

Corporate Taxprep

QUICK START GUIDE
2020



Wolters Kluwer
When you have to be right

Copyright

© 2020-2021 Wolters Kluwer Canada Limited

All rights reserved. Any reproduction of the program or documentation in whole or in part, by any means whatsoever, or any form of storage or extraction of the information is strictly forbidden without the prior written consent of Wolters Kluwer Canada Limited.

THE LIABILITY OF WOLTERS KLUWER CANADA LIMITED FOR ANY DAMAGE WHATSOEVER TOWARDS THE USER OR ANY OTHER PERSON OR ENTITY SHALL NEVER EXCEED THE PRICE PAID FOR THE LICENSE TO USE THE SOFTWARE, REGARDLESS OF THE NATURE OF THE CLAIM.

Excel, MS-Word, Microsoft Mail, Microsoft Windows, Windows, Windows 7, Windows 8, Windows NT, Windows 2000, and Windows XP are trademarks of Microsoft Corporation.

Adobe Acrobat Reader© is a trademark of Adobe Systems Incorporated.

“Taxprep,” is a registered trademark of Wolters Kluwer Canada Limited.

“CCH,” “CCH iFirm” and “CCH IntelliConnect” are registered trademarks of CCH Incorporated.

Introduction

Welcome to *Corporate Taxprep*!

This *Quick Start Guide* is designed to acquaint you with the *Corporate Taxprep* program as well as give you tips on how to use it. This is not an in-depth guide; please refer to the Help any time for tax or technical assistance when you are in the program. For information on tax and form changes, please refer to the *Release Notes* for this version.

Table of Contents

Overview	4
Different Views	4
Setup.....	6
Options and Settings	6
Preparer Profile	6
Preparing Returns.....	7
Taxation Years Covered	7
Prior Version Coverage	7
Roll Forward.....	7
Opening Files.....	8
Starting a New Return	9
Accessing Forms	9
Expand (F9).....	11
Cell Display.....	11
Entering Data	12
Special Forms	12
Transferring Data.....	16
Saving Returns	21
Attaching External Files	22
Reviewing Returns	23
Xpress	23
Track Changes	23
Monitor.....	23
Diagnostics	23
Review Mode	24
Reviewing Diagnostics	25
Printing	25
Printing Forms	25
Printing Returns	25
EFILE	28
Setup	29
Selecting Returns and Forms	29
Notes to the Financial Statements	30
T2 and CO-17 Supporting Documents	30
Authorization.....	31
Transmitting Returns	31
Amending Returns	32
T2 Returns	32
CO-17 Returns.....	33
AT1 Returns	34
Information Returns.....	34
Program Help	35
Tax and Form Help	35
Knowledge Base	35
InfoConnect Tax Hints	35
Technical Help.....	36

Overview

Different Views

The *Corporate Taxprep* program is comprised of several different views that allow you to perform different functions within the program.

The *Corporate Taxprep* Views



Professional Centre provides important information about the program, tax news and links for customer service and support.



Client Manager displays all of your tax returns. You can use it to open and roll forward files, print returns, EFILE, create reports and perform other functions that help you to manage the tax preparation process.



Tax Return is where you prepare the return. You can print or transmit any open tax return from here.



Print Formats is where you define the print settings for each form included in the tax return, such as the number of copies and the printer selection.



Preparer Profiles is where you enter data that you want by default in every return.



Filters and Diagnostics contains predefined and customized filters and diagnostics that you apply in the Client Manager or in the diagnostics pane to generate reports or identify certain situations.



Letters and Labels view is where you create customized templates for letters, and labels.



Rate Tables is where you establish the values and rates used in the current year tax return.



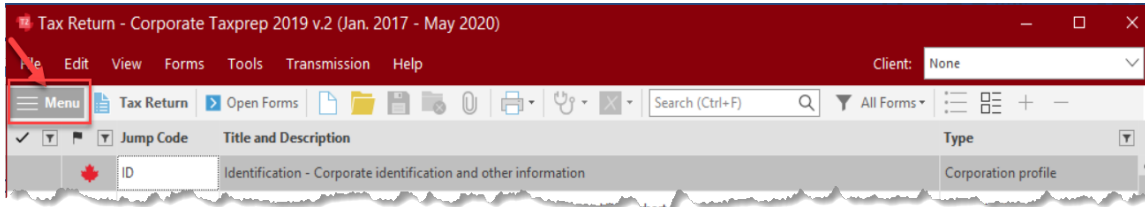
EFILE Log lists all the transactions related to electronically filed returns and provides follow-up options and reports.



