client data.

**Display tax returns**
If this box is not ticked, the user cannot display the tax returns of any clients.

**Production printing of tax returns**
If this box is not ticked, the user cannot print tax returns in production mode.

**Change preferences and setup**

If this box is not ticked, the user cannot edit setup features such as the user's defaults, the text macros or the efile setup.

**Back up a database**

If this box is not ticked, the user is not allowed to back up database files using the *Backup* option of the *Tools* menu.

**Restore database from backup**

If this box is not ticked, the user is not allowed to restore database files from a backup using the *Restore* option of the *Tools* menu.

**Verify data and completed tax return**

If this box is not ticked, the user will not be registered as a verifier in the verification system and will not be entitled to set a client's status to *Keywords verified* or *Return verified*.

**Extract and merge client data**

If this box is not ticked, the user will not be able to extract client data to a diskette to work on that file at home or to bring it to a client's offices. Similarly, he will also not be able to merge new information into the DT Max database.

**Efile tax returns**

If this box is not ticked, the user will not be able to access the program's efile features in order to electronically file tax returns.

**DT NetLink**

If this box is not ticked, the user will not be able to access DT NetLink material.

### Confidential databases and files

When entered in the file of a client, the keyword RESTRICT prevents unauthorized users from accessing that client's file. More specifically, the file can then only be accessed by the person whose user ID matches the ACCOUNTANT code for that particular client. In the client list, there may be a [R] next to this client's name, depending on the customization options selected for the list. To remove the restriction, the designated user (whose user ID matches the ACCOUNTANT code) must edit that client by deleting the RESTRICT keyword.

Note that this can only work properly if the DT Max password feature is enabled. If password control is not active, any user aware of the appropriate user ID will be able to log on and access the restricted client file.

## Tax planning

DT Max has a variety of built-in features, which enable you to carry out tax planning for the clients in your database. These features are fully integrated into the program and can be used at any time. They are designed to help you analyze the tax implications of various scenarios so that you can make sound recommendations to your clients.

Using your current database, you can devise up to six simultaneous plan versions for each client in order to identify, for example:

- The fiscal incidence of selling a small business, property, or stock
- The relative advantages of various tax shelters
- The fiscal incidence of increased dividends
- RRSP limits
- Donation limits

When creating tax plans, DT Max proceeds in the same manner as when preparing production returns, using a few additional features. We recommend that you familiarize yourself with entering data and running tax calculations with production returns before using these other options, listed below:

- Selecting and copying plans
- Entering data and calculating plans
- Displaying the planning summaries and full returns
- Deleting plans
- T1 planner

### Entering data and calculating plans

After selecting a plan, you are now ready to enter and edit the data for this plan. The letter identifying the current plan appears after the client number, at the top of the screen. Enter keywords and data the same way you would for production returns. You can easily switch between plans using the drop-down menu titled *Type of return* on the data entry screen toolbar. The keyword PLAN-TITLE can be used to help manage your plans.

Tax planning calculations can be run either from the data entry screen or from the client list in the same way as for production returns.

### Viewing plans

Pressing [Alt+F9] in the data entry screen will bring you to the tax return display, where you may switch to another plan using the drop-down menu located at the left of the screen.

### Printing plans

You can either click the *Production printing* icon, or select *Tax return* in the *Print* option of the *File* menu. This will bring you to the *Printing of tax returns* dialog box from where you can select the plan you want printed.

### Selecting and copying plans

You can select which plan you want to work with by choosing *Plan* in the *View* menu. You can also select plans through the *Type of return* drop-down menu, on the *data entry screen toolbar*.

The six available plans are listed as A through F. Unused plans are listed as blank and plans which have been created earlier will be identified by the names they were given using the keyword PLAN-TITLE. If you have selected a blank plan, a menu will appear for you to select existing data to copy into the plan. The option *Previous year* will copy the data from the year prior to the current tax year whereas the option *Current year* will copy this year's data, and *Next year* will copy next year's data or carryforwards.

When using the DT Max T1 program, the *"Copy from..."* feature will automatically copy the selected information for all members of the family unit.

If you want to copy selected data only, choose *Keep blank*, use the *Right-hand side display* and the *Windows marking conventions*, then select *Copy to left-hand side* from the menu which appears when right-clicking in the data entry screen.

**Displaying planning summaries and full returns**
When tax calculations involving planning information are run, a planning summary of the results is generated along with a completed tax return.

You can easily switch between a client's returns using the drop-down menu titled *Type of return* on the displayed tax return toolbar. This allows you to choose from all the plans currently existing for this client and the regular production return (subject to their being present on the print queue).

**Deleting a plan**
From the data entry screen of the client for whom you wish to delete plans, select *Delete plans...* from the *File* menu. In the next window, select *All plans* or only the letter identifying the specific plan version that you wish to delete.

In the T1 program, you can also choose to delete the selected plans for the current client only or for the entire family unit. You can abort this procedure at any step by clicking the *Cancel* button.

## The annual T1 planner

Shortly after the end of the tax season, Dr Tax Software releases a version of DT Max referred to as a the "planner", which constitutes a preliminary version of the program for the current tax year, intended for the next tax season.

The planner features calculations based on information obtained from budget announcements and other such sources. Of course, it does not yet feature the official forms prescribed by the governments, which are only made available at the very end of the year.

With the T1 planner, the preliminary tax planning for your clients is fully integrated with the rest of the program. You can toggle between the different tax years (i.e. the recently completed tax year and the current one) using the *Change tax year* option from the *File* menu.

All the planning features are available in the program at all times and may be useful to you both before and during the tax season.

**Deceased or bankrupt taxpayers**

While the planner version is not suitable for filing the returns of living taxpayers, it can legally be used to file returns on behalf of deceased taxpayers. Upon calculating, tax plans will appear with our preliminary updates of tax forms for the new tax year but returns of deceased taxpayers will appear on approved forms from the previous tax year, pursuant to the CRA's instructions.

This also applies to the filing of bankruptcy returns.

## The billing module (T1, T3)

The DT Max billing module is designed to generate invoices automatically for tax returns prepared using the DT Max T1 personal tax program or T3 trust tax program. The rate card method enables you to invoice your clients easily and consistently, in accordance with the services performed. The default values entered in this setup will determine how the billing system will process your data.

**Billing defaults**

The billing defaults are located under the *Options* and *Tax information* tabs. To enter a value for a billing default, click the entry field for that particular default and select the appropriate option from the drop-down menu by clicking it or pressing [Enter] after using the arrow keys to highlight it. These defaults may be overridden in any client file using the billing keywords.

Under the *Options* tab, the first default value that you need to set up will determine which type of invoice you would like to produce:

**No automatic invoice**

The tax preparer will be using the billing keywords to produce an invoice.

**Automatic - itemized tasks and costs**

DT Max will produce an itemized invoice according to your billing setup. Each item on the rate card that generates an amount will be printed on the invoice along with the total charge for that item.

**Automatic - total only**

The invoice generated by DT Max will not provide any particular details with respect to the actual charges it comprises.

**Automatic - itemized tasks only**

DT Max will produce an itemized invoice showing each item on the rate card that generates a charge but without indicating the charge.

The second and third default values pertain to the returns of the client's spouse and dependants, if any. Again, there are three options to choose from which will determine the billing method applicable to each:

**No invoice - tasks not charged**

The spouse/dependant will not be billed nor included in the invoice generated for the family head.

**Individual invoice**

The rate card amounts will apply to the spouse/dependant as well as to the family head, but separate invoices will be generated.

**Charges added to invoice of family head**

The rate card amounts will apply to the spouse/dependant as well as to the family head and all charges will appear on a single invoice, addressed to the family head.

The fourth billing default requires you to choose one of the following options for the invoice numbers:

- Do not show an invoice number
- Leave space for the number to be manually added
- Allocate automatically based on client number

Note that the keyword INVOICE-NUM can be used to assign a specific invoice number to any invoice.

The fifth billing default enables you to specify whether the client's phone number will appear on the invoice.

Under the *Tax information* tab, another billing default requires you to determine whether or not the service taxes for each invoice (GST, PST and HST) are to be itemized or included in the charges:

**Not included**

DT Max will add any applicable taxes to the total of the invoice and will show them as separate entries.

**Included**

The amounts entered on the rate card will include any applicable taxes.

**Rate card**

The rate card is used by the program to assign a charge to each return or schedule produced and/or to certain keywords used in creating the tax return. In other words, your client can be charged either per schedule produced or per keyword used (corresponding to each receipt or dollar amount) or both.

The rate card lists a large number of schedules, as well as other items referring to keywords and the efile service. Each item may be assigned a charge.

Note that when displayed for the very first time, the rate card is empty as no values have been entered yet.

**Entering charges**

Each item listed on the rate card, whether systematically produced by the program or used by the tax preparer at the time of calculation of a client's tax return, is called a "unit". To set up the rate card, you must first determine a cost for any units that you wish to charge for, and the number of units which will be charged at that cost.

For example, in the T1 program, you may wish to set up the rate card on a household basis so as to charge $75.00 for the first tax return produced and $25.00 for each additional return, in order to fairly charge the case of a couple with teenage children.

You may also wish to set up the rate card so as to not charge anything for the first two T4 slips input into the data and $2.00 for every additional T4 slip input for this client, so as to reflect the additional work required to prepare time-consuming returns with several sources of employment income. There are three types of entries for each unit listed in the rate card:

**A = base cost ($0 - $500)**

To assign a cost to a unit, click the entry field of the unit to be charged and enter the appropriate amount, between $0 and $500.

**B = number of units included in base cost (0 - 99)**

Use this field to specify the number of units to which the base cost will apply, between 0 and 99.

**C = cost per additional unit ($0 - $500)**

Enter the amount to be charged on a per unit basis for any additional unit exceeding the number previously entered in B.

Care must be taken in assigning the amounts to be charged as duplication should be avoided. When determining charges, keep in mind the billing defaults you have set, especially regarding how spouses and dependants are to be invoiced. It is important to remember whether your rate card reflects a client or a household. You must ensure that you will not be billing the same individual twice, or charging for the same service twice (once as a schedule and again for each entry on that schedule). If you prefer to charge your client based solely on the preparation of the tax return and efile services that you provide, excluding any other schedule or input, you may enter amounts as unit costs for those items only and ignore all other items listed. DT Max provides flexibility, but the tax preparer must remain cautious.

Negative amounts cannot be entered, and the maximum amount that can be entered is $500.

Once you have completed your billing setup, click *OK* to save your entries and exit the module. Once the setup is completed, billing takes place together with the tax calculations. Therefore, if you make changes to the rate card after calculating a client's tax return, you will have to force recalculation in order for the new rates to take effect.

Whichever billing method you choose, GST, PST and HST registration numbers and rates should be entered in the *Identification* section of the program, under *Preferences*, before you begin generating invoices.

**Billing keywords (T1, T2, T3)**

The following billing keywords may be entered into the client database in the usual manner. If no data is entered in those keywords, then billing will proceed according to the user's setup or default setup, as the case may be.

| | |
|---|---|
| BILL-CODE | billing code or reference number to be printed on the invoice |
| BILL | amount and text of client's invoice to be generated |
| BILL-TEXT | text to be printed at the bottom of the invoice |
| BILL-TYPE-OV | billing type override for file of family head |
| BILLSPOUSEOV | billing type override for file of spouse |
| BILLDEPENDOV | billing type override for file of dependant |
| BILL-ADJUST$ | adjustment to client's invoice in dollar amount |
| BILL-ADJUST% | percentage adjustment to client's invoice |
| BILL-NOTE | internal note regarding billing |
| INVOICE-NUM | invoice number |

## DT NetLink (T1)

DT NetLink allows your clients to enter their own tax information on our secure Web servers. You can then import the completed interview information straight into your DT Max database. No more tedious inputting, and with DT Max's display of the current year and DT NetLink data side-by-side, review is a snap. Here's how it works:

**Start-up**
Dr Tax will create a database for your clients only. The welcome pages and database will be fully "branded" with your firm's name and logo. All the instructions and tools necessary to set up DT NetLink on your Web site can be found on the DT NetLink tools page. In order to follow-up on DT NetLink files, you may want to customize the client list to include the DT NetLink status, DT NetLink user ID, DT NetLink password and DT NetLink email address. Filtering on the keyword DTNETLINK-ID will also help you monitor the progress of the DT NetLink files throughout the tax season.

**STEP 1 - Export**
Use the *DT NetLink setup* option from the *Tools* menu to determine how you wish the DT NetLink user ID's to be created, and for details on how the passwords are generated. Use the DT NetLink export feature to upload your clients' data to your online database. The DT NetLink status on the client list will show as "Waiting for TP" (taxpayer).

**STEP 2 - Invitation**
Inform your clients of this new service and invite them to visit your site and log onto DT NetLink using the user ID and password that you have created for them in step 1 above. A sample invitation email is available from the DT NetLink tools section of our Web site.

**STEP 3 - Interview**
Using any computer with an Internet connection, your clients may access DT NetLink from anywhere in the world just by going to your Web site. DT NetLink uses the *QuikClik* interview process, which enables your clients to go through all available screens in a logical order, or skip directly to the input screens they require. The DT NetLink status on the client list will show as "WIP client" (work in progress). Once they have completely finished entering their tax information and do not intend to return to the data collector, your clients click the "Submit tax file" button to let you know that they are done. This will also lock their files to ensure that they will not be able to edit the information any further while you are processing their tax data. The DT NetLink status on the client list will show as "Ready to import".

**STEP 4 - Import**

Use the DT NetLink import feature to download your clients' data to your DT Max database. The DT NetLink status on the client list will show as "Ready to merge".

**STEP 5 - Display DT NetLink data**

Select DT NetLink data from the drop-down menu of the right-hand side display feature. The tax data entered in DT NetLink will appear on the right-hand side, ready to be copied to the left. Once data has been copied from the right to the left-hand side, the DT NetLink status on the client list will show as "Merged". Note that in order to comply with the CRA's third party liability rules, you will need to receive the taxpayers tax slips and have an original T183 duly signed on file before efiling any tax returns.

**STEP 6 - DT NetLink file management**

Use the DT NetLink file management features to manage your DT NetLink files during the tax season. You can unlock and delete DT NetLink files, and update DT NetLink statuses at any time.

**Please refer to the DT Max knowledge base for more information.**

# ELECTRONIC TRANSMISSIONS

## *Electronic filing of tax returns (efiling)*

### Overview

The procedure for filing tax returns electronically involves the steps described below:

**STEP 1**
Register and obtain approval to use the governments' electronic filing systems.

**STEP 2**
Complete the DT Max efile setup according to your chosen efiling method. This must be done separately for each government to which you intend to file returns electronically.

**STEP 3**
Prepare and review the tax returns. Have in your possession any required efile authorization forms (e.g. T183) duly signed by your clients.

**STEP 4**
Transmit the electronic returns and pick up the acknowledgments that are available.

**STEP 5**
View and print the efile reports (acknowledgments), then correct and re-transmit any returns with efile errors.

Complete the returns that have been acknowledged. You should hold on to all documents used to prepare the return for six years, and only send them to the government if requested. Submit payment where applicable.

Help from the government and Dr Tax Software is available at all stages of the process.

## Efile registration

Registration for efile is the first step in the process. Once you are fully registered, call Dr Tax client services at 1 (800) 663-7829 to update your DT Max licence information accordingly. In order for the efile module to work properly, it is imperative that your Dr Tax client information includes the relevant licence information, efile rights, and efile number(s). When you are ready to begin efiling, proceed to the efile setup.

## Efile setup

Completing your efile setup within DT Max is the second step in the process. This is done only after you have properly registered and are ready to begin preparing and transmitting electronic tax returns.

1. Select *Setup* from the *Efile* menu on the toolbar then select the government tab you require.

2. Select the appropriate efile transmission method, either *Transmitting via Dr Tax* or *Transmitting directly*.

   Make sure that the efile number (preparer number) and password or access code entered are the ones you were assigned by the government for the current year. If the efile module is not accessible or your efile number is incorrect, contact Dr Tax client services at 1 (800) 663-7829 to obtain an updated licence.

Refer to the following tips to complete your setup for each individual transmission method:

***Federal T1***

*Option #1 - Federal T1 using the Dr Tax transmission service*

Select *Transmitting via Dr Tax* and then *Dr Tax via Internet*, or *Dr Tax dial-up service* if you do not have Internet access.

*Option #2 - Federal T1 sending directly to the CRA's Web site*

Select *Transmitting directly* and then *Efile On-Line Plus - automated - batches up to 60* or *Efile On-Line - manual - one return per session*.

***Quebec TP1***

*Option #1 - Quebec TP1 using the Dr Tax transmission service*

Select *Transmitting via Dr Tax* and then *Dr Tax via Internet*, or *Dr Tax dial-up service* if you do not have Internet access.

*Option #2 - Quebec TP1 sending directly to the MRQ's Web site*

Select *Transmitting directly* and *MRQ Web site*. Enter the Web access code you were assigned by the MRQ.

3. Select which returns you wish to efile by default. If you wish to override your default settings for any client, you can use the EFILE keyword in the data of that particular client's file. If information is missing in any entry field, this field will be displayed as a yellow box and you will be warned that your efile setup is incomplete.

4. Click *Save* to end the setup and proceed to the next step, preparing returns for electronic filing.

## Preparing returns for electronic filing

The actual preparation of tax returns for electronic filing is the third step in the process. This is done only after you have properly registered and completed your efile setup.

Preparers deal directly with the taxpayer and are therefore responsible for checking supporting documents in order to ensure the accuracy of all information regarding income, deductions, and tax credits.

Once you have finished preparing the tax returns you wish to transmit, display each return and perform one final review. Refer to the *Notes and diagnostics* page of the return to determine if it is eligible to be efiled. If it is deemed ineligible for efile, it may be that an internal logic failure prompted the ineligibility status, or that pursuant to the governments rules this client's return did not meet all of the efile criteria.

Have any required efile authorization forms signed by your client before transmitting T1 returns to the CRA, namely Form T183 titled *Information Return for Electronic Filing of an Individual's Income Tax and Benefit Return*.

The Quebec equivalent for TP1 returns is Form TP-1000.TE titled *Internet Filing of Personal Income Tax Returns: Statement and Authorization by Individuals*. Note however that this form is **not** required if your client has provided you with his/her access code, entered in the keyword ACCESS-CODEQ.

You are now ready for step 4, transmitting electronic returns.

### Transmitting electronic returns

Electronic transmission of tax returns is the fourth step in the process. It takes place after you have properly registered, completed your efile setup, and finished preparing the tax returns.

When ready to transmit, click the *Efile* icon or select *Transmit and receive* from the *Efile* menu. You can transmit the current client or several clients marked in the client list.

Note that you may file to multiple jurisdictions at once by selecting the destinations accordingly.

After you click OK, DT Max will generate the electronic returns for the clients and jurisdictions selected, transmit the returns to their respective destination, receive any acknowledgements available, and update the client statuses accordingly as either transmitted or acknowledged.

To review and print your efile reports, select the relevant option in the *Efile* menu. Efile reports are discussed in greater detail in STEP 5 - Viewing and printing efile reports.