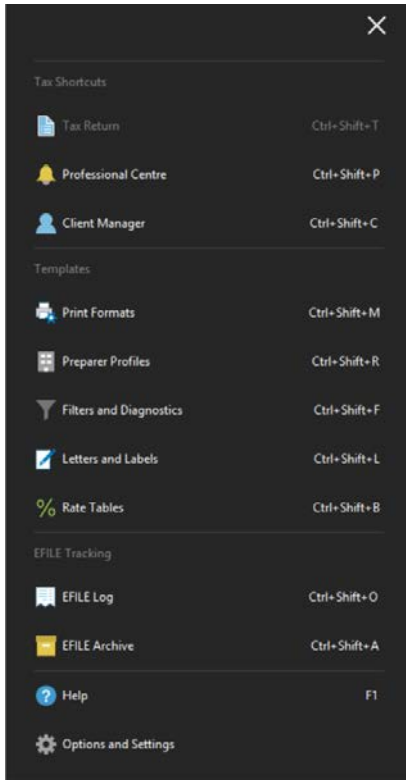
EFILE Archive stores archived transactions from the EFILE Log.

Accessing Views

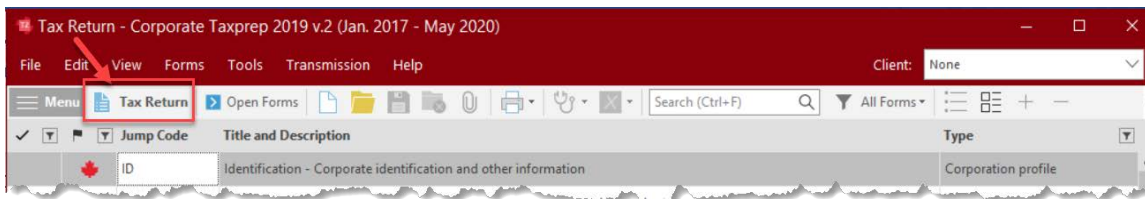
The various views in the program are accessed using the **Menu** button.



You can also access the views using the applicable shortcut key combinations.



The name of the current view appears beside the **Menu** button.



Toolbar

The toolbar provides quick access to the most common commands in the program.



The icons displayed on the toolbar will vary. For example, different icons will be displayed when you are viewing the Form Manager vs. when you are viewing a form.

The toolbar icons will also vary from view to view, as some commands may not be applicable in all views.

The Professional Centre

The Professional Centre provides the latest information on *Corporate Taxprep* and is also a gateway for contacting Wolters Kluwer.

If you are connected to the Internet, the Professional Centre will automatically alert you to any program updates.

The Professional Centre provides a link to the Help Centre as well links to support documents such as the *Release Notes*. There is also a link to the searchable Knowledge Base.

For more information on the *Taxprep* Help Centre and the Knowledge Base see page 35.

Default View

By default, when you launch *Corporate Taxprep*, the **Tax Return** view will be displayed. However, in **Tools/Options and Settings** (see below), you can configure the program to automatically open in the **Professional Centre**, **Client Manager** or **EFILE Log**.

Setup

Options and Settings

You can configure most aspects of the program using the **Options and Settings** command on the **Tools** menu.

Note: If you are using the **Network** version, some options and settings may be pre-configured for various user groups. Check with your Network Administrator for more information.

Click the section title to see a description of the options and settings contained in each section. Any changes that you make will be saved automatically when you click **OK** or **Apply**.

Note: The options and settings are saved on your workstation and are unique to you.

Preparer Profile

Your preparer profile may be configured in the **Preparer Profiles** view. You can have multiple preparer profiles.

Click **New** to create a preparer profile. If you do not create a preparer profile, the program will use the defaults for the various options presented in the **Preparer Profiles** view.

The **Preparer Profiles** edit screen has six tabs: **Profile**, **Staff**, **Authorization Forms**, **EFILE**, **Client Letter** and **Interest**.

Click the **Profile** tab to enter information about your firm and your preferences with respect to preparing your returns.

Click the **Staff** tab to enter the names of the staff and partners using *Corporate Taxprep* for purposes of selecting these names in each return for tracking purposes.

Click the **Authorization Forms** tab to enter information and modify settings used when completing and filing the authorization Forms RC59 (Federal), MR69 (Québec), the Alberta Consent form and the FIN 146 Authorization form for the B.C. Ministry of Finance.

Click the **EFILE** tab to modify the settings used for electronic filing of T2, CO-17 and AT1 returns. Click the **Client Letter** tab to configure your client letter options, including selecting whether or not the Filing Instructions should be addressed to the corporation, and entering any standard opening and closing paragraphs.