> **Note: If using *Efile Online - Manual - One return per session* (T1) or *Corporation Internet Filing* (T2)**, the *Transmit and receive* option will simply create "efile-ready" files named XXXXXX.TAX for T1 or XXXXXXX.COR for T2, where XXXXXXX is the client number from the DT Max database. These files will be available from a sub-directory of your database named E_OUT.
>
> You will then launch your Internet browser and access the CRA's Web site for T1 efile online or T2 corporation Internet filing, follow the instructions, and upload your files one at a time using your efile number and access code. The files will be processed in real time, meaning that the acknowledgements will be generated almost instantly.

Your DT Max database statuses will not be updated under these transmission methods but this task can be done manually by using the feature *Move statuses forward* and selecting *Efile acknowledgement*. It is highly recommended to print these real time acknowledgements from your Internet browser, for your records.

## Viewing and printing efile reports

Viewing and printing efile reports is the fifth and last step in the process. It takes place after you have properly registered, completed your efile setup, finished preparing the tax returns and proceeded with electronic transmission.

Efile reports can be viewed and printed by selecting *View/print reports* from the *Efile* menu. All transmissions sent and received are listed in the efile reports screen, and are classified by control number, date and report type. Simply scroll through the list and mark the reports you wish to view or print, then select *View/print reports*. Note that reports which have been received but have not yet been viewed are identified as "NEW" in the control number column. All the reports selected will then be displayed for review. You can use the Windows scroll bar to move through the reports. Use your mouse's right button to choose the page or report you wish to display or print.

### Types of transmission reports

***TSR***

After transmitting your returns you will obtain a transmission status report (TSR). The TSR is simply a confirmation that your returns have been sent. You will obtain a separate report for each government.

***Acknowledgment file (151)***

An acknowledgment file indicating whether or not the return has been accepted will be available within 3 to 24 hours after transmission depending on the volume of returns that are being processed at a given point in time. The report will be retrieved automatically the next time you attempt to efile a return. If you are not planning to transmit again soon, you can still retrieve the reports by selecting the option *None - just pick up acknowledgements* under *Transmit and receive*.

The status of all efiled clients will be automatically updated within the DT Max database as returns are being transmitted or acknowledgement reports are being retrieved.

***Important:*** If you have a system that contains several databases and you are transmitting from two or more of them, DT Max will automatically attempt to update all your client files when you access the transmission service to retrieve any outstanding acknowledgment reports. As a result, if you retrieve acknowledgement reports from database X you will also be automatically retrieving any available reports that relate to database Y without properly updating the status of the clients that relate to database Y. Therefore, we strongly recommend that only one computer and database be assigned the task of handling all transmissions. This will ensure that all acknowledgment reports are properly processed within that one database.

If a return has been successfully efiled, the keywords EFILE-RESULT and PROGRESS will appear in the client's file. The keyword EFILE-RESULT will specify the document control number and the date of transmission whereas the keyword PROGRESS will indicate *Efile acknowledgment OK*.

Note that once you have successfully transmitted a return, you cannot efile it again. If you subsequently locate an error in the tax information, you will have to file a paper copy of the amended return with reference to the efile confirmation number. You cannot efile an amended return.

If the return has been rejected, the keywords EFILE-RESULT and ERROR-CODE will appear in the client's file. You should first determine the cause of the error, then make the appropriate corrections to the client's data.

If using *Efile Online - Manual - One return per session*, no reports are generated in DT Max. Acknowledgments occur in real time and should be printed through your Internet browser.

## Correcting efile errors

The preparer is responsible for correcting any efile errors in rejected returns. Once corrective steps have been taken, a return can be retransmitted.

If, however, changes made to the return alter the refund or balance owing by more than $300, a new efile authorization form (T183 or TP-1000.TE) must be completed and signed by the taxpayer.

Also note that if an efile error cannot be corrected, the return will have to be printed and filed on paper.

Each government's efile program has its own list of efile errors.

### Filing corporate tax returns electronically

The DT Max corporate efiling module supports corporation Internet filing via the CRA's Web site. This method uses EDI, SSL encryption for security, and the Internet as the transmission method.

Most corporate income tax returns can be filed electronically. The exceptions are:

- Returns for insurance corporations involved in underwriting
- Returns which include a claim for scientific research and experimental development (SR&ED) expenditures carried on in Canada
- Returns for non resident corporations
- Returns for the first year following an amalgamation
- Returns which include the winding up of a subsidiary
- Amended returns
- Returns for any year prior to the 2002 tax year

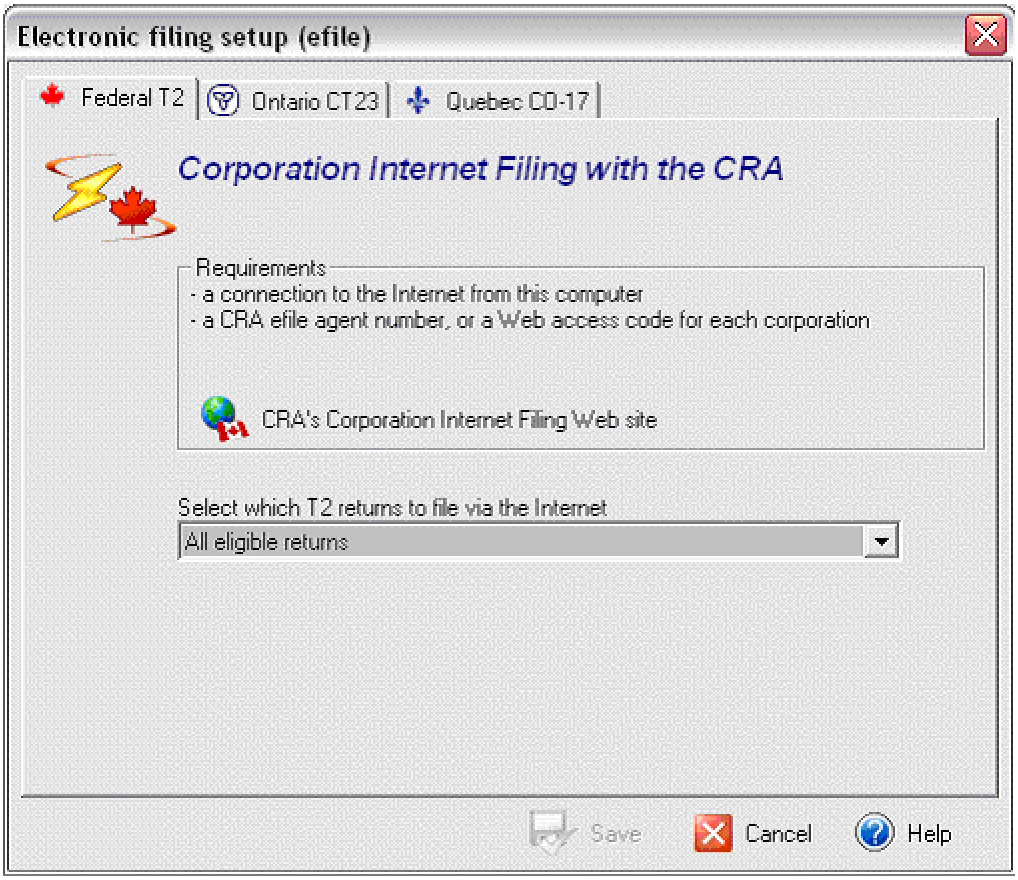
Visit the CRA's Web site for more details on corporation Internet filing.

Note that you cannot use the corporation Internet filing service for the purpose of changing information such as a corporation's name, head office and/or mailing addresses, and direct deposit information (including new requests).

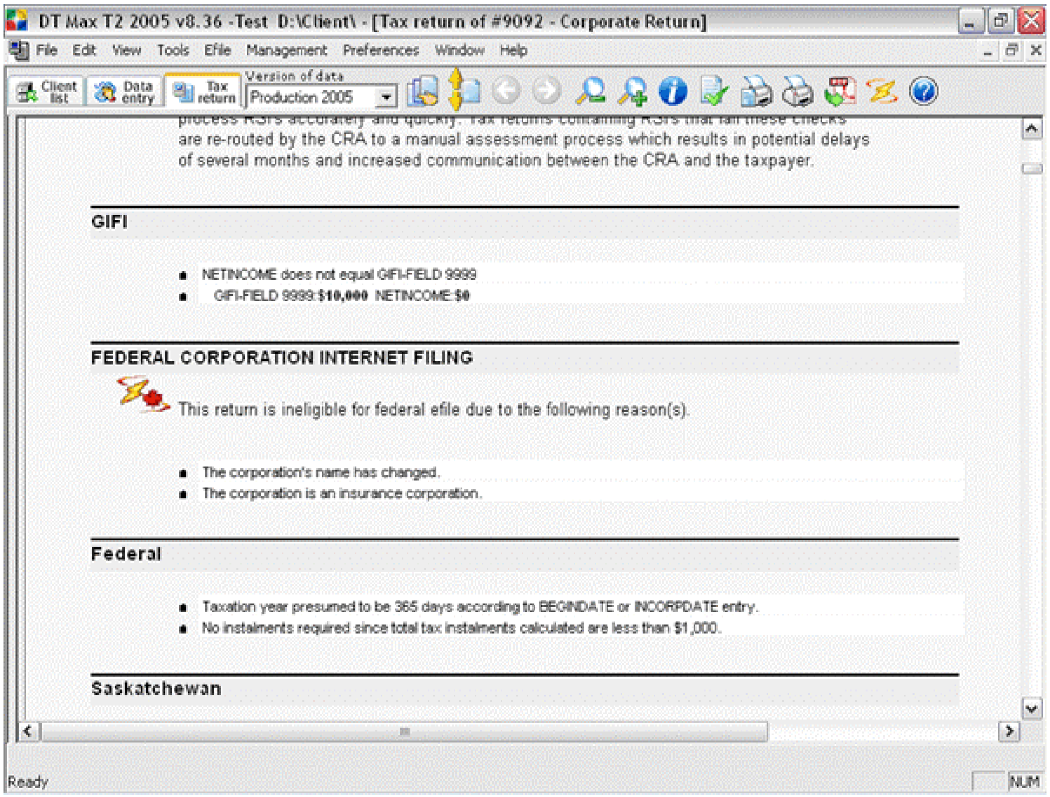
For such inquiries, contact the business window in your tax services office, toll-free at 1 (800) 959-5525 (English) or 1 (800) 959-7775 (French).

## Corporate Internet filing with the Canada Revenue Agency (CRA)

**Step 1 - Completing the federal T2 efile setup**
To access the federal T2 efile setup, select *Setup* from the *Efile* menu. DT Max will display the *Federal T2* menu by default. Select which corporate returns you wish to transmit and click *Save*.



**Step 2 - Reviewing the eligibility requirements and legal obligations**
Prior to transmitting a corporate return, you must determine whether or not it is eligible for efile. Should a return be ineligible, DT Max will mention it in the *Notes and diagnostics* page. You may also visit the CRA's Web site for an up-to-date list of the exceptions and restrictions as well as go over your legal obligations.

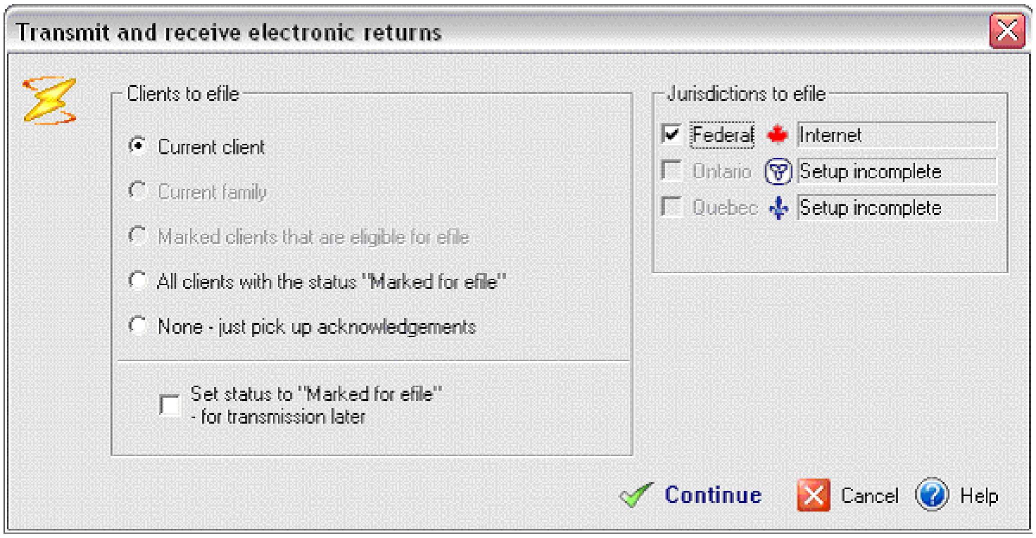



**Step 3 - Obtaining client consent**
Prior to transmitting a return, you must print federal form *T183 CORP - Information return for corporations filing electronically* and have it signed by your client.
If this form was not generated, please refer to the *Notes and diagnostics* page to determine why the return was deemed ineligible for efile (step 2 above).

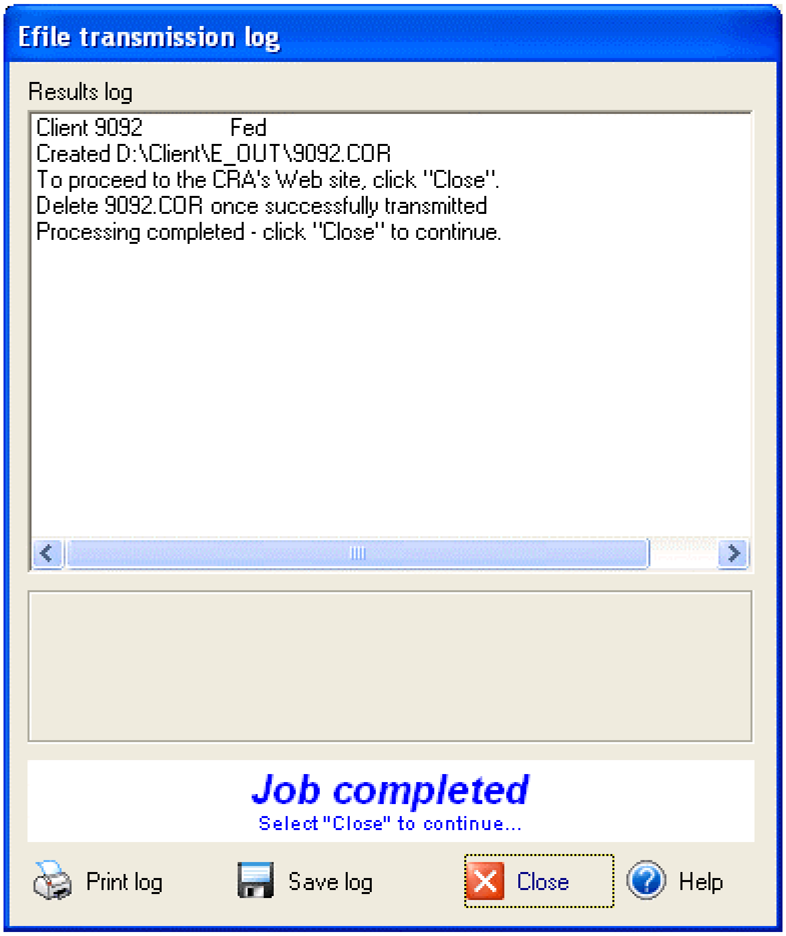
**Step 4 - Transmitting**
To transmit a corporate return, click the *Efile* icon, or select *Transmit and receive* from the *Efile* menu. Then, under *Jurisdictions to efile*, choose *Current client* and the option *Federal*.

Please note that although the CRA will only allow files to be transmitted one at a time, DT Max does have the capability of generating multiple ".COR" files at once. To do so, simply mark the clients in question (using either the spacebar or the [F5] key) in the client list.

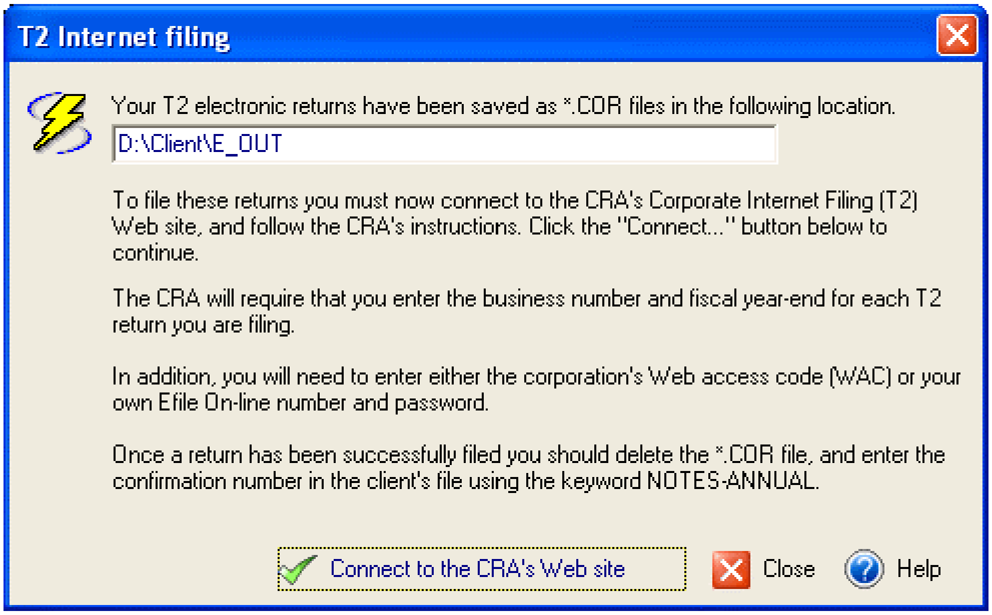
Once completed, select *Transmit and receive* from the *Efile* menu and you will notice that the option *Marked clients that are eligible for efile* will be automatically selected.




Once you click OK, an efile transmission log will be generated. This log will display the creation of any corporate files that are ready for Internet filing. All files will be named "XXXXXXX.COR" where the "XXXXXXX" denotes the DT Max client number (as specified within the DT Max database). These files will be saved within a subdirectory of the database. This subdirectory is named E_OUT.




Clicking *Close* will bring you to the *T2 Internet filing* menu. This menu allows you to connect to the CRA's Web site.




Once connected to the site, you will have to complete the identification area and attach the file itself (making sure to include the ".COR" extension). Note that the CRA will only upload files one at a time.
The identification area will require:

- the corporation's business number (BN)
- the corporation's taxation year-end (TYE)
- the transmitter's assigned Web access code (WAC) or *Efile On-Line* number and password

If you are already registered to efile personal tax returns, then the same *Efile On-Line* number and password can be used to transmit corporate returns.

Please note that when accessing the CRA's Web page and attaching the file, you will be required to input its location and name. This information can be obtained from the efile transmission log. Alternatively, you may copy the location from the *T2 Internet filing* menu and paste it onto the CRA's Web page. Once completed, you will then only have to manually enter the name of the ".COR" file. In the example above, the location and file name would be specified as follows:

D:\Client\E_Out\9092.COR

Any files submitted will be processed in real time, meaning that the acknowledgements will be generated almost instantly. It is highly recommended that you print and retain such acknowledgments for your records. Once a corporate return has been successfully transmitted, you should delete the .COR file from your E_Out folder. This can be accomplished through Windows Explorer.