Click the **Interest** tab to configure your options with respect to the calculation of interest and penalties on late-filed returns.

The first time you save a specific preparer profile, the program will display the **Preparer Profile Properties** dialog box.



TIP

When creating additional preparer profiles, you can make a copy of any existing profile and simply change selected fields.

You can enter a new name and description for your preparer profile. Click **Default** if you want that preparer profile to be used by default. You can change the information in this dialog box at any time using the **Set Properties** command. Click **OK** to return to the **Preparer Profiles** view.

All of the profiles that you create will appear in the list of **Preparer Profiles**. A check mark will appear beside the default Preparer Profile.

For more information on the Preparer Profile, refer to the Help.

Preparing Returns

Taxation Years Covered

Each version of *Corporate Taxprep* is designed to process corporate tax returns for a specific range of taxation years, depending on the form approvals received by the various governments.

Corporate Taxprep 2020 v.1.1 can be used to process returns that cover a taxation year beginning on or after January 1, 2017 and ending on or before October 31, 2020.

Check the *Release Notes* to identify the taxation years covered by the version you are currently using.

Prior Version Coverage

If you need to create or modify a return for a taxation year not covered by the current version, you must use the appropriate prior version.

To determine which version is required for a specific taxation year, search for the topic "Version Coverage" in the online Help.

Roll Forward

If your firm has already been using *Corporate Taxprep*, the files from the prior taxation year can be rolled forward. You may also be able to roll forward data from files created using another T2 program.

What is a Roll Forward?

The roll forward procedure creates a new file for the current taxation year based on what was in last year's return to avoid re-entering information that was gathered in a prior year.

When a file is rolled forward, the permanent information (e.g. corporation name, address, signing officer information, etc.) is retained and the closing balances of carryforward amounts (e.g. undepreciated capital cost, unutilized prior year losses and RDTOH amounts) become the opening balances.

In addition, if the file was prepared using *Corporate Taxprep* last year, the data entered for the prior year's return is retained for comparison purposes.

Using the Roll Forward

To roll forward files from a single folder, proceed as follows:

1. On the **File** menu, click **Roll Forward**. The **Roll Forward** dialog box displays.

Note: If your firm has switched from another T2 program to *Corporate Taxprep*, click the drop-down list beside the file name at the bottom of the dialog box to view other file types that can be rolled forward.

2. Browse to the folder where the prior year client files that you want to roll forward are located. Then select the desired file(s).
3. Click **OK**.
4. The **Roll Forward** dialog box will be displayed on the screen. In the **File Options** and **Data Options** tabs, select the desired options.
5. Click **OK** to start the roll forward process.

When a single file is rolled forward, it opens in the Identification form.

Note: If you have opened the prior year file (e.g. to ensure you have selected the correct file), you must close it before you can roll forward the file.

Rolling forward files from Multiple Folders

If your prior year files are in different folders, you can use the Client Manager to view a list of all of last year's files from multiple locations and select the files that you want to roll forward.

Opening Files

To open an existing file, or a file that has been rolled forward, proceed as follows:

1. On the **File** menu, select **Open**.
2. You can open as many data files as you want.

To open several returns or client files, proceed as follows:

1. In the Client Manager, select the returns or the client files you want to open.
In order to quickly select all returns displayed on the Client Manager, press Ctrl+A.
2. On the **File** menu, click **Open**.

Opening Files Created with a Prior Version

You can open files created with prior versions of the program. If the taxation year is covered by the current version, you will be given the option to recalculate the return using the current version. If you reply "No," the return will open in "data locked" mode, and the data will be unchanged. Note that once the return has been saved in the current version, you will no longer be able to open the file using a prior version.

If the taxation year of the return is not covered by the current version, the file will be opened in read-only mode. You will still be able to open the file using the appropriate prior version (e.g. to adjust data to reflect a reassessment).

Opening Other Files Using Shortcuts

You can add shortcuts to other client files within the current file, including files that were created in an earlier version of the program. Once created, the shortcut will allow you to quickly access another client file.

When rolling forward the prior year client file, a shortcut to the client file will be automatically created. This shortcut will be available using the **Prior Year/Open last year's client file** command on the **File** menu or by pressing **Ctrl+E**.

You can also modify or delete existing shortcuts and create new shortcuts manually.

Note: If the file that you are opening using a shortcut has a tax year within the coverage period of the current version, the file will be opened in the current version. However, if the tax year precedes the current version, then the appropriate version of *Corporate Taxprep* will be launched provided it has been installed and is accessible.

Client Manager

The Client Manager provides information on all of your client files.