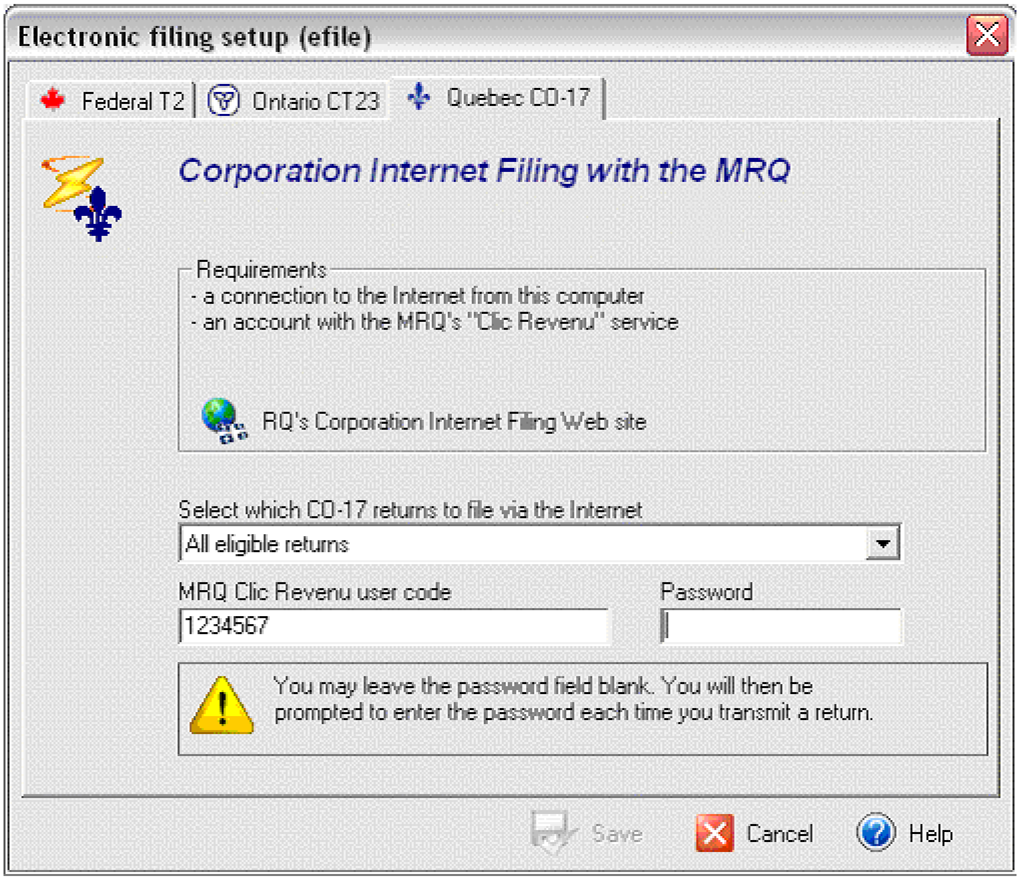
You should also note that the processing statuses of transmitted returns will not be automatically updated by DT Max. They can be updated manually through the DT Max option *Move statuses forward* found in the *Management* menu by selecting *Change statuses* and selecting *Efile acknowledgement*, or using the PROGRESS keyword.

## Corporation Internet filing with Revenu Québec

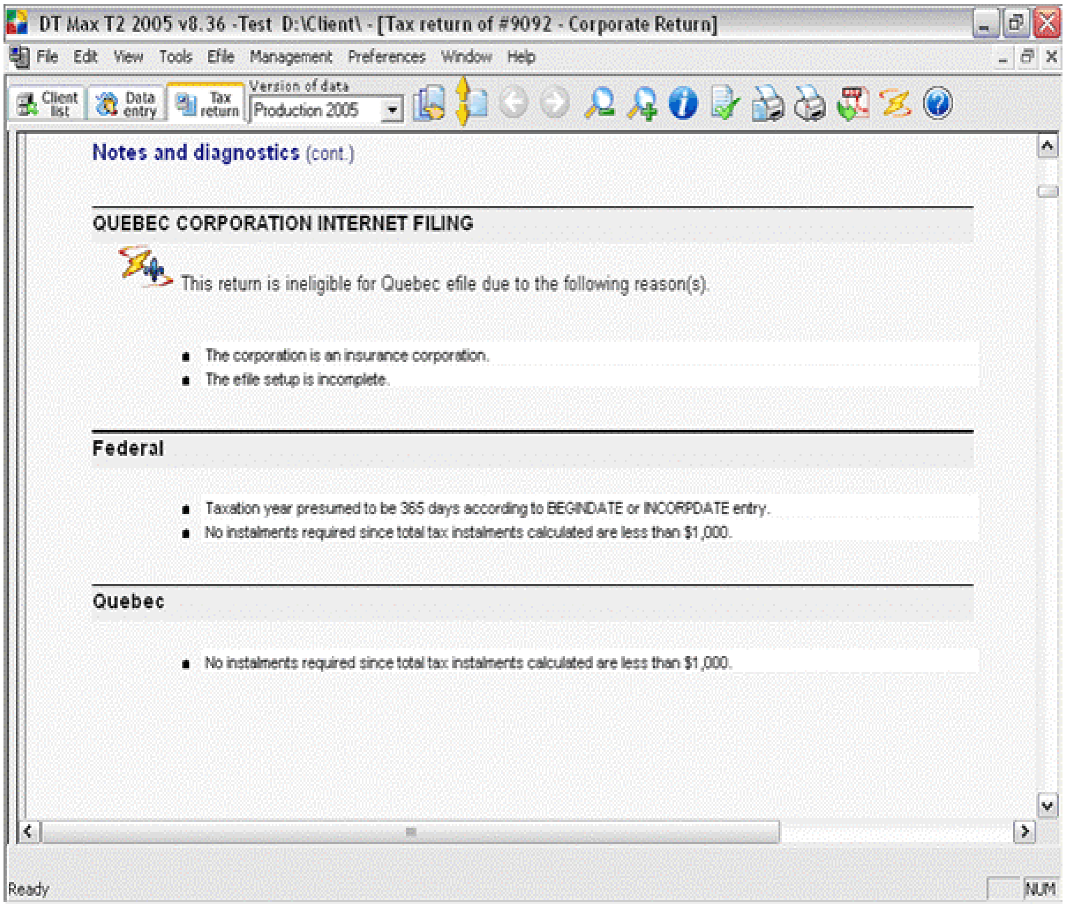
**Step 1 - Completing the Quebec T2 efile setup**
To access the Quebec T2 efile setup, select *Setup* from the *Efile* menu and click the *Quebec* tab. After selecting which corporate returns to file via the Internet, you will be required to enter your Clic Revenu user code and password. If you do not want your password displayed in the efile setup, you may leave this field blank but this will require DT Max to prompt you for your password prior to transmitting any returns.

Once the setup is complete, click *Save*.

Note: If you do not have a Clic Revenu user code and password, you can apply within the efile setup by clicking *RQ's Corporation Internet Filing Web site*.




**Step 2 - Reviewing the eligibility requirements**
Prior to transmitting a corporate return, you must determine whether or not it is eligible for efile. Should a return be ineligible, DT Max will specify it within the *Notes and diagnostics* page.




**Step 3 - Obtaining client consent**

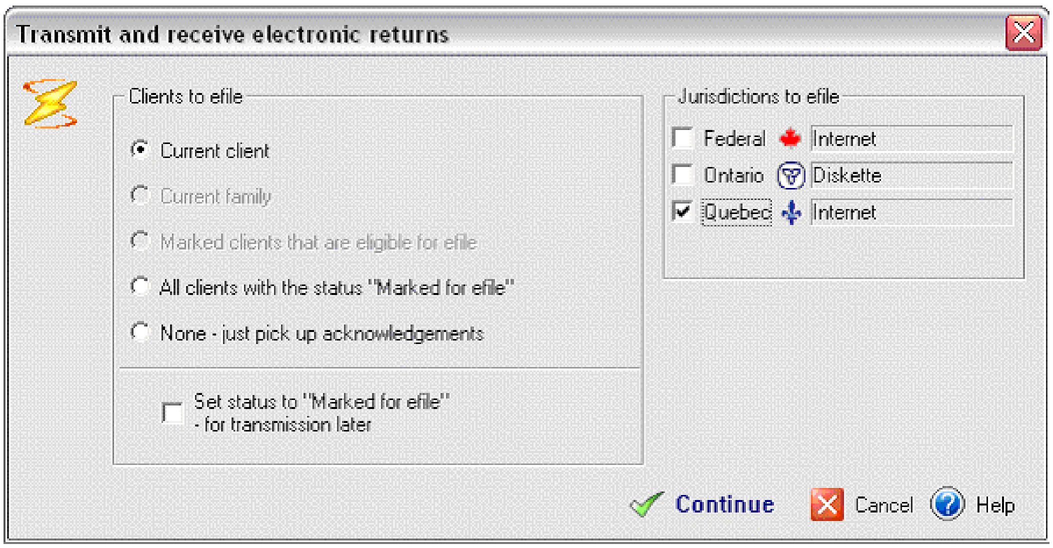
To transmit a corporate return, you must ensure that the corporation in question has granted you power of attorney. You can view a listing of the businesses that have granted you power of attorney when accessing the Clic Revenu site.

If a corporation has not granted you power of attorney, it may do so electronically after having registered for Clic Revenu, or you may complete form MRW-69 *Power of Attorney, Authorizaton to Communicate Information to a Person Registered for Clic Revenu Services, or Revocation*.

**Step 4 - Transmitting the return**
When ready to transmit, click the *Efile* icon or select *Transmit and receive* from the *Efile* menu. Although you have the option to transmit either the current client or a specified batch of clients, we recommend returns be transmitted one at a time.

DT Max will transmit the CO-17 keying summary and GIFI information by efile, and submit all other schedules in PDF format. Any additional supporting documents that must be attached can be included through the keyword QCEFILE-ATTACH.

After you click OK, DT Max will generate and transmit the electronic return, and retrieve any available acknowledgements. Although the transmission takes place in real time, you may notice a delay as DT Max builds and transmits the file in question.




**Step 5 - Viewing the efile reports**
Efile reports can be viewed and printed by selecting *View/print reports* from the *Efile* menu. All transmissions are listed in the efile reports screen. Simply scroll through the list and mark the reports you wish to view or print, then select *View/print reports*. (Note that reports that have been received but have not yet been viewed are identified as "NEW" in the control number column.) All the reports selected will then be displayed for review. You can use the Windows scroll bar to move through the reports. Use your mouse's right button to choose the page or report you wish to display or print.

If a return has been successfully efiled, the keyword PROGRESS will appear in the client's file indicating *Efile acknowledgment - Quebec*.

Note that once you have successfully transmitted a return, you cannot efile it again. If you subsequently locate an error in the tax information, you will have to file a paper copy of the amended return with reference to the efile confirmation number. You cannot efile an amended return.

If the return has been rejected, the keyword ERROR-CODE with a description of the error will appear in the client's file.

**Please refer to the DT Max knowledge base for more information.**

# PRINTING

## *Printing tax returns*

### Printer customization

To specify the printer(s) you wish to use within DT Max, select the *Printer selection* tab from the *Printing of tax returns* window. Select *Use the same printer for all printing of tax returns (recommended)* if you will be using one printer and one tray only for all your printing requirements.

Select *Use different printers for different destinations* if you wish to use several printers, or one printer only but with multiple trays. For each destination, specify which printer and tray (if applicable) you wish to use. The printing options described below are available as well:

**Reverse order (R)**
This will print all the pages selected in reverse collation order, which is helpful with printers that feed paper through to the output bins face up. Most inkjet printers do so in order to allow the ink to dry.

**Condensed (C)**
This will print four pages of the tax return on one sheet of paper only. Note that this option is disabled when printing government destinations.

**Double-sided (2)**
Also known as "duplexing", this enables printing on both sides of a sheet of paper. Most higher-end printers have a "duplexer" accessory for this feature. This option is also disabled for government destinations.

**Which clients**
In this area, you can select which client(s) you wish to include in your print job. The following options are available:

**Current client**
The client whose file you last worked on is the current client. Note that if you attempt to print a current client who is not yet on the print queue, you will receive an error message indicating that there are *"No clients to process"*.

**Current family**
With this selection (T1 only), you choose to print the tax returns of the current client and all his or her family members, provided they all appear on the print queue.

**Marked clients**
This option will only be available if you have previously scrolled through the client list and selected every client you wish to print in the batch, using the Windows marking conventions.

Keep in mind that you can only print clients who appear on the print queue.

**Which versions**
In this area, you can select which type of returns you want to print (i.e. production or plan).

**Copies to print**
There are two basic methods of managing the copies to print:

- through the final destinations of a tax return
- through the number of copies desired

**Copies to each destination (recommended) – uses the forms manager**
This option enables the printing of all destinations for which certain forms have been requested using the form manager.

**Copies to selected destinations only – uses the forms manager**
This option enables the printing of the forms requested for the destination(s) that have been specifically ticked.

**Multiple copies – ignores the forms manager**
This allows you to indicate the number of copies you wish to print for the pages selected.

Note that specific destinations can be reprinted for any given client by resetting such destinations to *Waiting* in the *Status information* window for the client.

Two customized destinations can also be added to the list for those users who require more flexibility. This can be done through *Printing options* in the *Preferences* menu.

**Forms to print**

In this area, you can select which forms you wish to include in your print job. The following options are available:

**Automatic selection (recommended)**

This option enables the printing of forms based on the settings selected in the forms manager and the processing status system.

**All forms**

This option enables the printing of all the pages you have defined in the forms manager for the destinations selected under the *Copies to print* section. You may also simply print a certain number of copies of all pages produced for the client selected, as entered under *Copies to print*.

**Certain types of forms**

This option allows you to print certain pages, which DT Max has defined into a package. Such packages include jackets, keying summaries, authorizations for the relevant jurisdictions as well as correspondence for the client selected.

**Selected forms**

This option lets you create your own package of pages to print for the client(s) selected. The *Select forms...* button enables you to make your selection from the DT Max form list. Select the form(s) you want by using the Windows marking conventions.

Keep in mind that the pages selected can only be printed if generated as part of a client's tax return, which must appear on the print queue.

**Blank tax forms**

Blank tax forms can be printed within DT Max using the option *View or print blank forms* from the *View* menu.

Select the form(s) you wish to print by using the Windows marking conventions. Then, select the appropriate printer and tray, indicate the number of copies of each form selected that you wish to print, and click *Print*.

## Printing destinations

While most of the destinations have preset names such as *Federal CRA, Client* and *Office* among others, which cannot be changed, two customizable destinations are reserved for users to designate as they wish. For example, if you want to generate two office copies, you could name one of the spare destinations *"Office - 2nd copy"*. Or, you might need a *"Bank copy"*.

You must give a customized destination a name before you can begin using it. To do that, select *Printing options* from the *Preferences* menu, enter a descriptive name for each destination that you require and click *OK* to save.

Once the destination is named, use the *Forms manager* to specify which forms you want sent to that destination and then adjust your printing setup to include this new destination in your next print job.

## Forms manager

The forms manager is a feature that allows you to determine which forms will be sent to the various printing destinations. The managing chart lists all the forms that DT Max can generate for those destinations.

To specify the printing condition of a particular form for any given destination, right-click the appropriate cell and select a printing option from the drop-down menu. The options offered are described below.

Note that the printing options available for any given destination are restricted to those that are relevant to this particular destination. For example, because no form can be efiled to the office, that specific option would not appear in the menu for that destination.

**Print if required (paper)**
The form will be printed only if without it, the tax return would be missing a required component or otherwise be considered incomplete. Note that DT Max will not print schedules with results of zero or less (except for income and expenses schedules and capital gains schedules). DT Max will also not print such forms when efiling.

**Print if required (efile or paper)**

The form will be printed even when the client's return is being efiled. Typically, this form must be sent to the government even when efiling.

**Print if data exist**

The form will be printed not only if required to make a complete tax return, but also if it contains any information that may be useful in understanding or verifying the return. Keep in mind that DT Max will display all forms relevant to a tax return, regardless of the printing conditions selected for the various destinations. Therefore, if you want to print any of the forms displayed, for your client or for verification, this is the option to select.

**Do not print**

The form will not be printed for this destination.

To apply the same printing condition to a block of destinations, a block of forms or both, hold down the [Ctrl] key, use the left button of your mouse to select a range of cells, and then choose the appropriate printing condition from the menu appearing on the screen when you right-click any of the highlighted cells.

Once you have completed defining the printing condition for a form, click *Save* to save your changes and repeat the procedure for other forms, as required.

Any changes made to this setup will become the current default settings until standard default values are restored. This can be done with the *Form mapping reset* button which gives you two options to choose from:

**Reset to company's defaults**

This will allow you to restore the default settings of your firm as previously set by your system supervisor.

**Reset to DT Max defaults**

This will allow you to restore the default settings originally incorporated in the DT Max program.

The *Print* button appearing in the lower left corner of the window will allow you to print a complete or partial list of the forms generated by DT Max. Note that this feature will not enable you to print actual forms.

**Printing or exporting client list data**

You can print or export basic client list data by selecting *Print* and then *Client list* from the *File* menu, or by clicking the *Print* icon on the client list toolbar.

Client list printing or exporting can include the current client, the current family, marked clients, your own clients or all clients on the database.

When printing, the data will be printed as displayed on the screen so feel free to customize the client list in accordance with your preferences. Note that using legal size paper with a "landscape" capable printer can maximize the data printed, but if too much data has been selected from the client list, it may cause the printed data to be truncated.

When exporting, the data to export can first be chosen by clicking the *Select data to export* button, and then directed to a file of your choice. Select *Export to file* to create an ASCII file with the data arranged in columns. This option is useful if you want to get a list of client information which you can manipulate manually using an application such as *NotePad*. With this option, we recommend that you use a ".TXT" extension for your file. Select *Export to file - comma delimited* to create an ASCII file that you can later import into a spreadsheet. With this option, we recommend that you use a ".CSV" extension for your file.

For either export option, the first line of the exported file has labels to identify the data in the column. Note that there is currently no corresponding import facility in DT Max.

**Batch printing of keywords**

You can print a batch of keywords by selecting *Print* and then *Keywords* from the *File* menu. Keywords can be printed for the current client, the current family, marked clients, your own clients, or all clients on the database.

You can also select which information you want printed on the right-hand side of the current year data. A printout that includes prior year information can serve as a useful tool when interviewing a client in order to make sure that you are gathering all the information and slips required.

## Production printing

There are two ways to print tax returns for production:

- Clicking the *Production printing* icon  found on the *Display tax return* screen.

- Selecting the options *Print* and then *Tax return* from the *File* menu.

Before you print for the first time, review all the options available to tailor the DT Max printing system to your needs.

For most users, DT Max's default printing setup will be adequate.

However, if you have special requirements, you may be able to significantly reduce printing costs during production printing by assessing your printing requirements and customizing DT Max printing.

## Label printing

DT Max provides a quick and easy way of printing great looking client labels, and also gives you the ability to customize labels per your specific requirements, such as labels for the taxation centres or district offices, for instance.

**Label definition**
The *Label definition* tab is where you can select the label you need, or customize one if what you require is not yet available in the list.

The *Standard layout* option includes a drop-down menu where you can choose among many standard size labels, as well as numerous *Avery* labels listed with their respective universal product codes (UPC).

The *User-defined layout* option enables you to set the number of labels you want printed per page, as well as horizontal and vertical dimensions.

You can see a preview of the layout obtained with the selections entered in the *Layout of labels* area, on the right-hand side of the window.

**Client labels**
To print client labels, you must first select and define your label print job according to the three following steps:

- setup
- text to print
- label definition

Once you have entered the required information, you may click *Print* in order to save the data and have it printed, or click *Save* followed by *Cancel* in order to save the current selection and print only at a later time.

**Client label setup**
The *Setup* tab is where you can select which clients you wish to include in the label print job, and which printer you wish to use for that purpose.

You can print labels for the current client, the current family, marked clients, your own clients or all clients in the database.

In the T1 program only, for purposes of the label print job, you also have the options to select family heads, spouses and/or dependants. This enables you to print one address label only for each family unit in your database simply by disabling spouses and dependants.

Select the desired printer and tray then enter the *Number of copies of each label* you require, up to a maximum of 99.

**Text to print**
Under *Client labels*, the *Text to print* tab enables you to select what information you want printed on the label, and how it will be printed.

The drop-down list titled *Information to print on label* offers many selections consisting of combinations of name, mailing address, phone numbers, etc.

The option *All information* consists of the entries made in the following keywords (T1):

- LASTNAME
- FIRSTNAME
- STREET
- CITY
- PROVINCE
- POSTCODE
- BILLCODE
- INVOICE-NUM
- CLIENT-CODE
- PHONE
- PHONE-OFFICE
- FAX
- FAX-OFFICE
- EMAIL
- SIN
- BIRTHDATE

The other options allow you to easily change the layout (text centred or not), the font type (Arial or Times New Roman) and the font size (8, 10 or 12 point) with respect to the text to be printed on the labels.

The *Preview* window lets you see a sample of your label prior to printing.

If your label information is overflowing the edges, try one or several of the following:

- Centre the text
- Select the *Times New Roman* font instead of *Arial*
- Select an 8 point font instead of a 10 or 12 point
- Change the label size settings in the *label definition* tab

**Customized labels**
To print customized labels, you must first select and define your label print job according to the three following steps:

- setup
- text to print
- label definition

Once you have entered the required information, you may click *Print* in order to save the data and have it printed, or click *Save* followed by *Cancel* in order to save the current selection and print only at a later time.

**Customized label setup**
The *Setup* tab is where you can select the printer and the tray you wish to use.

You may specify the *Number of copies of each label*, with 9999 being the maximum.

To avoid waste, you can also choose to *Fill the sheet*, in which case the program will automatically add just enough labels to fill up the last sheet printed.

**Text to print**
Under *Customizable labels*, the *Text to print* tab enables you to select what information you want printed on the label, and how it will be printed.

The drop-down list titled *Information to print on label* offers many selections consisting of combinations of tax preparer's addresses, name of contact, and business card, and provides up to 12 fully customizable labels.

If you select from the drop-down menu a previously customized label to which you want to make changes, click the *Edit* button to enter the text you require.

The other options allow you to easily change the layout (text centred or not), the font type (Arial or Times New Roman), and the font size (8, 10 or 12 point) with respect to the text to be printed on the labels.

The *Preview* window lets you see a sample of your label prior to printing.

If your label information is overflowing the edges, try one or several of the following:

- Centre the text
- Select the *Times New Roman* font instead of *Arial*
- Select an 8 point font instead of a 10 or 12 point
- Change the label size settings in the *label definition* tab

**Editing a customized label**
In the *Edit* option of the *Text to print* tab, use the *Name of label* field to identify the label for future reference. The name of the label will then appear in the drop-down list titled *Information to print on label*, found in the same tab. In the *Text of label* field, type in (or paste from another source) the text you want to appear on the label.

Remember that the amount of text that a label can contain depends on the size of the label and the font you have chosen. The *Preview* window located in the *Text to print* tab allows you to see your customized label and make the necessary changes, if any.

**Helpful ideas for label printing**
It is important to be able to print client labels efficiently, but many other options for label printing are available as well. By selecting the proper type of label for the job and, where applicable, entering the information you want printed on it, you can obtain such customized items as:

- file folder labels indicating a client's LASTNAME, FIRSTNAME, and CLIENT-CODE
- rotary cards listing all relevant client information
- return address labels with the tax preparer's mailing address
- business cards
- shipping addresses labels
- diskette labels (3.5)

**Enable printing of date on each page of tax return**
This feature enables the printing of the date in the header of each page of the tax return, where the mandatory client number, name and social insurance number are also shown. See, for example, page 4 of the T1 jacket where the date displayed is not the date the return was printed, but rather the date the return was calculated or the date entered in the keyword SIGN-DATE.

To enable printing of the date on each page of the tax return, select *Printing options* from the *Preferences* menu and tick the appropriate box. Untick the box to disable this feature.

## *Troubleshooting printing in DT Max*

When experiencing printing problems, always consider the following:

1. Make sure that you are using the most recent driver available for your printer. Driver upgrades may solve specific printer errors, and they include features that are designed to enable optimal performance with the newer applications. The newest drivers are available on the manufacturers Web sites.

2. Many printer properties can be adjusted to improve the speed and efficiency of print jobs. To access your printer properties,

   - Click *Start;*
   - Select *Settings;*
   - Select *Printers;*
   - Under Windows XP, click *Start* and select *Printers and Faxes*;
   - Right-click the appropriate printer;
   - Select *Properties.*

   The next step depends on the specific problem you are experiencing. Below is a summary of various printing problems that you may encounter, followed by troubleshooting tips.

   **The printer reports an error and then stops printing/problems occur when attempting to print large jobs** In your printing preferences, if the *Transmission Retry* option is available, increase its value in the *Timeout settings* frame.

   **Printing may be slow if print spooling is not enabled** In the *Advanced* tab, select the options *Spool print documents so program finishes printing faster* and *Start printing after last page is spooled*.

   **Printing may be slow due to the spooling format** In the *Advanced* tab, click *Print Processor*. Then, in the *Default Data Type* drop-down list, select the alternate spooling format. The spooling formats available are EMF and RAW. EMF can free up your program faster but it requires more memory resources from your system. Therefore, if you are experiencing problems with it, just switch to RAW format.

**Printing may be slow if the resolution setting is too high** In the *General* tab, click *Printing Preferences* and decrease the DPI (dots per inch) setting selected. For instance, if you are currently using a resolution of 600 DPI or higher, try lowering the setting to 300 DPI or even 150 DPI.

**Printing may be slow if the soft fonts are not enabled** In your *Printer Preferences*, select *Send TrueType as Bitmaps*.

**Printing may be irregular (e.g. no shading) or slow if using an invalid driver or an erroneous printer language** Use a *PCL* language driver if available rather than the *PostScript* driver.

**Printing may be slow when too many applications are active** Close any applications that you do not need to keep opened.

**Printing may be slow if hard disk space is too low or your TEMP directory is not configured properly** Print jobs must be spooled to the hard drive before being sent to the printer. Limited hard disk space (less than 200 megs) may reduce the processing speed of those jobs. Make sure that the TEMP directory in your Windows environment is referenced to a drive with sufficient disk space.

**Printing may be slow if memory resources are insufficient** Keep in mind that if your printer evolves in a minimal environment, it will deliver a minimal performance. Because limited memory slows down the printing process, don't hesitate to install additional memory into your computer and/or printer if possible. The more RAM you can install on your printer, the better it will perform.

**Print jobs are performed in pieces, on separate pages** The capture timeout setting may be too low. If there is a pause in the flow of data between the application and the port, and it is long enough for the timeout to end the print job, the next data that comes will be sent to the queue as if it were a new print job. The new job will be printed on a new page because a form feed is prompted. Misinterpreted control characters in a job may also prompt a form feed in the middle of the printing process. Sometimes, this problem can be corrected by sending the job as byte stream.

There is also the possibility that the printer may not have sufficient memory to hold the entire page to be printed. In that case, it will print the part of the page it does have in memory and continue printing on the next page. This problem often occurs when printing large graphics jobs.

## SELECTED FAQ ABOUT PRINTING

- **How can I reprint a tax return for production purposes?** Click the *Status information* icon and remove the check mark appearing next to *Printed*.

  Alternatively, you can delete the keyword PROGRESS in the data entry screen.

  Either way, be sure to recalculate the client using [Alt+F9] in order to implement the change.

**Please refer to the DT Max knowledge base for more information.**

# T1 TRAINING GUIDES

## *Preparing a personal tax return*

To prepare a personal tax return, you must use DT Max's keyword system in order to complete data entry. Some of the data are of personal nature and designated as "permanent data". Other data are fiscal in nature and more closely related to the contents and purpose of a tax return.

When adding a new client, tick any relevant options from the SmartStart client outline screen and click *Continue*. A series of keywords will appear from the section *Personal information*, followed by the other sections you have ticked from the SmartStart client outline screen.

The keywords listed below represent the permanent data and comprise components that are common to all tax returns.

- LASTNAME
- FIRSTNAME
- RELATION

  Use this keyword to indicate the nature of the relation to the family head, who is the cornerstone of the entire family unit.

  In a typical family unit, there will be a family head, a spouse and any number of children or other dependants. A separate file must be created for each family member. Each child is linked to the family head or to the other financial support (spouse or common-law spouse). Since DT Max optimizes the dependant amounts, the specific spouse to whom a child is linked bears very little importance. In the case of an extended family, it is recommended to link a child to his/her biological parent.

- SIN
- BIRTHDATE
- STATUS

  This keyword should indicate the civil status of the taxpayer as of December 31 of the tax year. For example, if the taxpayer got married during the year, the option *Married* should be selected under that keyword.

- SEX
- PROV-RES

  This keyword indicates the province of residence of the taxpayer as of December 31 of the tax year. It should not be mistaken for the keyword PROVINCE, which is used to indicate the province of the taxpayer's postal address.

- LANGUAGE

  This keyword allows you to specify the language in which a production return should be printed. This does not prevent you from working on a return and viewing it in the language of your choice.

- STREET
- CITY
- PROVINCE
- POSTCODE
- PHONE
- ALONE

  This keyword must be used in the file of a taxpayer who does not have a spouse. If omitted, DT Max will generate an error message.

The other keywords required for preparing a T1/TP1 return are designed to process tax information.

- The keyword T4 enables you to enter information from federal T4 and Quebec RL-1 slips.

- The keyword T-SLIP includes the various types of information slips provided to taxpayers by the governments.

- When amounts are relevant to both the federal and provincial jurisdictions, DT Max assumes that the provincial amounts are identical to the federal amounts. If this is not the case, the function key [Alt+J] allows you to enter a different amount, if necessary.

- Among the most common items to consider with respect to personal tax returns are the RRSP contributions and deductions.

  The keyword group RRSP enables you to indicate the contributions paid to an RRSP. When you enter the keyword RRSP:

  1. Choose the taxpayer's *Own plan* or the *Spousal plan.*

  2. Use the keyword RRSP-CONTRIB to enter the amounts of RRSP contributions.

  3. Use the keyword UNDEDPREMIUM to indicate the amount of undeducted premiums for past contributions.

  4. Open a second RRSP group in which you will select the option *Room & limit* to indicate the amount of RRSP contributions the taxpayer can pay.

     This includes the amount of eligible contributions for the current year (calculated according to the income earned for the previous year) and the eligible amounts from previous years that were not contributed (sums which could have been paid to a RRSP but were not), designated as the eligible amount of RRSP contributions. Enter that amount for a new client only or to modify the carryforward from the previous year as calculated by DT Max. This amount should be identical to what the CRA determined.

  5. If you wish, you may use the keyword LIMIT-RRSP to limit the amount of RRSP contributions for the year.

- The keyword INCOME-HIST is the taxpayer's income history for a given past year. For all new clients, you must enter the history manually. DT Max will automatically generate a history for the following years. This is particularly important for clients who pay instalments.

- The keyword MEDICAL enables you to enter the medical expenses you want to claim for the year. The optimization made by DT Max will allocate these expenses among the family members. The refundable credit for medical expenses will be claimed if a taxpayer is eligible.

- The keyword DONATIONS is used to enter the various types of charitable donations made in the course of the year, whereas the keyword AMOUNT-CF is used to carry forward the amount of donations not claimed in past years.

DT Max will optimize pursuant to the taxable and payable income of each spouse.

- The keyword DRUG-INSUR should always appear in the file of a taxpayer who is filing a Quebec tax return. If omitted, DT Max will generate an error message.

- The child care expenses should be entered in the file of the child for whom they were incurred with the keyword CHILDCARE. When processing the data for the family, DT Max will give the tax credits to the relevant financial supporter.

  Due to certain exceptions prescribed by law, the keyword CHILD-WEEKS can be used in the file of the taxpayer to whom you specifically wish to allocate child care expenses (usually the individual with the higher income).

- Use the keyword BUSINESS to select the category of activities pertaining to the financial data you need to enter for different types of income, such as

  1. business (e.g. self-employment)
  2. rental
  3. commission
  4. farming
  5. fishing
  6. professional

Once data entry for the family head is completed, you can create a new file for another member of the family, if any, either by clicking the *Add new client* icon or by pressing [F3], or by selecting *New client* in the *File* menu.

## *Preparing the return of a newly separated or divorced taxpayer*

If your client separated or divorced during the last tax year, his/her new civil status must be taken into account when preparing the next tax return.

**Inactivating a spouse**
In the year of separation, one of the spouses must be inactivated. The spouse whose file is inactivated cannot be the family head as this would prevent tax calculations for the entire family. If the family head is inactivated, you must access the spouse's file and change their RELATION entry to *Family head*. This will swap the family head and spouse in this family.

To make the spouse inactive, use the keyword INACTIVE in this person's file and make sure that the option *Separated* is selected.

If you wish to prepare the return of the inactive spouse, point to their file in the client list, select the option *Clone family members* from the *Tools* menu, and in the dialogue box that appears, verify that the options *Current individual only* and *Add to a new family* are selected. Then check the option *Make cloned family member inactive in original family*. Click OK and DT Max will create a new family with the clone as the family head.

**Changing the civil status**
In the client's file, use the keyword STATUS and make the necessary change. Enter the information pertaining to the change of civil status using the keyword STATUSCHANGE in the file of each ex-spouse, and selecting the appropriate option.

**Other permanent data**
Use the keyword ALONE in the file of an ex-spouse who now lives alone, further to the breakup. Note that in the year of the breakup, the amount for person living alone cannot be claimed because the divorced or separated taxpayer had a spouse during part of that year. Enter the full address of the new family head with the keyword STREET. If this is a change of address, indicate it by selecting *Yes* in the keyword ADDRESS-NEW.

**Data pertaining to the ex-spouses**
Use the keyword RELATEDPARTY in the file of each ex-spouse and select the appropriate option from the choices available. Next, enter the data pertaining to the ex-spouse:

- The birth date and the SIN, which are required in the year of the breakup (especially for efile purposes).

- The net income prior to the breakup, with the keyword NI-BEFCHANGE. If you are unable to establish this amount precisely, provide the best estimate possible. This information will be used among other things for the calculation of the spousal amount.

- The amount of alimony paid or received, with the keyword ALIMONY-PAID or ALIMONY-REC.

- Using the keyword INTERVENTION, indicate whether the *ministre du Revenu du Québec* automatically collects alimony from the taxpayer and pays the recipient.

- Indicate whether the spouse transferred amounts from schedule 2 with the keyword SPOUSE-TRANSFER.

**If there are children ...**
Create new files for the children, now linked to the new family head, so that this person may claim credits available as a result of the breakup. To do so, use the cloning feature. There will be a duplication of the children's files. The following year, don't forget to inactivate the children's files that are linked to the parent who no longer supports them. Use the keyword TRANSFER-OV in the children's files in order to control the optimization made by DT Max with respect to certain deductions pertaining to the children.

**Optimization**
The keyword OPTIMIZE will allow you to control the optimization made by DT Max with respect to a variety of credits and transfers between the ex-spouses. You will be able to share certain amounts between the two individuals.

## *Preparing the return of a deceased taxpayer*

If your client was deceased during the last tax year, his/her new civil status must be taken into account when preparing the next tax return.

**Changing the civil status**
Enter the information pertaining to the change in civil status with the keyword STATUSCHANGE, in the file of the deceased taxpayer. Then enter the date of death, which will be printed on the first page of each return filed. You do not have to change the client's civil status at the date of death.

**Address**
In the client's file, enter the address of the estate's administrator to replace that of the deceased taxpayer. If, however, you would rather use the address of your firm, you do not have to modify the address of the deceased. Instead, simply use the keyword MAIL-ADDRESS. DT Max will automatically enter the words *Estate of* before the name of the deceased taxpayer, on the first page of the return.

**If there is a surviving spouse**
Use the keyword STATUS to modify the civil status of the surviving spouse. Select *Widow* or any other status, as relevant. Enter the information pertaining to the change in civil status with the keyword STATUSCHANGE, where you will indicate the new civil status as well as the date of the spouse's death. Use the keyword STREET to enter the current address of the surviving spouse, if it has changed.

**If there is a dependant**
For Quebec tax purposes, DT Max will allocate the dependant amounts in consideration of the spouses' respective income. Use the keyword TRANSFER-OV in the dependant's file to modify the optimization.

**Filing the final return and optional returns**
The keyword RETURN-TYPE is available in the STATUSCHANGE group to select the type of return to be filed.

Once the relevant type of return is selected, DT Max will specify the corresponding tax provision in the top right-hand corner of the first page of the return:

| | Federal | Quebec |
|---|---|---|
| Final return | blank | blank |
| Return for income from rights or things | 70(2) | 429 |
| Return for income of a partner or proprietor | 150(4) | 681 |
| Return for income from a testamentary trust | 104(23)d) | 1003 |

Enter the final return information in the client's production file, and create a plan in DT Max for each optional return you may wish to file.

**The year following death**
Separate the spouses in the database only in the year following the death. To do so, use the keyword INACTIVE in the file of the deceased taxpayer, and make sure that the option *Deceased* is selected.

Keep in mind that an inactive family head prevents tax calculations for the entire family. To process a family in the year after the death of the family head, access the spouse's file and change the RELATION entry to *Family head*. This will swap the former family head and spouse in the family.

## *Preparing a bankruptcy return*

If your version of the DT Max program includes the bankruptcy module, you will be able to prepare tax returns for bankrupt taxpayers. This tool will make your work easier namely by adjusting the calculation of credits and carrying the pre-bankruptcy data forward to the post-bankruptcy period, and by managing the more specific aspects of the production of such returns.

**Types of bankruptcy returns**
In the year of bankruptcy, three types of bankruptcy returns may be filed:

- the pre-bankruptcy return, which comprises all the relevant tax information until the date of bankruptcy;
- the post-bankruptcy return, which includes all relevant tax information from the date of bankruptcy until the end of the year;
- the trustee's return, used for non incorporated businesses that are pursuing their activities at the date of bankruptcy under the supervision and control of a trustee in bankruptcy.

Usually, a trustee in bankruptcy is assigned the task of having the bankruptcy returns prepared. They remain his responsibility whether he does the work himself or hires another accountant or tax preparer to do it. However, the bankrupt taxpayer is often required to file the post-bankruptcy return.