It is used when you want to perform a function on multiple returns, such as:

- opening returns;
- rolling forward data;



TIP

If you have more than one version of the program installed, open your data file by double-clicking it. The appropriate version of the program will launch based on the tax year.

- recalculating returns;
- importing data;
- generating reports on your clients;
- printing returns;
- printing letters and labels;
- electronic filing.

The Client Manager is also a useful tool for easily locating the files that you want to open. You can sort your returns by any field and find a return by typing the corporation's name.

For more information on the Client Manager, refer to the Help.

Starting a New Return

Click **New** to start a new return.

Corporate Taxprep will open the *Identification* form. Ensure that all applicable information is entered on this form, as data from the *Identification* form is used throughout the return.

If you are using *CCH® iFirm®*, you can sync certain identification data between the *Corporate Taxprep* client file and your client contacts in *CCH iFirm*. Refer to the Help for more information.

History of Prior Tax Years

At the bottom of Form *Non-Capital Loss Continuity Workchart* (Jump Code: **4N**) is a **History of Prior Tax Years**. When you create a new return, *Taxprep* will automatically calculate dates for 20 prior tax years in the *History* table based on the default tax year.

If the corporation's tax year commenced on a different date, use the option provided to recalculate the dates of the prior tax years from the start date of the current tax year back to the date of incorporation. Modify the dates as needed to account for any short tax years.

This will allow the program to correctly determine the tax year in which any losses or credits (e.g. investment tax credits) will expire and ensure that the correct information is rolled forward.

Accessing Forms

There are two different methods for accessing forms in *Corporate Taxprep*: Selecting forms from the Form Manager or using Xpress (for more information on Xpress, see page 10).

Form Manager

To view the Form Manager, press F4 or click the **Form Manager** icon on the toolbar.

The Form Manager provides easy access to the various forms available in *Taxprep*.

Simply select the form that you want, then press Enter or double-click to open the form.

To help you locate your forms quickly, *Taxprep* assigns a jump code for each form. Simply start typing the jump code and *Taxprep* will search for that code.



TIP

In tables like the Client Manager and Form Manager, you can select items in several ways:

- To select adjacent items, click the first item, and then press Shift while clicking the last item.
- To select non-adjacent items, click the first item, and then press Ctrl while clicking each item.
- To select the entire list, click the first item, and then press Ctrl, Shift and End simultaneously.



TIP

Once you have finished work on a specific data file, close the file to avoid entering data into the wrong return.

Jump Code conventions:

- Federal return (i.e. Schedule 200): **J** (for Jacket)
- Provincial returns: 1st letter of province + **J** (e.g. **QJ** for the CO-17 return)
- Federal schedules: Schedule number (e.g. **8** for Schedule 8)
- Provincial equivalent schedules: 1st letter of province + federal schedule number (e.g. **Q8** for Québec equivalent of Schedule 8)
- Provincial income tax forms for agreeing provinces: Federal schedule number (e.g. **500** for Form 500 - *Ontario Corporation Tax Calculation*)
- Forms for non-agreeing provinces: 1st letter of province + provincial schedule number (e.g. **A16** for Alberta Schedule 16)
- Worksheets: Acronym or short form (e.g. **ADV** for “Advertising – Non-Canadian advertising expenses”)

Note: “Agreeing provinces” refers to the provinces for which the federal government collects corporate income tax. At present all provinces except for Alberta and Québec are agreeing provinces.

If you don't know the jump code of a form, you can use the “Search” field on the toolbar (or press **Ctrl+F**). Simply enter your search text and the program will display all of the forms that contain that search text as part of the jump code, title or description.

Once a form is open, a tab for the form will appear at the top of the form display. Click any form tab to view an open form. Press Esc to close the form and remove the form tab.

You can also access forms by drilling down from a form using the **Expand** command (e.g. beginning in the T2 Jacket and expanding).

You can use F6 to toggle back and forth between the current form and the last form viewed.

Use F8 to toggle between federal and provincial equivalent forms.

Press F4 to toggle between the Form Manager and the open forms.

Note: The program will retain information about what forms were opened and where the cursor was positioned, so that the next time the file is opened (by any user), the same forms will be opened automatically if this option is selected in the options and settings of the user who opens the file.

Xpress

Taxprep Xpress allows you to view the data in the return in a table format. You can select a filter to limit the data that you are viewing (e.g. only view the data entered in the current year).

The data in the Xpress table is fully interactive with the data in the forms. Any change made on the form will be immediately reflected in the Xpress table and vice versa.

Instead of jumping from form to form to enter data, with Xpress, you can simply scroll through the list of data entered in prior years and type in this year's amounts.