**The pre-bankruptcy return**
To prepare a pre-bankruptcy return, use the regular tax file for the bankrupt taxpayer.

1. Enter the keyword BANKRUPTCY and choose the option *Pre-bankruptcy return* among the choices available.
2. Use the keyword BANKRUPTDATE to enter the date of the bankruptcy and indicate whether you want that date printed in the top section of page 1 of the federal return.

   Note: Although many tax preparers prefer to have the bankruptcy date printed in that particular location, the CRA objects to this practice. Therefore, DT Max enables you to override this selection.

3. Use the keyword ESTIMATES to enter relevant estimates regarding the taxpayer or his spouse. These estimates are required for the calculation of repayments of certain social programs benefits, the child tax benefit, etc.

4. Enter the data for the pre-bankruptcy tax return, namely the income, losses, and deductions until the date of the bankruptcy.

DT Max will calculate the pre-bankruptcy return as well as the amounts to be carried forward from it to the post-bankruptcy return.

**The post-bankruptcy return**
To prepare a post-bankruptcy return, use a DT Max plan. (Note that the option *Keep blank* will be selected for the purposes of the plan).

1. In the client's file, display the automatic carryforwards for the post-bankruptcy on the right-hand side.

2. Carryforwards from the pre-bankruptcy return will appear on the right-hand side within the BANKRUPTCY group. More specifically, you will be able to see the carryforward data with the keyword PREBANK-INFO. These are amounts from the pre-bankruptcy return, which will be necessary for purposes of the calculation of certain credits or deductions of the post-bankruptcy return.

3. Regular carryforwards (UCC, capital cost, etc.) may also be copied from the right-hand side of the screen.

4. After verifying the carryforwards, mark the data [F5] and copy it to the post-bankruptcy return [Alt+C].

5. Enter the data relevant to the post-bankruptcy return (income, losses, deductions from the date of bankruptcy up to the end of the year), which were not included in the trustee's return.

The post-bankruptcy return is filed by the bankrupt taxpayer, and generally, the resulting tax refund is issued and mailed to him.

As an administrative policy, when the bankrupt taxpayer is not released from the bankruptcy or was released prior to completion of the assessment of the post-bankruptcy return, the CRA will eventually send to the trustee the tax refund resulting from that return, to the extent that the trustee was careful to include with the return the "Authorization and direction letter" signed by the bankrupt taxpayer. DT Max can generate this letter for trustees in bankruptcy. The "Bankrupt taxpayer identification form" is also generated whenever a bankruptcy return is calculated.

**The trustee's return**

To prepare the trustee's return, use a DT Max plan.

1. Enter the keyword BANKRUPTCY and choose the option *Trustee's return*.
2. Report the income or losses pertaining to the property and business of the bankrupt taxpayer during the bankruptcy.
3. DT Max will calculate the return by canceling the basic personal credits (basic amount, age amount, disability amount, etc).
4. No amount is automatically carried forward from a trustee's return. The amounts to carry forward from that return must be entered manually.

The trustee's return is filed by the trustee himself. The trustee may not claim personal tax credits or deductions when calculating the taxable income, with the exception of the deductions for the losses incurred in previous years. This return must be filed by the end of the month of March of the following year.

**Non refundable tax credits**

The total non refundable tax credits claimed by a bankrupt taxpayer in the year for both the pre-bankruptcy and post-bankruptcy periods cannot exceed the amount that could be claimed as per the calendar year (ITA s.118.95). Personal tax credits such as the age and the disability amounts as well as the transfers of unused credits are prorated by the number of days in the period for which the return is produced. The pension income amount, the credit for charitable donations, the credit for medical expenses, and the tuition fees and education amounts will be based on the respective amounts pertaining to each period.

**If there is a spouse and/or a dependant...**
When preparing the pre-bankruptcy return of the bankrupt taxpayer, enter the net income only for the spouse, for the entire year. If the calendar year is not yet over at the time of the filing of the return, this amount may be an estimate if need be. An adjustment may be made to the return at a later date.

If the spouse is not bankrupt, his/her return must be calculated with the post-bankruptcy return of the bankrupt taxpayer. Ensure that all information pertaining to the spouse is entered in the appropriate tax plan corresponding to the taxpayer's post-bankruptcy return. Enter the spouse's data for the entire year.

If the spouse is bankrupt as well, do not use the keyword BANKRUPTCY for both spouses. For the time being, DT Max does not allow for the processing of two bankrupt spouses within the same family unit. Instead, in order to fill out the bankruptcy return of the spouse, follow the steps below:

1. In the client database, generate an extract.
2. Renumber each family member.
3. Merge the family.

You will obtain a second, identical family. This time, enter the keyword BANKRUPTCY in the spouse's file in order to complete his/her bankruptcy return. These instructions also apply to the case of a bankrupt dependant.

**Production requirements**
The type of bankruptcy return and the trustee's number appear in the top portion of the first page of the tax return.

The federal returns are addressed to the trustee. The option *Identification* in the *Preferences* menu allows you to enter the trustee's address as the alternate address of the tax preparer. If you must enter a different trustee number for a particular client, use the keyword TRUSTEE-NUM. Returns of bankrupt taxpayers cannot be efiled.

## *Preparing CAIS returns*

### I - CAIS identification and participant profile information (keyword CAIS)

1. By default, DT Max designates the tax professional as the contact person. If this is not the case, enter the contact's name and address with the keyword CONTACT-NAME.

2. If the contact has changed since last year, indicate it with NEW-CONTACT.

3. Specify whether you are applying for an account, maintaining an account, or closing an account with the keyword CAIS-ACCT.

4. Specify other relevant information for the participant with the keyword PARTICIPANT.

5. Enter the province of main farmstead with the keyword FARMSTEAD if it differs from the province of residence.

6. Enter the first year of farming operations with the keyword FARM-OPENING.

7. Enter the total cultivated area with the keyword FARM-AREA.

### II - Farming income & expenses

1. Enter the data for each farming operation with the keyword BUSINESS and the option *CAIS - farming (cash basis)* or *CAIS - farming (accrual basis)*.

2. Enter farming income and expenses derived from commodities with the keyword COMMODITY, by selecting the CAIS code number of the commodity.

3. Enter the related data pertaining to each commodity with the following:

| | |
|---|---|
| commodity sales | SALES |
| commodity purchases | PURCHASES |

4. Each COMMODITY entered heads a separate sub-group in the BUSINESS group. All of the data pertaining to a commodity is kept together in the COMMODITY sub-group. You may have multiple entries for SALES and PURCHASES, but only one entry is allowed for each COMMODITY.

   All commodities entered will be listed on the CAIS statement, without limitation. DT Max automatically determines whether the commodity is qualifying or non qualifying based on the province of residence or province of main farmstead.

5. Program payments are entered with the keyword PROGRAM-PYMT by indicating the CAIS code number of the program.

6. Repayments of program benefits should be entered as a negative amount with the keyword PROGRAM-PYMT.

7. Enter other farming income with the keyword OTH-FARMINC. Such amounts will be recorded on the CAIS statement as *Other farming income.*

8. Farming expenses are classified as eligible expenses and non eligible expenses on the CAIS statement. Enter the eligible expenses for CAIS purposes using the keyword FARM-EXPENSE, and the non eligible expenses for CAIS purposes using the keyword OTH-FARM-EXP. These expenses will be recorded on the appropriate section of the CAIS statement.

**III - Other account information**

Partnership information is obtained from the data provided with BUS-PARTNER.

## *Changing a fiscal year-end*

### Converting to a December 31 year-end

1. Enter the business information for the first qualifying fiscal period.

2. With FISC-PERIOD, indicate *Dec. 31 year-end method - first fiscal period*.

3. Calculate the return with [Alt+F9], and return to keyword data with [F2].

4. On the *Right-hand side display* drop-down menu, select *C/F to stub period / post-bankruptcy*.

5. Verify the right-hand side data.

6. Mark the data on the right-hand side with [F5]. Then, from the right-button menu of your mouse, select *Copy to left-hand side*.

7. You are now ready to enter the data for the second fiscal period. The keyword FISC-PERIOD will indicate *Dec. 31 year-end method - second fiscal period*, and YEAR-END.BUS will indicate 31-12-XX (where "XX" represents the relevant year). The business name, address, GST/PST number, and opening balances will also be indicated.

8. DT Max will show the new UCC-OPEN in the CCA-CLASS group.

9. DT Max will adjust the net income from the second fiscal period for CCA and farming OIA (optional inventory adjustment) to obtain the income eligible for the reserve known as December 31 income.

10. The amounts entered under ADDIT-INCOME and BUS-RESERVE in the first period must be copied manually into the second period, and then deleted from the first.

11. DT Max will claim the maximum eligible business reserve of the December 31 income. You may limit the reserve claimed with the keyword BUS-RESERVE.

**Electing the alternative method**

1. Enter the data for the business in the BUSINESS group in the usual manner.

2. Do not change the YEAR-END.BUS to December 31.

3. With the keyword FISC-PERIOD, indicate *Alternative method*.

4. You only have one business statement for this business.

5. DT Max calculates the estimated additional income per the stub period:

   number of days during which the activity was carried out
   between the end date of your fiscal period and January 1, 20XX
   ----------------------------------------------------------------------
   number of days in the fiscal period ending in 20XX

6. You may override the additional income amount with the keyword ADDIT-INCOME.

## SELECTED FAQ'S ABOUT T1 TAX TOPICS

- **How does DT Max calculate the federal deduction and Quebec tax credit for child care expenses paid?** Information about child care expenses paid for a child is entered in the file of the child using the keyword CHILDCARE. Once calculated, DT Max will allocate the child care expenses to the parent eligible to make the claim and report a child care expense deduction on the federal return and a refundable tax credit on the Quebec return. Generally, to obtain a deduction for child care expenses, both parents must have earned income (as opposed to investment income) and the child must be under 17 years of age unless handicapped. If the higher earner is eligible to make the claim, enter the keyword CHILD-WEEKS and indicate the relevant condition and the number of weeks applicable.

- **Where can I report foreign employment income with DT Max?** If the T4 reports income earned outside of Canada, or for Quebec residents, if an RL-17 is attached to an RL-1, enter the amount of employment income showing on the T4 slip (or RL-1) in the T4 group, and the portion attributable to foreign income (box B of RL-17) in the keyword T4-INCOME.FI of the FOREIGN-INC group.

  The amount entered in the T4 group will be reported on line 101 of the federal and Quebec income tax returns. The amount entered in the FOREIGN-INC group will not be reported as income on the tax return as it is already included in the amount entered in T4. However, that amount will be used in the calculation of the overseas employment tax credit or the foreign tax credit.

  If the taxpayer worked for a foreign employer or a Canadian employer who was not paying the wages from its office in Canada, there will not be a T4 slip nor will the income be subject to CPP/QPP contributions. Enter this amount with the keyword INCOME.FI in the FOREIGN-INC group. The income will be reported on line 104 of the federal income tax return and on line 101 of the Quebec income tax return.

  If an RL-17 was sent, the amount showing in box A (total deduction) must be entered in the keyword OVERSEASDEDQ in the group FOREIGN-INC. The amount will then be reported on line 297 of the Quebec return.

  Please note that Quebec does not offer a foreign employment tax credit matching the federal. A deduction is granted only if an RL-17 was issued. Boxes C to G of RL-17 should be ignored but boxes H and I must be entered in the keywords QUAL-DATE-1 and QUAL-DATE-2 if the federal overseas employment tax credit is claimed.

- **How can I create and edit a new client letter in DT Max?**
  1. First, block and copy the template below.
  2. In DT Max, select *Client letter* from the *Preferences* menu.
  3. In the tab *Edit template*, select *Open*. This will bring you into the client letter. If this does not work, select *Create new template* and click *Yes* until you do get into the client letter.
  4. Go to the end of the client letter information and paste the template.
  5. Make sure that you enter the text of your additional letter at the end.
  6. Keep in mind that the comments inserted after *%* comment:* will not appear in the letter. They are only there for information purposes.

Client letter template:

```
%* comment: To start a new page
%NP
%* comment: Print the preparer's address per the user's defaults.
%IF(%255 = 1)
                                %254 %NL
                                %253 %NL
                                %252, %251 %NL
                                %250 %NL
%ELSE
%* comment: If not using preparer's address, allow space for letterhead.
%ENDIF
%* comment: 1   title, first name, last name, care of, address
%3 %2 %1 %NL
%IF (%116!=0)
c/o %116 %NL
%ENDIF
%4 %NL
%5, %6 %NL
%7 %NL
Dear %2 %1, %NL
%* comment: Consult the document about customizing the client letter for instructions
%* comment: or for the list of client letter variables.
%* comment: Enter your text below
```

- **How does DT Max restrict expenses for commissioned sales people?** Some employment expenses relating to commission income must be limited to the amount of commission income earned in the year. These expenses are commonly referred to as *Restricted expenses*. Expenses are not limited to the commission income are commonly referred to as *Unrestricted expenses* and include such expenses as office rent, office supplies, etc. More details on how DT Max restricts expenses for commissioned sales people are found in the detailed keyword help for the keyword EXPENSES. Enter this keyword and press [Ctrl+F8].

- **Why does DT Max restrict employment expenses to commission income earned from employment?** DT Max will restrict the expenses based on the expense option chosen with the keyword EXPENSES. If no commission income is earned from employment, the restriction does not apply. If the expenses are to be restricted (when commission income is earned through employment), DT Max will restrict the expenses entered with OTH-EXP-RES. The expenses entered with OTH-EXPENSES will not be restricted.

- **I wish to make an election pursuant to ITA section 216 regarding rental income earned in Canada by a non-resident. How should I proceed?** Once the tax pursuant to ITA Part XIII has been withheld on gross rental income (25%), the non resident taxpayer may elect to file an income tax return in Canada, reporting rental income as if it were his only source of income.

  That election is advantageous when the tax calculated on net rental income on that taxpayer's return is lower than the tax withheld pursuant to Part XIII. Note that if that election is made, the non resident taxpayer will not be entitled to any deduction in the calculation of his taxable income nor to any tax credit.

  Enter the keyword NON-RESIDENT and choose the option *Section 216 election* to produce a section 216 return. DT Max will only take into account the entries that can be used on a section 216 return and will enter the information on the T1159.

  If the non resident taxpayer has made a commitment to the Ministère to file an income tax return in the six months following the end of the fiscal year (NR6), the tax withheld may be 25% of net rental income rather than gross income. In such a case, the steps described above remain applicable.

- **Can I limit the amount of non capital losses carryforwards that I want to apply in the current year?** Yes. You can limit the amount of non capital losses carried from previous years to be applied in the year by entering the proper amounts on line 252 of the federal income tax return and on line 289 of the Quebec income tax return, using the keyword LIMIT.NCC in the NONCAPLOSSCF group.

- **How do I enter non capital losses carried forward from previous years?** Use the keyword NONCAPLOSSCF and choose from the following options:

    - *Non capital losses*
    - *Restricted farm losses*
    - *Farming/fishing losses*
    - *Allowable business investment losses*

  Note that the program automatically carries forward the information for a client whose data was processed in DT Max the previous year.

- **How do I comply with the CRA's request for additional non resident information?** The CRA has two schedules specifically for non-residents:

    - Schedule A - Statement of world income
    - Schedule B - Allowable amount of non refundable tax credits

  In DT Max, the keyword WORLD-INC allows for the entry of the data required on schedule A. On schedule B, if the percentage is 90% or greater, the non refundable tax credits are fully applicable. If the percentage is less than 90%, the non resident rules with regards to non refundable tax credits will apply. In the keyword NON-RESIDENT, the options *Section 216 election* and *Section 217 election* are available. With these options, you may easily file a section 216 or section 217 election income tax return. For the purpose of a section 217 election, the amount of eligible income is required and the keyword ELIG-INCOME is available specifically to that end. In both cases, the section of the election will be printed on the top of the first page of the federal income tax return. Note that the tax preparer is responsible for fully understanding elections rules and applying them accordingly. These elections do not apply for Quebec tax purposes.

- **How do I enter amounts received under the SPRINT program?** The amount of training benefits showing in box 28 of the T4A must be entered by selecting the appropriate option from the keyword OTHER-INC.T, in the T4A group. If an amount appears in box B of RL-20 as a training loan, enter it with the keyword SPRINT-LOAN, in the T4A group. DT Max will report the amount of training benefits on line 130 of the federal return. In Quebec, these benefits are not taxable but they appear in schedule C as other income. As for the training loan, that amount is only deductible for Quebec purposes, on line 250.

- **Why is the amount entered in the keyword ALLOWANCE.C not deducted on form GST-370?** This occurs when you use the keyword group EMPLOY-EXP and enter *Yes* in GST-REBATE. The allowance received for car expenses is not included in the column pertaining to ineligible expenses. Verify the motor vehicle expenses section. If corrections are necessary, use the keyword GST-EXP-OV with the option *Motor vehicle expenses* and, with the keyword NON-ELIG, enter the total ineligible portion for corresponding motor vehicle expenses.

- **When and how does DT Max calculate the OAS?** The user's defaults show whether or not DT Max calculates the amount of old age security (OAS) pension of a recipient taxpayer. If you have opted for automatic calculation, you can always modify your choice in a client's file. When calculating the amount, DT Max will prorate the OAS pension for taxpayers turning 65 years of age in the year, for the final return of a deceased taxpayer (in the year of death), and for pre-bankruptcy and post-bankruptcy returns. If the taxpayer did not receive the amount calculated by DT Max because he is a recent immigrant, or if the taxpayer is not eligible to receive the OAS pension, override the amount with the keyword OAP-OV and enter the reason in the client's file. This will be printed on the tax return but it is safer to also enclose a note to that effect with the return as the printed indication is easy to miss and your client's assessment could end up reflecting OAS income he never received.

- **How do I enter the 45% transfer to Quebec of the federal tax paid for a Quebec resident who worked outside Quebec?** If your client resided in Quebec on the 31st of December but no tax was deducted from his income for the province of Quebec, enter only the federal tax paid using FIT in the T4 group. Use the PROV-EMPLOY keyword in this group to enter the province where the taxpayer resided while earning this income. DT Max will perform the 45% transfer to Quebec automatically.

- **How do I enter the eligible and cumulative RRSP amounts if my client is being processed with DT Max for the first time?** Enter these amounts with the option *Room & limit* in the keyword RRSP. This information only has to be entered once. Afterwards, DT Max will automatically carry forward to the following year the undeducted amount.

- **How can I enter an amount paid as a quarterly instalment?** The quarterly instalments paid during the year can be entered separately for the CRA and RQ by using two distinct options of the keyword INSTAL-PAID. The amount of the instalment paid for March or June of the following year can also be entered with the help of two distinct options for the CRA and RQ.

- **How do I enter the address of a taxpayer if it differs from that of other family members?** Use the keyword STREET in the file of the taxpayer whose address is different and provide all required information. If required data remains missing, DT Max will substitute the information of the family head. The information for this particular taxpayer may therefore be inaccurate.

- **How do I tell DT Max that the taxpayer got married in the course of the current year?** Use the keyword STATUSCHANGE and select the option *Marriage - single before marriage* or *Marriage - common-law before marriage*, as relevant.