On the **View** menu, click **Xpress** (or click the **Xpress** icon on the toolbar) to display Xpress. You have two options for displaying Xpress: Dock and Float.

If you choose Dock, Xpress will be displayed in a pane at the bottom of the *Taxprep* window. If you choose Float, Xpress will be displayed in a separate window which you can re-position (e.g. onto a second monitor).

Xpress can also be a useful tool for reviewing the return. See page 23 for more information.

**TIP**

As most returns often require many of the same forms and fields as the prior year, using Xpress is an excellent way of quickly accessing the fields that you are most likely to need to complete for the current year.

Expand (F9)

When you are on a form, you can move to another related form by “Expanding.”

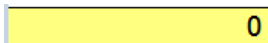
Expanding allows you to move from one form to another without first going to the Forms Manager. You can expand from any cell with an arrow symbol beside it to display that cell’s source form.

Access a source form from an expandable cell as follows:

- on the **Forms** menu, click **Expand**.
- right-click and then click **Expand** on the shortcut menu.
- press F9.
- double-click the cell.

Cell Display

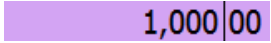
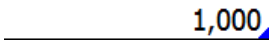
Corporate Taxprep uses flags to identify the properties of the cells. The colours indicate if the cell is calculated, calculated but overrideable, or input. The following are descriptions of the most common cell displays:

Cell Type	Appearance	Definition
Input cell	 Black text on white background	Data entry cell.
Protected cell	 Black text on same colour background as the form	No input or override is possible.
Overrideable cell	 Black text on grey background	Calculated cell where content can be overridden.
Expandable cell	 Blue arrow pointing into the cell.	Cell in which the content comes from another form.
Overridden cell	 Black text on pink background	Calculated cell where content has been overridden.
Rolled Forward Cell	 Blue text on white background	Cell that was rolled forward from the prior year
Cells with data entered last year but not this year	 Black text on yellow background	Cell in which data was entered last year but no value has been entered or rolled forward in the current year
Cells with downloaded data	 Black text on green background	Cell in which data has been downloaded from the CRA via TaxprepConnect



TIP

When you display a form that is particularly long, such as *T2 - Corporation Income Tax Return* (Jump Code: **J**), you can access a specific section of the form rapidly by right-clicking on an area of the form that is not a cell and then clicking the name of the section you wish to view.

Cell Type	Appearance	Definition
Cells in which downloaded data has been overwritten		Cell in which data was first downloaded from the CRA using TaxprepConnect and whose content was then replaced by a direct input.
Cells with review marks	 Red indicator on the right-side of the cell.	Cell that has been marked as part of a review. Five types of review marks are available.
Cell with diagnostic	 Red triangle in the upper right corner	Diagnostic applies.
Cell with attachment	 Paper clip in the upper left corner	Cell to which a note or schedule has been attached.
Cell with tax link	 Blue triangle in the lower right corner	Cell with a InfoConnect Tax Hint and link to a Tax Research product.

Note: The text and background colours mentioned above are configurable on the **Options - Colours** window under **Tools / Options and Settings**.

Entering Data

Amounts must be entered in whole dollars only.

If an amount is a negative number, precede it with a "-".

Data can be entered into overrideable cells, simply by entering the data. The program will prompt you to confirm the override before displaying the new value.

Special Forms

Multiple copy forms

There are a number of tax forms for which you may require several copies. For example, on the data entry screens for capital cost allowance (CCA), you will require a separate copy for each CCA class.

Taxprep allows you to create multiple copies of these forms. A **Multiple Copy** toolbar appears at the top of each multiple copy form to simplify navigation between copies.



- 1 Displays the first copy of the form.
- 2 The **Previous** button displays the previous copy and the **Next** button displays the next copy of the form.
- 3 Displays the last copy of the form.
- 4 The **Copies** list provides access to all the created copies of the form.
- 5 The **New** button creates a new copy of the form and the **Delete** button deletes the copy displayed on the screen.
- 6 The **Search** button allows you to search for a specific copy of the form by entering any part of the description.

Multiple Copy History Forms

Schedules 53 and 54 are examples of multiple copy forms in which each copy (except for the first one) contains data from previous years. This group of copies allows you to save the historical data used to calculate the current year balance.

The screenshot shows the top portion of a software window for 'Schedule 53'. At the top left is a tab labeled '53' with a close button. Below the tab is a navigation bar with left and right arrow buttons. To the right of the arrows is a dropdown menu currently displaying '1-2019-10-31'. Below this dropdown is a list of dates: '1-2019-10-31', '2-2018-10-31', '3-2017-10-31', '4-2016-10-31', '5-2015-10-31', '6-2014-10-31', and '7-2013-10-31'. The first item in the list is highlighted in blue. To the right of the list is a toolbar with icons for 'New' (a document icon), 'Delete' (a trash can icon), and 'Search' (a magnifying glass icon). Below the toolbar, on the left, is a logo for the 'Canada Revenue Agency' and a text field labeled 'Corporation's name'. On the right, a large blue box contains the text 'al Rate Income Pool (C'.

When a return is rolled forward, a new copy of the schedule will be created automatically for the immediately prior taxation year and the data from that year will be carried forward to this new copy. The first copy represents the current taxation year and its contents are determined from the data in the current return.

For more details, please refer to the Help.

Multi-Line Tables

Several forms contain an unlimited number of lines. For example, Schedule 2, Schedule 3, and Schedule 21 all contain this type of table.

A new line (or set of lines) is automatically added as soon as data is entered.

You can also use the **Add** button to create a new line or lines. Use the **Delete** button to remove a line.

Related and Associated Corporations Workchart

A number of different federal and provincial forms require you to report information on related and associated corporations.

In order to minimize the duplication of data, information on the various related and associated corporations in the corporate group is entered in the *Related & Associated Corporations Workchart* (Jump Code: **9W**). This workchart can be accessed by expanding from any of the forms that utilize this information (e.g. Schedule 9 or 23) or directly from the Form Manager.

The first copy of the R&A Workchart is reserved for the filing corporation and much of the information will be updated automatically from elsewhere in the return.

The second and subsequent copies are used to record information on the remaining corporations within the group.

The data entering in the R&A Workchart can be imported from one data file to another using the T2 Data Connection feature. See page 17 for more information on this feature.

Attachments

You can create both attached notes and attached schedules. Once a note or schedule has been attached to a cell, a paperclip will be displayed in the left corner of the cell.



TIP

Jump to ATTS on the Form Manager to access all of the attached schedules. Use the **Multiple Copies** toolbar to find a specific attachment.

Non-deductible club dues and fees 120 13,000

Attached Notes

You can attach a note to any type of cell by right-clicking then selecting **Attach Note**.

If you want the note that you create to be rolled forward to next year's return (e.g. because the note may also be applicable next year), select the following option:

☐ Keep this note when rolling forward the file

When you hover your pointer over a cell that has an attached note, the note will appear.

Attached notes are summarized on the form *Attached Notes - Summary* (Jump Code: **ATTN**) which can be printed along with the return. The notes can be sorted according to the order the forms appear in the Form Manager. The name of the user that last edited the note, as well as the date the note was last modified, will be displayed on the *Attached Notes - Summary*. You can also navigate to a cell that has a note attached by double-clicking the name of the cell associated to the note from the *Attached Notes - Summary*.

Attached Schedules

The *Attached Schedule with Total* (Jump Code: **ATTS**) is a multiple copy form. Each time you attach a schedule to a cell, a new copy of the attached schedule is added to the form and linked to this cell. You can also add copies that are not linked to any cell.

Attached Schedule with Total

Note: This form will not be transmitted electronically or taken into account for the printing of bar codes.

Line 120 – Non-deductible club dues and fees

Title Line 120 – Non-deductible club dues and fees

Explanatory note (press Ctrl+Enter to insert a line break)

Paragraph 4 of IT-148R3:
 "Green fees or membership fees in a golf club are not deductible by virtue of paragraph 18(1)(i). In addition, expenses incurred for food and beverages at, and for the use of, a restaurant, dining room, lounge, banquet hall or conference room of a golf club in conjunction with a game of golf or other recreational activity at the golf club are not deductible by virtue of subparagraph 18(1)(i)(i). Expenses incurred for food and beverages at a restaurant, dining room, banquet hall or conference room of a golf club are not subject to paragraph 18(1)(i), provided there is a genuine business purpose to the use of the facilities and the expenses are not incurred in conjunction with a game of golf or other recreational activity at the golf club."

Add Delete

Description	Amount
Annual golf memberships	25,000.00
Greens fees	7,000.00
F&B expenses	12,000.00
Less: F&B expenses related to promotional presentation	3,000.00
	0.00
Total	41,000.00

To attach a schedule, proceed as follows:

1. Select the cell to which you would like to attach a schedule.
2. On the **Edit** menu, select **Attach Schedule**.

For more information on the Attached Notes and Schedules, refer to the Help.

Client Letters

Previewing a Letter

Letter templates are linked to letters on the Form Manager. When you print or display a letter from the Form Manager, the template contents is merged with the data in the active tax return. The resulting document is a letter that contains information specific to each client's situation.