- **How do I share the amounts for dependants between spouses?** In order to make the sharing of dependant amounts between spouses more flexible, a group of keywords beginning with the keyword TRANSFER-OV was created. Note that this keyword must be entered in the file of the dependant. This group of keywords allows you to do the following:

  - Share between spouses various amounts pertaining to dependants
  - Determine which of the children you wish to claim as eligible dependant
  - Determine which of the children you wish to claim first on schedule A
  - Determine which of the children you wish to designate for schedule P
  - Control the transfer of medical expenses
  - Control the claim of dependant amounts by supporting persons

- **If DT Max does not produce a form, can I create it myself?** You may want to create a supporting schedule for a particular calculation and keep it in your own records, send it to your client, and/or submit it to the CRA. The keyword CUSTOM-SCHED enables you to create a customized message, form, or schedule in DT Max. When entering this keyword, you must tell DT Max how you wish to process a particular total, result or calculation. Simply make the applicable selection from the options offered.

- **I have a capital loss that occurred in the current year and which I want to carry back to a prior year. Do I have to change the client's data in the file from that year?** No. Use the keyword CARRY-BACK in the current year's file, and indicate the amount of the loss that you want to carry back. DT Max will generate the T1A form (TP-1012 in Quebec) for you to attach to the return. Do not modify a return from a prior year. The government will make the necessary adjustments.

- **How can I prevent DT Max from transferring tuition fees to the spouse so that they can be carried forward to a subsequent year instead?** In the group TUITION-EDU, use the keyword TRANSFEROV.T and select the option *Carry forward to use next year* in order to prevent the automatic transfer of tuition fees to the spouse and carry the deduction of such fees to a subsequent year.

- **Why is it necessary to specify post-secondary studies or studies other than post-secondary in the keyword SCHOOLMONTHS?** A child over the age of 18 is considered a dependant if pursuing full-time studies. DT Max determines that the child is in fact a dependant of his/her parents if the number of months entered in SCHOOLMONTHS is 3 or more. This is relevant for the purpose of the amount for dependent children indicated on schedule A. In the keyword SCHOOLMONTHS, you must indicate whether the studies are post-secondary or other than post-secondary. This will tell DT Max whether the amount must be claimed on line 18 of schedule A. If the number of months entered is less than 6, DT Max will claim $1,780 for post-secondary studies, whereas if the number of months entered is 6 or higher, DT Max will claim $3,560. Note that you can use TRIMESTRE-OV to override the number of semesters as school (e.g. 1 = $1,780, 2 = $3,560).

- **Can I modify the person to whom DT Max has transferred the tuition fees of the dependant?** In the group TUITION-EDU, use the keyword TRANSFEROV.T in the file of the dependant. DT Max will then ask you whether you want to transfer the tuition fees to the head of the family, to the other supporting person, or to the other parent not processed. DT Max also allows you to carry forward the dependant's tuition fees to be used the following year, thus overriding the transfer already made, if applicable.

- **How does DT Max calculate the disability deduction and transfer it to a parent or spouse?** The keyword INFIRMITY in a client's data triggers the disability deduction for that client. If the dependant is infirm and the income is insufficient to take full advantage of the disability deduction, DT Max will transfer the unused amount to the supporting person. If the dependant is 18 years of age or older, and infirm but not disabled, enter INFIRMITY in the dependant's file and indicate *Do not use disability deduction* with the keyword DISABILITY. This will entitle the supporting person to a non refundable credit for *Amounts for infirm dependants age 18 or older* on line 306 of the federal return and will not trigger a disability deduction.

- **How can I produce the form pertaining to the maintenance of a self-contained domestic establishment if my client does not have an RL-4?**
  DT Max will generate that form if you enter the keyword ALONE-CERT and specify the reason why RL-4 is not attached to the client's return.

- **How do I enter a provincial tax credit with DT Max?** Use the keyword PROVCREDIT, then select the relevant jurisdiction. You will be provided with a list of keywords relating to the credits available for the chosen jurisdiction. Note that some provincial tax credits are not entered through the keyword PROVCREDIT.

- **How can I enter the refundable credits for line 462 of the Quebec return?** Use the keyword OTH-CREDITQ and select the relevant credit among the options available. Note however that certain refundable credits intended for line 462 are not entered through this particular keyword.

- **How do I claim the real estate tax credit?** For Quebec residents who own their residence, use the keyword RESIDENCE. For tenants, use the keyword T-SLIP and select the option *RL-4*. For Ontario and Manitoba residents, use the keyword RESIDENCE. Only Ontario has credits available for students in residence. For purposes of Ontario tax, be sure to specify the status of Indians living on reserves in order to prevent DT Max from granting them provincial tax credits.

- **How should I proceed to share the schedule B credits with the spouse?** The following credits may be shared by using the keyword OPTIMIZE:

  - Person living alone / age / retirement income
  - Real estate tax credit

  In the keyword CONTROL.OP, select the option *Share with spouse - claim amount (self)* and enter the amount you wish to claim on your client's own schedule B. DT Max will automatically transfer the balance to the spouse.

- **My client did not get the GST credit.** Verify the following:
  1. You may only make one GST claim per family.
  2. DT Max will automatically give the credit to the family head. If you want the spouse to claim the credit, in their file, use the keyword OPTIMIZE and the option *T1 - Claim the GST/HST credit on this tax return*, then select *Claim* under the keyword CONTROL. You may also use the keyword GSTDEPENDOV to enter the right number of dependants.
  3. The taxpayer claiming the GST credit must be 19 or older.

- **Last year, my client was using the alternative method. This year, he wants to convert to a December 31 fiscal year-end. Is it necessary to keep the information pertaining to the reserve in the first BUSINESS group?** If, this year, you choose to convert to a December 31 year-end, you must enter the amounts of the keywords BUS-RESERVE and ADDIT-INCOME from the first BUSINESS group (1st statement) into the second BUSINESS group (2nd statement), then remove these amounts from the first statement.

- **How should I proceed to enter a disposition of property with DT Max?** All dispositions resulting in a capital gain or loss must be entered in the CAPITAL-GAIN group. If the property disposed of is capital property, the disposition must also be entered in the CCA-CLASS group of the appropriate category. The price of disposition should be entered with PROCEEDS.CC and the ACB should be entered with ACB-DISP.CCA. You must also specify whether the category is now empty as a result of the disposition, with LIQUIDATE. The disposition of capital property must therefore be entered in two distinct groups, CAPITAL-GAIN and CCA-CLASS, in cases where a capital gain is generated because those two keyword groups serve different purposes. Indeed, the amounts entered in the CAPITAL-GAIN group allow DT Max to calculate the capital gain or loss resulting from the disposition as well as the capital gain exemption, if need be. As for the amounts entered in the CCA-CLASS group, they allow DT Max to calculate the recapture or terminal loss, if need be, and also help reduce the UCC balance. Please note that you may not claim a capital loss on the disposition of capital property.

- **How do I enter a Quebec class 12 when, federally, it's a different class?** Certain CCA classes are treated as one class federally but as a class 12 for Quebec tax purposes. This would include classes 10, 39, 40, 43 and 44. To specify that the class in question must be treated as a class 12 for Quebec purposes, DT Max has introduced the keyword CLASS12-QUE. You must specify whether you want the class treated as a class 12 for Quebec. The default will be *No*.

- **Can I apply the Part XVII CCA method with DT Max?** This method is integrated into DT Max. The CCA class is entered with CCA-PARTXVII, the purchase date with PURCH-DATE, the description with DESCRIPT.CA, the date of disposition with DATE-DISP.CC, the business portion of capital cost with COST, and the rate of allowance with RATE. The total allowance claimed for prior years is entered with PRIOR-CCA and the current year claim will be added to PRIOR-CCA and carried forward.

- **What should I enter in BUSINESS-ID for rental properties?** If you have multiple rental properties, ensure that a different business name is used for each one. If you cannot use actual business names enter, for example, Property 1, Property 2, etc. You can also enter each property's civic address as its business ID.

- **How do I enter the capital cost adjustment of a depreciable asset?** The half-year rule applies in the year of acquisition and is attributable to net acquisitions made in the year. Adjustments made to the capital cost in the year of acquisition may be entered with the keyword ADJUST-CURR, in the CCA-CLASS group. GST and PST rebates received in the year of acquisition are examples of such adjustments and they are entered with the keyword ADJUST-CURR. The half-year rule will be applied on the cost of additions, net of adjustments acquired in the year, in excess of net proceeds of disposition (or capital cost if less) in that year. Adjustments made in a year subsequent to the year of acquisition are not subject to the half-year rule. You may enter these adjustments with the keyword ADJUST-UCC. GST and PST rebates received in a year subsequent or ITC claimed in a prior year are examples of adjustments that you would enter with the keyword ADJUST-UCC. These adjustments would not be subject to the half-year rule.

- **How does DT Max calculate the amount of contributions to the CPP or QPP?** DT Max uses the method of calculation used by each government respectively (federal and Quebec). With the CRA, the deduction of CPP/QPP contributions from employment income is based on the amount of CPP/QPP that was actually deducted on the T4 and RL-1. If there is both employment income and self-employment earnings, and the amount of CPP/QPP was underdeducted on the T4 or RL-1, the CRA will use the amount that should have been deducted on the T4 or RL-1 in order to determine the amount payable on self-employment earnings and optional earnings (line 10 of schedule 8). RQ calculates the deduction of CPP/QPP contributions on line 370 of the Quebec return as follows: if there is only employment income, the deduction of contributions will be the amount of CPP/QPP that should have been deducted on the T4 and RL-1.

  If there is both employment income and self- employment earnings, and the amount of CPP/QPP was underdeducted on the T4 or RL-1, the contribution payable on self-employment earnings will be based on the QPP workchart. Since DT Max uses the method of calculation that is specific to each government for the deduction of CPP/QPP contributions, your clients should not receive any adjustment in that respect on their contribution notice. If you wish to change the method used, you may use the keyword QPP-METHOD.

- **My client is an Ontario resident who worked in Quebec. He received a T4 and an RL-1 but when I open the T4 group, no option is offered for Quebec.** Enter the amounts showing on your client's T4 slip in the usual fashion, by using the keyword T4. Then, enter the keyword PROV-EMPLOY and select *Quebec*. This will prompt the keyword PIT to appear. Enter the Quebec income tax deducted. Attach RL-1 to your federal return and the CRA will sort out the information together with RQ.

- **My client is a Quebec resident who worked in Ontario. How does DT Max process this type of case?** Enter all the amounts showing on your client's T4 in the usual fashion, that is by using the keyword T4. Then, enter the keyword PROV-EMPLOY, and select *Ontario*. DT Max will automatically make the 45% tax transfer to Quebec.

- **How do I enter data for spouses and dependants?** Each family member, including spouses and dependants, is given a separate "file" in the DT Max database, whether or not that person is required to file a tax return. To add a spouse or a dependant to a family, go to the *Client list*, place the cursor on *Head of the family* and press [F3]. Select *Spouse* or *Dependant* as relevant. Usually, the data for each family member is entered in that person's keyword data. As the tax returns for the entire family are calculated, relevant information is automatically communicated between family members.

- **How do I enter data from T-slips?** Enter the keyword T-SLIP and select the relevant type of slip. Alternatively, you may enter the name of the desired slip (e.g. T5) and DT Max will take you to the relevant option of the T-SLIP group.

- **How can I keep track of the assets on hand?** DT Max provides a group to help you keep track of both depreciable and non-depreciable assets on hand. The following information may be entered in that group:

| ***Keyword*** | ***Data*** |
|---|---|
| ASSET | cost amount and description of the asset |
| DATE-ACQ.A | date of acquisition of the asset |
| BUSINESSNAME | name of business to which the asset pertains |
| BUS-PORTION | business portion of the asset |
| CCA-CLASS | CCA class to which the asset pertains |
| NUM-SHARES.A | number of shares acquired |
| FACE-VALUE | face value of the bond |
| DATE-MATUR.A | maturity date of the bond |
| FMV-STARTRES | fair market value on date Canadian residency started |

If you acquired a depreciable asset in the year and entered the capital cost as ADDITIONS in CCA-CLASS, DT Max will automatically carry forward each addition separately and record the cost, description, business name, and CCA class to which it pertains, as well as the business portion if less than 100%.

- **How can I get the right calculations for automobile expenses on a prorata of business mileage to total mileage?** The keyword KILOMETRES, in the subgroup VEHICLE-EXP from the BUSINESS group, provides you with a place to enter the total mileage as well as the mileage travelled for work. This is where DT Max proceeds to prorate these expenses. Although the CCA amount showing on the relevant line of the depreciation category is not prorated, the amount included in the total CCA claimed is prorated according to the mileage covered for business purposes. The CCA amount must remain at 100% in the CCA worksheet so as to calculate the exact amount of UCC at the end of the fiscal period.

- **How do I enter business data when my client is a partner with a share of the business?** In the BUSINESS group, use the keyword BUS-PARTNER to enter information about the other partners including the percent share for each partner. DT Max will assume the balance to be the percent share of your client. Enter the full amounts of business income and expenses. However, use the keywords PARTNER-INC and PARTNER-EXP for income and expenses respectively that are 100% attributable to your client. Amounts in the VEHICLE-EXP subgroup may also be attributed to either the business or partner. Moreover, CCA-TYPE, in the CCA-CLASS subgroups within the BUSINESS group, allows you to specify whether this CCA is at the business level or at the partner level. To copy business information between partners:

  1. On the right-hand side of the screen, display the keyword data for the partner that you want to copy from by selecting the option *Other client* in the drop-down menu titled *Right-hand side display* and entering the client number of the partner.

  2. Mark the data that you want to copy using the [Ctrl] key with a left click for a single keyword or [F5] for a block of selected keywords.

  3. From the mouse's right-button menu, select *Copy to left-hand side*.

  At this stage, don't forget to edit the partner information.

- **My client has rental property. He is a 50% co-owner with his spouse, and he occupies 50% of the premises. How do I claim CCA on his share?** You may specify the undepreciated capital cost, additions and dispositions at the full cost, and DT Max will factor the amounts for both the percentage of co-ownership and the percentage of personal use. You may also specify the amounts per his share, net of personal use. To choose that option, use CCA-TYPE and select *Partner level (enter prorated amounts)*. In that case, the amounts entered are not factored when calculating CCA.

- **Where do I enter the amount from box 42 of a T3 slip?** This amount represents a distribution or return of capital from the trust. It affects the value of the cost base of the mutual fund.

  This box is for information purposes only and as such, the amount should not be entered on the tax return.

  Note however that this amount represents a change in the capital balance for the mutual fund trust identified on the slip. Please refer to CRA publication RC4169 titled *Tax Treatment of Mutual Funds for Individuals* for information on how to recalculate the ACB (adjusted cost base) in such a situation.

- **My client received a T5003. How do I enter the amounts from this slip?** In some circumstances, namely in the case of a member of a limited partnership, the taxpayer will receive a T5013 slip in addition to the T5003. You may then ignore the amounts showing on the T5003 since that slip is provided for your information only. Indeed, the loss indicated in box 11 of the T5003 should match the loss showing on the T5013 slip. The same goes for box 10 (carrying charges), box 13 (gift) and box 14 (federal political contributions).

  For taxpayers who receive a T5003 slip only, the loss shown in box 11 must be entered under the relevant keyword in DT Max. Potential keywords are BUSINESS, CAPITAL-GAIN (option *ABIL*), OTHER-DEDUCT, RESOURC-POOL, T-SLIP (option *T101*) and T-SLIP (option *T5013*). To figure out which keyword to use, take a look at box 12 to find out the principal business activity of the tax shelter. This will help you identify the line of the tax return where you should claim the loss shown in box 11.

  As for box 10, use the keyword INTCARCHARGE and enter the relevant description and amount. For box 13, use the keyword DONATIONS and for box 14, use the keyword POLITICAL.

- **Where should I enter the amount from box 138 of a T5013 slip?** This amount is normally entered in a T5013 group under the keyword ITC-INVEST, option *ITC Code 5 (at 15%)*. It will be carried to form 1229, part IV, and the end result will appear on line 6717 (total expense) of form T2038.

- **Where should I enter the amounts from boxes 62, 63 and 64 of RL-15?** The amounts from boxes 62 and 63 should be entered by selecting the relevant options in the keyword RESOURCE-ADD within the T5013 keyword group.

  As for the amount from box 64, only corporations are entitled to the additional deduction. Therefore, you need not worry about entering this amount anywhere.

- **Where do I enter information with respect to form T5004 (Statement of tax shelter loss or deduction) and Quebec form TP-1079.6 (Statement of losses, deductions and tax credits respecting a tax shelter)?** DT Max will automatically fill out form T5004 from the tax shelter data entered (e.g. T5003/T5013) with the loss or deduction.

  Use the option *Items to be added to schedule T5004* from the keyword T5004 only if you have more items to add to form T5004 as a result of DT Max not carrying the data automatically for one or more tax shelter losses or deductions claimed in the year.

  If DT Max does not generate form T5004, use the option *T5004 - Override* from the keyword T5004 to complete the form manually.

- **Why is DT Max not allowing me to limit the amount of tuition fees to be used federally by my client?** The amount of tuition fees that a student must use in a given year is determined on line 13 of their schedule 11.

  Indeed, it is not possible for a taxpayer to claim a lesser amount of tuition fees in order to increase his/her taxable income for the purpose, for instance, of being able to take advantage of a dividend tax credit.

- **How do I tell DT Max whether or not my client is a hobby farmer?**
  In the program, the phrase "hobby farmer" refers to a farmer whose farming activities are not the main source of income. That person may be a farmer on a part-time basis, or as a pastime. In order to indicate to DT Max that your client is a hobby farmer, enter the keyword HOBBY-FARM and select *Yes*. DT Max will then restrict the farm loss according to the lesser of the following amounts:

  (a) the farm loss for the year, or

  (b) $2,500 plus the lesser of:

  (i) 1/2 (farm loss less $2,500) or

  (ii) $6,250

  If you enter a T5013 and select the option *Farming*, DT Max will assume that your client is a hobby farmer. The instalments will therefore be calculated on a quarterly basis rather than on an annual basis.

- **My client paid foreign tax but cannot claim the full foreign tax credit on form T2209. Will DT Max calculate the deduction under subsection 20(12) automatically?** Yes. However, DT Max does not always claim the optimal amount of deduction under section 20(12). In order to claim a different amount than what DT Max has calculated, use the keyword FOREIGN-OV with the option *Deduction under section 20(12)*.

- **How do I limit the amount of net capital losses to be applied this year for my client?** Use the keyword NET-CAP-LOSS and the option *Limit of net capital losses to use*.

- **Where should I enter the amount representing the closing inventory (including raw materials, goods in process, and finished goods) from line 8500 of form T2124 for a taxpayer with business income?** This information must be entered with the keyword INVENTORY in the option *Inventory - end of year*. It will be used in the calculation of the cost of goods sold on line 8518 of form T2124.

- **Before my client moved to another province from Quebec during the year, he was subject to the Quebec prescription drug insurance plan. Is he still required to file a Quebec tax return?** Yes, the taxpayer must file a Quebec tax return reporting his income for the full year.

  To do so in DT Max:

  1. Access your client's file.
  2. Go into a plan.
  3. Change the province of residence (keyword PROV-RES) to "Quebec" and enter your client's information (you may also copy it from your production file).
  4. Using the keyword DRUG-INSUR, select the option *Que. prescription drug insurance plan, exception*, followed by *Other, became resident of another province*, and select the months your client was a resident of another province.
  5. Use the keyword OVERRIDE to override lines 450 and 465 of the Quebec tax return with the appropriate amounts.