You can view the letter by entering the jump code for that letter preview similar to accessing any other form.

Templates Included

A letter template called *Client Letter - Filing Instructions* (Jump Code: **CLF**) is included in *Corporate Taxprep*. This template lists all of the various returns that the corporation is required to file along with the filing due date, the address to which the return is to be submitted, the signing instructions and the amount of any balance owing or refund.

The Filing Instructions will indicate any forms that have to be paper-filed (e.g. AgriStability forms) or forms that have to be signed and retained to be produced upon demand.

Corporate Taxprep also includes the predefined templates: *Client Letter - Filing instructions for the AgriStability and AgriInvest program forms* (Jump Code: **CLA**), *Client Letter - Notice to Reader* (Jump Code: **NOTICE**) and *Client Letter - Covering Letter to Accompany a Payment of Income Tax to the CRA* (Jump Code: **Letter P**).

In addition, there are several blank letter templates provided that can be used to create your own covering letter, marketing letters, request for information, etc.

Changing the Contents of the Letter

You can change the contents of a letter template for a specific client in two ways:

- modify the data in the *Client Letter Worksheet*; or
- edit the Letter Preview.

Client Letter Worksheet

The *Client Letter Worksheet* (Jump Code: **LW**) is used to select and modify the information that appears in the *Client Letter - Filing Instructions* or other client letters.

The worksheet indicates the various forms that need to be submitted to the tax authorities and/or retained as well as the applicable due dates. This information can be overridden if desired.

Certain options in the worksheet are updated from the Preparer Profile (e.g. the style of salutation) and can also be overridden.

Moreover, you can enter additional information for the current return, such as the name of a specific partner/staff member to appear at the bottom of the letter in addition to the firm name.

You can also enter optional opening and closing paragraphs specific to this return.

If you are using any of the blank letter templates provided, indicate which additional letters should be printed with the return. This selection can be configured in the Preparer Profile, or can be entered directly on the *Client Letter Worksheet* using overrides.

Any data that you enter in the *Client Letter Worksheet* is saved with the return.

Editing the Letter Preview

You can edit the letter preview to temporarily change the letter generated from your template. You can add, delete or modify the text in the letter as well as pasting in text from another source (e.g. a Word document). However, the edit will only stay in effect while you are in the letter preview. The next time that you access the letter preview, your edits will be



TIP

If you wish to use the Filing Instructions internally or if the instructions will accompany a covering letter, you can suppress the corporation's name, address and salutation at the top of the letter.

lost, as the preview will be re-generated from your template to ensure that it reflects the latest data in the return.

You can, however, save your edited version of the letter preview to an .rtf file which is compatible with word processing programs, using the command **Save Letter As** on the **File** menu.

You can also print the edited letter preview using the **Print Form** command similar to any other form.

Changing all Client Letters

If you want to make a change for all of your client letters (e.g. change the wording of a specific paragraph, or add the firm's logo to the letter), you can edit the appropriate letter templates.

For information on editing the letter templates, refer to the Help.

Transferring Data

Importing and Exporting

Corporate Taxprep supports a number of different types of importing and exporting:

- Importing downloaded tax data via **TaxprepConnect**
- Importing GIFI data;
- Importing Corporate Group Data;
- Importing and/or exporting data between a *Taxprep* file and a generic file type compatible with other applications, such as a spreadsheet;
- Exporting GIFI to *CCH Profit Driver*;
- Exporting data to create a *Taxprep Forms* file;
- Syncing data with *CCH iFirm*.

TaxprepConnect

You can use the command **TaxprepConnect Download** on the **File** menu to download tax data (e.g. loss carryforwards, GRIP balance, tax return data) from the CRA. The information that can be downloaded from the CRA is the same data that is viewable in My Business Account.

You may only download data for one client file at a time.

The available downloaded data includes return balances, such as RDTOH, GRIP, losses, CDA (where available), account balances and corporate addresses. In addition, you can select a recent tax year end in order to download the assessed return data for that taxation year. This may be helpful for a new client where the prior year data file is not available.

Note that to download tax data from the CRA, you must be the authorized representative for the corporation and have online access to information through the *Represent a Client* service. *Taxprep* will launch the CRA's *T2 Auto-Fill* service and you will need to login using your CRA login and password or using partner credentials. Once logged in, the program will transfer the BN of the corporation to the CRA and the data will then be downloaded to *Taxprep*.

Once the data has been downloaded, you can review it on the Form *TaxprepConnect Download* (Jump Code: **CONNECT**) and then, where applicable, select the data that you want to transfer to the tax return.