  Print out the Quebec tax return and attach a note explaining that your client became resident of another province during the year.

- **How do I handle the return of a client who paid instalments to RQ but moved to another province during the year?** According to RQ, a taxpayer who wishes to have instalments reimbursed should file a tax return reporting no income. To do so in DT Max:

  1. Access your client's file.
  2. Enter the Quebec instalments under the option *Quebec instalments for the year* of the INSTAL-PAID keyword.

- **How do I enter employment expenses?** Use the keyword EMPLOYMENT-EXP to open a group that lets you enter the relevant data. In the keyword GST-REBATE, select *Yes* to enable the automatic calculation of the GST rebate application (form GST370) with respect to these expenses. The same procedure applies for the QST rebate, using the keyword QST-REBATE.

- **How do I enter data for the education or tuition credit and transfers?** In the student's file, enter the keyword TUITION-EDU and select the option *Taxpayer's own tuition and education amounts*. Then, use the keywords SCHOOLMONTHS and TUITION-FEES to enter the number of months spent at a post-secondary institution and the amount of tuition fees paid, respectively. DT Max will transfer all or part of a student's credits to his or her spouse, parent or grandparent while taking into account the student's net income and personal credits. Use the keyword TRANSFEROV.T to modify the choice made by DT Max, e.g. if you want the unused tuition and education amounts to be carried forward rather than transferred.

- **How do I enter data for pensioners?** DT Max uses the date of birth to calculate automatically the government old age security benefits received by a client. If, for some reason, the client did not receive the amount as calculated by DT Max, use the OAP-OV keyword to enter the actual amount received. For other keywords related to pension, press [F8] or the *Keyword help index* icon in the keyword data editor, select *Alphabetical subject help*, and view the entries for *Pension*.

- **How can I override DT Max's optimization of items such as as dividend transfers, medical expenses, charitable donations, provincial tax credits, etc.?** To modify the optimization applied by DT Max to such items, enter the keyword OPTIMIZE in the file of the family head and use the options offered to specify how you wish to change the calculations.

**Please refer to the DT Max knowledge base for more information.**

# T2 TRAINING GUIDES

## *Preparing a corporate tax return*

In order to complete a basic corporate income tax return with DT Max, the following data entry will be required.

When adding a new client, tick any relevant options from the SmartStart client outline screen and click *Continue*. A series of keywords will appear from the section *Identification*, followed by the other sections you have ticked from the SmartStart client outline screen. (Please refer to the document titled *The DT Max SmartStart input assistant* for detailed information about this feature.)

Use the keyword NAME to enter the name of the corporation. The fiscal year-end will be entered in YEAREND. A menu is provided for the keyword CORPTYPE, thus allowing the tax preparer to identify the particular type of corporation, for tax purposes.

The keyword ACTIVITY is also provided with a menu. If, however, the relevant description is not found in the list, a customized description may be entered in the option *Regular corp. (specify activity)*. The keyword PRODUCT allows the tax preparer to detail the main products and services provided by the corporation.

The corporation's head office must be specified as well. The keyword ADDRESS heads a group of entries for all information pertaining to the company's head office, mailing address and location of books and records. Use the keywords CARE-OF, STREET, CITY, PROVINCE and POSTCODE to enter the relevant information. The tax preparer may use the keywords MAILADDRESS, BOOKSADDRESS and SENDINSTAL to specify the address to be used for these locations, thus preventing the need to re-enter addresses that have already been provided. The keyword CONTACTNAME should provide the name of the person responsible for handling inquiries. The keywords PHONE and FAX should be used to enter the relevant numbers.

The keyword LANGUAGE allows the tax preparer to specify in which language the tax return should be printed. This only applies to the production copy of the tax return. The user still has the option to work and view the display in one language while designating another for printing.

The keyword INCORPDATE is used to enter the date of incorporation. BEGINDATE indicates the beginning of the corporation's activities and is used for calculation. If a corporation's beginning date has not been entered and it is necessary for calculation purposes, DT Max will default to the incorporation as the beginning date.

The keyword JURISDICTION must be used at least twice. One entry will be necessary to provide the federal jurisdiction information (BUS-NUMBER and PAYROLLACCT), whereas a second entry will designate a provincial jurisdiction. Multiple provincial jurisdictions may be entered when needed.

The group headed by the keyword CORPOFFICERS has multiple functions. It provides the information requested on the provincial jackets. It also allows you to designate a signing officer. To do so, you must select a combination among the options offered for this keyword. The NAME, SIN and TITLE are to be entered in the proper keywords. The individual's address would be entered in the keyword ADDRESS-OFFR, with specific information in CITY.E, PROVINCE.E, POSTCODE.E, PHONE.OFFR, and FAX-OFFR. Any signing date may be entered in the keyword SIGNDATE, also in this group.

The financial information necessary to complete the corporate income tax return is first entered in the GIFI group. The GIFI (General Index of Financial Information) is an extensive list of financial statement items where each has a unique code (e.g. cash is "1001"). Use GIFI to indicate the source for the data, i.e. whether it is entered directly into DT Max from financial statements or imported from third party software. For more information on entering GIFI data in DT Max, see *General Index of Financial Information (GIFI).*

Next is the group headed by the keyword NETINCOME. This amount represents the net income (loss) per the financial statements. Adjustments to net income for tax purposes would be made by using the keywords NET-INC-ADD and NET-INC-DED, which have a menu of the most common adjustments, although a more specific adjustment may also be entered under *Other (specify)*. The keywords SALES and GROSSREVENUE allow for the entry of the relevant information as requested on various provincial tax returns.

If the corporation makes a donation to a charity, use the keyword group CHARITY to enter the donation. Enter the actual amount and the charity number in the keyword AMOUNT.CH.

A corporation's taxable capital information will be entered in the TAXONCAPITAL keyword group. At first, a question is asked as to whether or not the corporation is exempt from paying capital tax. The answer is usually negative. The keyword PAIDUPCAP includes a menu with a comprehensive listing of the various types of capital that are subject to capital tax. This keyword will be repeated until the tax preparer has completed the data entry and is ready to move on to the next relevant keyword.

A common item for most corporations is a capital cost allowance (CCA). Data entry begins with the keyword group CCA-CLASS. The tax preparer is first required to choose the appropriate class from the menu that comes with this keyword. Having done this, the opening undepreciated capital cost (UCC) should be entered in the keyword UCCOPEN. If this is a new CCA class, then the cost of the asset should be entered in the keyword ADDITIONS. An [Alt+J] function is available for these keywords, allowing the tax preparer to detail different jurisdictional amounts. A description of the asset may be entered in the keyword DESCRIPT-UCC.

In addition, the tax preparer may specify whether the half-year rule should apply by using the keyword HALFYR-CCA, and indicate the purchase of an asset in the keyword DATEACQUIRED. Finally, the tax preparer can limit the amount of CCA claimed by using the keyword CCALIMIT.

A corporation may claim a deduction for instalments that it has already paid with the keyword group INSTALPAID. This keyword comes with a menu allowing the tax preparer to specify the jurisdiction to which the data entered applies. The keyword TAXTYPE-INST also comes with a menu to identify the tax to which the payment applies. The keyword DESCRIP-INST allows the tax preparer to choose the type of remittance, whereas AMOUNT&DATE allows the tax preparer to specify what amount was paid, and when. The keyword group INSTALREC allows you to enter information required for instalments to be calculated for the next fiscal period.

The last group of keywords in a client's data is CORPHISTORY. Normally, this merely consists of a carryforward of relevant data from the corporation's previous year's tax return. However, a situation may arise where even though a corporation has been in existence for quite a few years, this is the first year that the tax preparer is handling its return or that the DT Max program is being used to that end. In either case, relevant keywords are made available to enter the data requested on the various forms of the tax returns or used in certain calculations. Data commonly carried forward may be the prior year's taxable income (TAXABLEINC), fiscal year-end (PRIORYEAREND), and type of corporation (CORPTYPE.HIS).

## *Preparing CAIS returns*

**I - CAIS identification and participant profile information (keyword CAIS)**

1. By default, DT Max designates the tax professional as the contact person. If this is not the case, enter the contact's name and address with CONTACT-NAME.

2. If the contact has changed since last year, indicate it with NEW-CONTACT.

3. Specify whether you are applying for an account, maintaining an account or closing an account with the keyword CAIS-ACCT.

4. Specify other relevant information for the participant with PARTICIPANT.

5. Enter the province of main farmstead with the keyword FARMSTEAD.

6. Enter the first year of farming operations with the keyword FARM-OPENING.

7. Enter the total area cultivated, owned or rented with the keyword FARM-AREA.

8. Enter the method of accounting for CAIS with the keyword METH-ACCOUNT.

**II - Farming income & expenses**

1. Enter farming income and expenses derived from commodities with the keyword COMMODITY, by selecting the CAIS code number of the commodity.

2. Enter the related data pertaining to each commodity:

| | |
|---|---|
| commodity sales | SALES.N |
| commodity purchases | PURCHASES |

3. Each COMMODITY entered heads a separate sub-group in the CAIS group. All of the data pertaining to a commodity is kept together in the COMMODITY sub-group. You may have multiple entries for SALES.N and PURCHASES, but only one entry is allowed for each COMMODITY. All commodities entered will be listed on the CAIS statement, without limitation. DT Max automatically determines whether the commodity is qualifying or non qualifying based on the province of main farmstead.

4. Program payments are entered with the keyword PROGRAM-PYMT by selecting the CAIS code number of the program.

5. Enter repayments of program benefits as a negative value with PROGRAM-PYMT.

6. Enter other farming income with the keyword OTH-FARM-INC. Such amounts will be recorded on the CAIS statement as *Other farming income*.

7. Farming expenses are classified as eligible and non eligible expenses on the CAIS statement. Enter eligible expenses using FARM-EXPENSE, and non eligible expenses using OTH-FARM-EXP. These expenses will be recorded on the appropriate section of the CAIS statement.

**III - Other account information**

Partnership information is obtained from the data provided with PARTNER-INFO.

## *The General Index of Financial Information (GIFI)*

If this is the first time that you are entering GIFI data for a given corporation, you may find it helpful to display the typical GIFI data entry template on the right-hand side. Similarly, if this corporation's previous year data is available in DT Max, right-hand side display will make current year data entry easier for you.

You can also use the "edit-in place" feature to edit T2 GIFI data. In order to show GIFI totals in the editor, ensure that the box *Show automatically calculated GIFI totals in the editor* is checked in the option *User interface* of the *Preferences* menu.

**Entering your financial statement data directly into DT Max**
To enter GIFI data using DT Max, you must first enter the keyword GIFI. This keyword opens up a sub-group containing the keywords GIFI-FILE, GIFI-FORM and GIFI-NOTES. Use the appropriate option depending on whether you will enter your financial statement data directly into DT Max or import a file. If you choose that option:

1. Use the keyword SYNCHRONIZE and select the option *Update NETINCOME and TAXONCAPITAL from GIFI* to update the information from these keyword groups.

2. Use the keyword GIFI-FORM to select the financial statement for which you want to enter data. Each financial statement may only be chosen once, except for the *Supplementary income statements,* which may be used as often as necessary.
3. For each financial statement selected, use the keyword GIFI-FIELD to enter or choose the relevant codes and amounts. Press [Enter] or double-click the field to open the *GIFI code selector* dialogue box. In this box, choose the option which corresponds to the financial information that you wish to record, then enter the applicable amount. DT Max will automatically total the amounts entered and place the result in the appropriate field. However, if you chose to enter data for *Supplementary income statements,*

    a. indicate the operating name of the operation with NAME-OP
    b. enter a description of the operation with DESCR-OP
    c. enter the sequence number for the operation with SEQUENCE
    d. before you begin to enter the relevant field codes and amounts.

4. To submit notes to your financial statements with the GIFI, use the keyword GIFI-NOTES and enter the notes in text format.

5. Use the keyword CHECKLIST, available under the option *Notes checklist* in the sub-group GIFI-FORM, to select the option which best identifies who prepared the financial statements and the extent of their involvement. Under GIFI-OTHER, in the GIFI-FORM sub-group, you may answer YES to other questions about the preparation of the financial statements by selecting the relevant option. Note that if you fail to select an option, DT Max will default to the answer *No*. The CRA requires the notes checklist to be submitted with the GIFI data whether the T2 return is filed on paper (T2RSI) or electronically (EDI).

**Importing GIFI information from a file**

Standard GIFI files produced by third party software such as *Simply Accounting* or *Caseware* can be imported into DT Max. To import a file generated by accounting or audit software, simply go to the keyword GIFI and select *Import* in the data entry screen, or select *Import GIFI* from the *File* menu after opening the target corporation from the client list.

1. Begin by entering the full path and filename of the GIFI file to be imported, or click *Browse* to navigate and locate the proper file on your system.

2. Select the GIFI sections you wish to import: balance sheet, income statement and/or notes to financial statements. Generally, all these boxes should be ticked in order to import the complete GIFI file. Note that any existing data in the selected GIFI-FORM options will be overwritten by the imported data.

3. You may also tick the box labeled *Update NETINCOME and TAXONCAPITAL group data from GIFI*. The information for these keyword groups will be updated from the GIFI data. Note that it is possible to update this keyword information without importing by unticking all items in the section *Select sections of the GIFI file to import* and only ticking the box labeled *Update NETINCOME and TAXONCAPITAL group data from GIFI*.

   To proceed to the next step in the import process, click OK or *Cancel* to end the procedure.

**GIFI file import confirmation**

After selecting import options, you will be asked to confirm the GIFI file creation date, corporation name, and fiscal year-end as obtained from the GIFI import file.

Click OK if this is the correct GIFI information and you want it imported into the current client, or click *Cancel*.

## SELECTED FAQ'S ABOUT T2 TAX TOPICS

- **Can a corporation fill out an Ontario CT23 tax return even though it qualifies for the Ontario filing exemption?** Yes. By using the keyword CT23-OV and choosing the option *Yes*, you can produce a CT23 return despite being exempt from filing one.

- **Does DT Max optimize the provision for taxes?** If you choose the option *Optimize provision for taxes* in the keyword OPTIMIZE, DT Max will determine the optimal amount of the provision for taxes that should be reflected in the financial statements of the corporation, and produce a schedule indicating the proposed adjustments for purposes of the optimization. Note that for a Quebec jurisdiction, two optimization methods are available. For more information, press [Ctrl+F8] on the keyword OPTIMIZE.

- **What is the best method for entering GIFI data in DT Max?** Use the accounting closing trial balance as a reference. Note that a negative amount on the trial balance must be entered as a negative value for GIFI purposes as well. For instance, field 8500 titled *Closing inventory* is normally entered as a negative value.

- **How do I fill out GIFI form 140 titled *Summary of income statements*?** GIFI form 140 is only required if a corporation produces more than one income statement, in which case the additional statements must be entered in option 125 *Supplementary income statements*, under the keyword GIFI-FORM. Enter the sequence number in the SEQUENCE keyword. If multiple income statements are entered or imported, DT Max will produce GIFI form 140 automatically.

- **What is the difference between GIFI fields 8000 and 8089?** Field 8000 - *Trade sales of good and services* should be used to show the total amount of sales whereas field 8089 - *Total sales of goods and services* is automatically calculated by DT Max. Therefore, you do not need to fill in that field unless you wish to override the result generated by DT Max.

- **What do I do if the financial data used to generate the GIFI import file changes?** If, after importing the GIFI file, the financial data changes and an updated GIFI import file is produced, then the updated GIFI file must be imported into DT Max. Alternatively, if there are few changes or they are minor, you can manually edit or add individual GIFI items in DT Max. Of course, if you import again after having manually edited the data, these changes will be overwritten.

- **How does DT Max handle GIFI contra account items?** Contra account items such as accumulated amortization may appear as negative values in the original third-party software and GIFI import file, but will appear as positive values in DT Max after importing. This is intentional. DT Max subtracts the absolute value in calculations involving these items.

- **Does DT Max support the production of tax returns for insurance corporations and other financial institutions?** DT Max will produce part I.3 and part VI tax returns in accordance with the option chosen in PART-I3-INST. Be sure to choose the appropriate option in the keyword ACTIVITY.

- **Where do I enter data for purposes of determining the capital deduction available for part VI tax?** In order to determine this deduction, enter the necessary data in the keyword group RELATEDPARTY.

- **Where do I enter the data needed to determine the tax on capital for a life insurance corporation?** Enter the necessary data in the appropriate keywords, within PART-I3-INST.

- **How can I elect to pay a dividend from the capital dividend account with DT Max, pursuant to subs. 83(2) of the Act?** Use the keyword DIVIDENDPAID and the option *Div. paid out of the CDA (ITA 83(2)*. DT Max will then generate form T2054 (CO-502 for Quebec residents). You may also use CDA-BALANCE to enter the cumulative data used in the calculation of the balance of the capital dividend account. DT Max will produce a schedule showing the historical information for the capital dividend account.

- **Where do I enter eligible life insurance policy proceeds for purposes of the calculation of the capital dividend account?** Use CDA-LIFEINS in the CDA-BALANCE group to enter the eligible amount of life insurance policy proceeds.

- **How do I enter the information pertaining to multiple dispositions of depreciable assets within a CCA class?** You can enter multiple dispositions within each relevant CCA-CLASS by using the keyword DISPOSAL. However, if the CCA class is liquidated, you must also select *Yes* in the keyword LIQUIDATE then enter the net proceeds.

- **Where do I enter taxable preferred shares in DT Max?** Enter information pertaining to taxable preferred shares in the PREF-SHARES keyword group. Schedules 43 (elections) and 45 (agreements) pertaining to taxable preferred shares may be completed by using the keywords ELECTION-PS and PART-VI1 respectively.

- **How do I calculate a capital gain refund with DT Max?** Use the keyword CGDIV-PAID to open the group of keywords that will allow you to calculate the capital gain refund on federal schedule 18.

- **How can I generate schedule 47 (*Canadian film or video production tax credit*) with DT Max?** To produce that particular form, use the keyword CRED-FILM and select the form that you wish to generate among the options available. DT Max will then provide you with the necessary keywords to fill out the desired schedule.

- **Where do I enter relevant information to complete form T106?** The keywords necessary to complete the T106 (*Information return of non-arm's length transactions with non-residents*) are available in the NONRES-TRANS keyword.

- **How do I enter information on foreign affiliates in DT Max?** Use the keyword FOREIGN-AFF to open the group of keywords that will allow you to enter the information necessary to complete federal schedule 25.

- **Where do I enter information to identify a person to whom labour payments were made?** Enter the appropriate amount in the keyword COSTOFWORK, found in the LABOUR-COSTS group, and you will then have access to the keywords that are required for the entry of information relating to the identification of that person.

- **Where do I enter the data needed to fill out an application for the forest producers' real estate tax refund in Quebec?** Enter the relevant data in the keywords found in the option *Quebec* of the LOGINCOME group. DT Max will calculate the real estate tax refund on form FM-220.3.

- **How can I limit the non capital losses applied to part IV tax?** DT Max automatically reduces part IV tax by the previous year's unused non capital losses, or by the current year's non capital losses. Use the keyword LOSSLIM to limit the amount of losses being applied and choose *Non capital loss* as the type of losses you wish to limit. Then, under the keyword TAXREDUCED, select the option *Apply to part IV tax* and enter the amount you wish to apply.

- **Why doesn't the program produce a schedule 27 when I indicate with M&PPROFITS that the corporation is eligible for the M & P deduction?** In addition to indicating that the corporation is eligible for the M & P deduction, the corporation's activity must be indicated as being either *Canadian M & P* or *Other manufacturing & processing* with the keyword ACTIVITY.

- **The amounts I entered in the SR&ED keyword group are not reported onto form RD-1029.7.** To complete form RD-1029.7, you must enter the amounts in the SR&EDTAXCRQ keyword group.

- **Why am I unable to produce an RD-1029.7 (supp.) form even though I appear to have entered all the necessary data?** In order to produce this form titled *Partnership workchart for eligible salaries and wages*, you must ensure that the entry in the keyword NAME.RE, in the RELATEDPARTY group, is identical to the entry made in the PARTNER-NAME keyword, in the SR&EDTAXCRQ group. You must also enter a value in the keyword MEMBER-INT, in the RELATEDPARTY group.

- **How do I enter a capital gain reserve that was claimed in the prior year, and one that I want to claim this year?** DT Max will automatically bring into income the amount of the reserve that was taken last year unless you override this amount by entering a different value in the IN-INCOME keyword, in the RESERVE group. Use IN-RESERVE to enter the amount of the reserve claimed this year with respect to capital gains reserves on current year disposals.

- **Does DT Max produce resource schedules?** Resource schedule 12 will be produced when data is entered in the RESOURCE keyword group. This schedule is used by corporations claiming resource-related deductions. Undeducted resource expenditures will be carried forward under the keyword RESOURCEPOOL.

- **How do I enter adjustments to Ontario net income for purposes of calculating the CMT base on schedule A of the CT23 return?** If the filing corporation is subject to CMT, use the keyword ONTCMTADJUST found in the NETINCOME keyword group to enter adjustments to net income on schedule A of the CT23.

- **How do I enter a corporation's change of status or address, a new fiscal period, or other changes that occurred during the current fiscal period?** Use the keyword STATUSCHANGE, then select the option pertaining specifically to the information that you wish to modify.

- **How do I indicate a change of directors that occurred in the year?** If there has been a change of directors since the last annual return was filed, use the keyword CHANGE-DIR in the CORPOFFICERS group to indicate the change. Then, use the keyword DATE-ELECTED to enter the date that a new director was elected, and use the keyword DATE-CEASED to indicate the date that the previous director stepped down, if applicable.

- **I need to file an annual return in accordance with the Canada Business Corporations Act. Can I do it with DT Max?** Yes. You can complete an annual return with DT Max by using the appropriate keywords found in the keyword group ANNUALRETURN.

- **How do I fill out form T1141 (Information return in respect of transfers or loans to a non resident trust)?** The keyword FOREIGN-INFO will open the group and allow you to select which information return you would like to complete. Choose *T1141* and the keywords needed will be available.

  If a person, or a foreign affiliate of a person, transferred or loaned property to the non resident trust or to a non resident corporation controlled by the trust, use the keyword TRUST-INFO to enter the name of the non resident trust.

  The keyword TRUSTPARTY will allow you to identify the various types of parties involved with the trust. Based on the choices made, the relevant keywords will be made available for entry of requested information.

  All transaction summaries may be entered in the appropriate keywords which will be provided once you indicate the type of transactions you will be reporting with the keyword TRUST-TRANS.

- **How do I fill out form T1142 (Information return in respect of distributions from and indebtedness to a non resident trust)?** The keyword FOREIGN-INFO will open the group and allow you to select which information return you would like to complete. Choose *T1142* and the keywords TRUST-INFO, TRUST-DISTR and TRUST-INDEBT will be available.

  Use the keyword TRUST-INFO to enter the name of the non resident trust from which the reporting taxpayer, at any time in the taxation year, received funds or property, or to which he was indebted.

  The keyword TRUST-DISTR will allow you to indicate the type of foreign property that you will be reporting as received from a non resident trust. Once you choose the type of foreign property, the relevant keywords needed to complete the form will be made available for data entry.

  If the reporting taxpayer was indebted to a non resident trust at any time in the taxation year, use the keyword TRUST-INDEBT to open the group of keywords needed to complete this section of the T1142 form.

- **How do I indicate that a corporation is eligible for a tax reduction or holiday in a particular province?** The keyword PROVTAXREDUC should be used to indicate that the corporation is claiming a province's tax reduction or holiday. DT Max will then calculate the income tax based on the amount of the allowable reduction or holiday.

- **In DT Max, how do I indicate that the corporation has ceased its activities for purposes of box 29 (status change) on page 1 of the CO-17 return?** Use the keyword STATUSCHANGE and the option *Final year due to winding up*.

**Please refer to the DT Max knowledge base for more information.**

# T3 TRAINING GUIDES

## *Preparing a trust tax return*

In order to complete a basic trust return with DT Max, the following data entries will be required.

When adding a new client, tick any relevant options from the SmartStart client outline screen and click *Continue*. A set of keywords will appear on the screen from the permanent sections *Identification* and *Income*, and from any other sections you have ticked from the SmartStart client outline screen.

Use the keyword TRUST-NAME to enter the name of the trust. Use the keyword ACCT-NUMBER to enter the federal account number for the trust, and the keyword ID-NUMBER if the trust is a resident of Quebec. The fiscal year-end is entered under the keyword YEAR-END. The keyword LANGUAGE allows you to specify in which language the tax return should be printed. This only applies to the production copy of the tax return. You still have the option to work and view the displayed tax return in one language while designating another for printing. Use the keyword TRUST to select either *Testamentary* or *Inter vivos* from the drop-down menu, then expand the group. Use the keyword TRUST-TYPE to select the correct type of trust. Use the keyword RESIDENCE to select the province or territory of residence of the trust. Use the keyword DATE to enter the date of death (testamentary) or the date of creation of the trust (inter vivos). If filing a return for a testamentary trust, enter the social insurance number of the deceased.

Use the keyword TRUSTEE to enter the name of the trustee, the keyword TITLE to enter their title, and the keyword ADDRESS to enter the trustee's address that will automatically appear both as the mailing address on the return and as the issuer's address on the information slips generated by DT Max. If you wish to have a different address than that of the trustee's appear as the mailing address on page one of the return, use the ADDRESS keyword in the TRUSTEE group and select the option *Mailing address (if different than trustee's)*. Enter the signing date of the return under the keyword SIGN-DATE.

Use the keyword BENEFICIARY to enter the status of the recipient of income from the trust. If no income is to be allocated, the beneficiary information is not necessary. In the BENEFICIARY keyword group, use the keyword ALLOCATION to specify how the income of the trust is to be allocated to each beneficiary. Enter as many beneficiaries as required.

Use the keyword ALLOCATION-TYPE to enter the type of allocation to trust beneficiaries (either by percentage or fixed amount). Use the keyword INCOME-TYPE to specify the type (income, capital gains, or income AND capital gains) and percentage or amount of income to be allocated.

The following example illustrates how DT Max allocates the income of the trust in the case of multiple beneficiaries:

> Beneficiary A is to receive a fixed amount of $ from all sources of income, while beneficiary B is to receive a % of only the residual income of the trust.
>
> *Method*
>
> Enter beneficiary A using ALLOCATION-TYPE and *Fixed amount*, then INCOME-TYPE and *Income and capital gains*, and enter the ($) amount to be allocated.
>
> Enter beneficiary B using ALLOCATION-TYPE and *Percentage*, then INCOME-TYPE and *Income*, and enter the (%) value to be allocated.
>
> The tax liability generated by the unallocated income of the trust, which is remaining in the trust, will then be calculated as payable by the trust.

Use the keyword INCOMESOURCE and select the appropriate type of income of the trust (pension, foreign pension, dividends, other investment, foreign investment, limited partnership (loss), other). If none of the options available apply, leave this keyword blank.

Use the keyword CAPITALPROP to enter the relevant type of capital property.

Use the keyword BUSINESS to enter the business type and prepare a statement of business income and expenses.

Use the keyword TOTAL-INC-DED to enter the various types of deductions and expenses used to arrive at net income.

The keyword DONATIONS is used to enter the various types of charitable donations made in the course of the year, whereas the keyword AMOUNT-CF is used to carry forward the amount of donations not claimed in prior years.

Enter the type of taxable benefits with the keyword TAX-BENEFIT, and the amount with AMOUNT.

Use the keyword LOSS-CF to enter the type, year, and unused amount of losses carried forward from prior years. Note that for existing clients, this information is automatically carried forward by DT Max.

Use the keyword LOSS-CB to enter the type, year, and amount of losses to carry back.

Use the keyword group INSTAL-PAID if you want the trust to claim a deduction for instalments already paid.

The keywords OTHER-FIT and OTHER-PIT enable you to enter other federal or other provincial income tax deducted at source.

Use the keyword TAX-CREDITS to select the jurisdiction of the tax credit and then select applicable credits for that jurisdiction.

The keyword CAP-HISTORY allows you to enter the capital gains (losses) historical information from prior years. Note that for existing clients this information is automatically carried forward by DT Max.

In the case of a T3 slip (Quebec RL-16 in Quebec) and T3 summary (no Quebec equivalent), if the trust is testamentary, the words "Estate of" will precede the name of the trust by default.

The keyword NOTES allows you to enter any notes or reminders you wish to keep for future reference.

## SELECTED FAQ'S ABOUT T3 TAX TOPICS

- **Where would I find detailed information with respect to amounts being allocated to the beneficiaries of a trust?** DT Max produces an in-house form entitled *Beneficiary income allocation* that provides detailed information regarding trust income and capital gains as well as taxes and credits to be allocated to each beneficiary.

  A separate schedule will automatically be generated for each beneficiary entered under the BENEFICIARY keyword group.

- **How does DT Max handle the apportionment of expenses to different source of income?** The apportionment of expenses to different sources of income is done in such a way as to allow for the maximum flow-through of credits to the beneficiary.

  For example, if the beneficiary has both interest income and dividend income, DT Max will allocate the expenses to the interest income first because this way, the beneficiary can get a dividend tax credit.

**Please refer to the DT Max knowledge base for more information.**

# SOFTWARE SUPPORT

## *The Dr Tax software support service*

**The best ways to get software support**
If you need help using DT Max, you can contact our support team via the methods described below.

Support is available year-round during normal business hours (9:00 a.m. to 5:00 p.m. Monday through Friday). During March and April, support hours are expanded (8:00 a.m. to 9:00 p.m. on weekdays, and 9:00 a.m. to 5:00 p.m. on Saturdays and Sundays).

We offer assistance by email, by fax, by telephone, and on our Web site. Greatest speed and efficiency will occur in this order.

The basic package provided to our clients includes the two or three CD versions released every year, and the assistance provided by our support team. When deemed necessary, interim versions and patches are available on our Web site only.

**Help yourselves!**
The fastest and most efficient method of support is helping yourself. Use the knowledge base to find answers to your questions. Better yet, set someone up to be the DT Max expert in-house, then make sure that he or she gets all the information required to fully understand the program. Have them attend DT Max workshops!

### The DT Max knowledge base

The knowledge base, accessible by pressing [F7] or by selecting *Knowledge base* from the *Help* menu, provides you with an online information database which should have all the information you need to support yourself and your firm throughout the tax season. You can view all the DT Max documentation and jump easily between references and documents by clicking the hyperlinks that connect related information.

Among its many features is the *What's new?* bulletin, which informs you of the latest changes to the program and refers you to relevant files in the knowledge base to look up further information, whereas the *FAQ's* (frequently asked questions) report typical questions asked by our users and which we feel may be of interest to all. Among those are the *Known issues*, which document glitches encountered in using the program.

**Installing the knowledge base**
To install the knowledge base, DT Max will create a sub-directory named "kb" from your main DT Max directory. *Do not delete this sub-directory.* When installing DT Max, you will be given the option to install the knowledge base in one language only or in both languages. If you choose not to install it in both languages, note that the button that gives access to the other language (if you are viewing the knowledge base with Netscape or with Internet Explorer) will still appear on the documents. It will prompt a "URL not found" message as it will not be active.

**Updating the knowledge base**
The knowledge base is updated as new information becomes available. This may include tips and hints on how to use the program better, answers to frequently asked questions (FAQ's), information on changes, improvements or problems in the program. After receiving the first version, new documents will be mentioned in *What's new?* and include hyperlinks to the corresponding, more complete document.

You will receive updates to the knowledge base with every new version of DT Max. However, you may download updates on a more timely basis from our Web site. We encourage you to do so.

Remember that the online knowledge base is updated daily during the tax season.

**Access to the knowledge base**
To access the knowledge base from DT Max, choose any of the following options:

- Go to the *Help* menu, and choose *Knowledge base*.
- Press [F7].
- Press [Ctrl+F8] while in the client data entry screen. (In this case, DT Max will bring you to the explanation of what the keyword does, not to the knowledge base index.)
- Press [F1] from various places in the program. (In this case, DT Max will provide context-sensitive help about that particular area.)

The easiest way to access our site from within DT Max is by choosing *DT Max on the Web* from the *Help* menu and then clicking *Knowledge base* on the top bar. From outside DT Max, run your browser and open the file that you want. If you access it frequently outside DT Max, it may be useful to set "bookmarks" to the index to the knowledge base and the index to frequently asked questions if you use Netscape. If using Internet Explorer, set those pages as "Favorites".

## Context-sensitive help

### How to use [F1]

If you need help using DT Max, first consult the context-sensitive online help, available at almost every stage of the program simply by pressing [F1].

### How to find a keyword with [F8]

While working on a client's file, pressing [F8] or clicking the *Keyword help index* icon will give you three ways to locate a keyword: by reference to a subject index, to a line number on the jacket, or to a form number.

### Find out what a particular keyword does [Ctrl+F8]

If you want to know what a particular keyword does, or how DT Max handles a particular calculation, press [Ctrl+F8] when a keyword is selected in a client file or in the [F8] help, and a brief explanation will appear.

## Support methods

### By email

To get an answer as quickly as possible, send your questions and receive your replies by email. Use the Dr Tax software support request form, accessible by selecting *Software support* from the *Help* menu in the DT Max program. Alternatively, you can access any email program, provide the same information and email it to us at support@drtax.ca.

### Over the Internet

To enable you to get software support quickly and without spending time waiting on the phone, you may wish to consult the DT Max knowledge base on our Web site. On the DT Max knowledge base page, select the *Search* option on the left and enter key items you wish to search for in the entire knowledge base. All references to these terms will be returned. Select the appropriate documents from the results and you should find the answer you are looking for.

**By fax**

Select the *Software support* option from the *Help* menu, and click *Software support request form*. Fill out the form, print it and fax it to Dr Tax at (514) 733-8058. A member of the software support team will quickly get back to you by fax or by telephone.

**By telephone**

If you wish, you can also reach our software support team by calling the Dr Tax support lines at (514) 733-8355 in Montreal, or toll free at 1 (800) 663-7829.

Please be prepared to provide our dispatchers with the following information:

- Your name
- The name of your firm
- Your licence number (found in your licence file)
- The support category of your question (one of the following):
  1. Installation and setup
  2. DT Max features
  3. Keyword help
  4. T1 tax calculations
  5. T2 tax calculations
  6. T3 tax calculations
  7. Efile errors
  8. Electronic transmissions
  9. Printing
  10. Other

The user who calls for software support should be the person most familiar with DT Max in your office. When they call, a software support file will be opened and this person's name will be entered as the contact. This file will remain open and retain its position on the support queue until all questions from your firm have been addressed. Any additional questions will be added to that support file. This will enable us to monitor our support service more efficiently, ensure that you maintain your priority on the telephone queue, and that the caller (possibly your DT Max expert) has all the information required to help support your firm.

### Answering your call

When a support person handles your call, they will seek more specific details regarding your problem and will then look it up in the knowledge base. If the problem is documented and the solution has already been released, they will show you how to find it. This will help prepare you to support yourself the next time.

If the problem is documented but the solution has not yet been sent to you, the support person will send it immediately by email or by fax.

If your problem has previously been brought up and an answer is currently being prepared, the support person will let you know.

If the problem is not yet documented, they will ask you to send all the relevant information needed to diagnose the problem. An expert will work on the problem and someone will contact you when a reply is ready.

This procedure will save us all a lot of time and will help ensure that the solution you are given is satisfactory.

### Support tools

#### The software support request form

Use the software support request form to contact Dr Tax and be sure to provide all the information requested. This will enable our support team to proceed faster and more efficiently.

#### The Dr Tax licence number

Whenever you need to get in touch with us, please have your Dr Tax licence number handy. This will give us easy access to your support file.

#### The anonymous extract

If you have a data entry problem which you feel requires providing Dr Tax with the client's keywords, create an anonymous extract. The anonymous extract gathers all the information contained in your client's file, with the exception of the client's name and social insurance number. This feature is available in the DT Max *Help* menu, under *Software support*.

### The diagnostic report

If you have a technical support problem that requires you to provide Dr Tax with information about your system, you can create a diagnostic report. From the *Help* menu, choose *Software support*, then *Diagnostics*, and click the button "Generate report". This will generates audit reports detailing the software and hardware configurations of your machine. Audit reports help diagnose and solve problems related to configuration such as missing files, wrong DLL versions and incorrect registry entries.

## Information required for technical support

If you have any of the following problems, be ready to provide the information listed below when contacting Dr Tax for technical support service.

### Problems installing DT Max

- make and model of your computer
- amount of memory (RAM)
- size of the hard disk
- list of memory resident programs being used (if any)
- type and version number of network software being used (if any)

### Problems running DT Max

When you create a diagnostic report, the information displayed on your screen provides a great deal of detail about your computer system and the environment in which DT Max is running. This will help in diagnosing problems.

### Problems with tax calculations

- description of how the results differ from your expectations
- printout of the database record of the client (and family) or anonymous extract
- version number of DT Max program used for this specific calculation

### Problems with printing

- make and model of your printer
- copy of the Windows printer test page
- copy of the printer's technical manual

## *The Dr Tax software support request form*

The software support request form is the most efficient way to contact Dr Tax and get support quickly. It is available from the *Software support* option of the *Help* menu.

Please provide all the information requested so that we can expedite your request as quickly as possible.

**Procedure**
In the software support request form dialogue box:

1. **Fill in the identity information fields**
   Identity information defaults to the tax preparer information but can be further customized. If your request is a follow-up question, please include the original support number you have been assigned. If the name or email address of the support person who initially helped you are not known, enter "support" and "support@drtax.ca" respectively.

2. **Describe your problem**
   First, click *Please select the topic that best corresponds to your problem*. The button *Show FAQ's* brings you to the knowledge base and allows you to look for existing FAQ's related to the topic you have selected. You can also try using the *Search* tool in order to find other related documents. Once you are done with the knowledge base window, close it, go back to the previous window, and click *Continue* if you still need help on this topic. Complete your request by describing your problem as best you can. Please be as specific as possible so that your request can be assigned to the support person who is most qualified to solve that particular type of problem.

3. **Select attachments as relevant**
   If you crash or encounter errors, please attach a diagnostic report. Similarly, if you experience tax calculation problems, attach an anonymous extract to your email. Anonymous extracts are automatically created when ticked for the current client or marked clients. Note that attachments are not part of the *Print* function.

4. **Click *Email to Dr Tax* or *Print***
   Select *Email to Dr Tax* or select *Print* in order to fax your request to Dr Tax support at (514) 733-8058.

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