Cells that have tax data transferred from the *Auto-Fill* form to the return will be identified with a green background. If any of this data is changed after it has been transferred to the return, the cell background will change to purple.

You may download data using **TaxprepConnect** multiple times. For more information on using **TaxprepConnect**, refer to the Help.

Importing GIFI Data

The General Index of Financial Information (GIFI) data can be imported from many popular Canadian accounting or working paper programs.

To import GIFI data, click **Import Data/GIFI file** on the **File** menu. Note that this command is used to import data with a .gfi or .txt file extension that is in the GIFI format specified by the CRA.

If your data is not available in GIFI format, you may still be able to import it by using an .xls or .csv file (see page 20 for more information on importing other file types). An Excel template that can be used to import GIFI data is available on the *Taxprep* Web site.

Importing Corporate Group Data

About the T2 Data Connection

You can import corporate group data from one return to another using the T2 Data Connection feature.

Once you have completed the corporate group information within one file, you can import that data (including allocations between corporations) into any other file in the corporate group. You can use this feature regardless of whether or not you entered the data directly into the R&A Workchart (e.g. for returns being prepared elsewhere) or whether you obtained it by linking with the source file.

How to use T2 Data Connection

Step 1 – Prepare each return in the group

Roll forward and prepare each of the tax returns in the group as far as possible aside from the information on related and associated corporations.

Step 2 – Complete the R&A Workchart

If you have access to the returns for other corporations in the corporate group, you can link to these files to automatically transfer information into the R&A workchart. Otherwise you can manually enter the relevant information in the R&A workchart.

Select one of the returns to use as the initial return for purposes of identifying all of the returns in the group.

Access the R&A Workchart (Jump Code: 9 WORKCHART).

Linking the Returns

For each corporation already listed in the workchart, if you wish to link to the actual return, click  beside the field for the “Location and name of the linked file,” then select the appropriate file for the current taxation year.

If you create a new copy of the R&A Workchart, *Taxprep* will automatically prompt you to create the link to the appropriate file for the current taxation year.



TIP

If you don't have access to certain tax returns for the group (e.g. because they are being prepared by another office or firm), you can simply enter the relevant R&A information directly into the R&A Workchart of the initial return. All of the R&A data entered can then be imported into each of the other returns in the group.

Related and Associated Corporations Workchart

T2 Data Connection

Location and name of the linked file 

To establish a link to a file, click the **browse** button above.

Always keep the link and offer to restore it when in error



Any actions, on your part, on this check box will be kept. Therefore, the election made on the filing corporation's copy will have no impact on this check box. Note that clearing this box does not delete data imported for this corporation. Only the corporation's interaction in the allocation scenarios and the synchronization of its values with the source file will be lost.

All of the data that will be imported for that corporation will be displayed. You can suppress any of the data by clearing the appropriate check mark.

Corporate Group Import Wizard ✕

Import data
The list of selected data below will be imported.

✓	Name	Imported Value	Current Value
▲ Associated Corporation #1			
▲ CO-1029.8.36.IN			
☒	Paid-up capital of prior ...	275,000	
▲ Associated Corporation #2			
▲ Sch. 23			
☒	Percentage of business li...	74.0000	74.0000
▲ Sch. 43			
☒	Dividend allowance allo...	500,000	
▲ ON Sch. 568			
☒	Portion of \$20 million ex...	20,000,000	

[Select all](#) | [Unselect all](#)

Next >
Cancel



TIP

You can easily view all of the forms that require allocations between corporations using the pre-defined form group "Allocation scenario" in the Form Manager.

Note: You may select the file location for each corporation in the group in one data file. The links will then be imported along with the data into subsequent returns (see Step 5).

Step 3- Determine the allocations between the returns in the group

For each relevant form applicable to the corporate group (e.g. Schedules 23, 49, CO-771.1.3, etc.), allocate the amounts (if necessary) for each corporation.

Using the Allocation Scenarios (Optional)

If you have linked to other data files for the corporate group, you can view the impact of the proposed allocation on all corporations (not just the filing corporation) by clicking the **Calculate** button on any allocation schedule.

	1 Names of associated corporations	2 Business Number of associated corporations	3 Asso- ciation code	4 Business limit for the year (before the allocation) \$	5 Percentage of the business limit %	6 Business limit allocated* \$
	100	200	300		350	400
1	Associated Corporation #1	33333 3334 RC0001	1	500,000	34.0000	170,000
2	Associated Corporation #2	88888 8880 RC0001	1	500,000	66.0000	330,000
3	Associated Corporation #3	55555 5556 RC0001	1	500,000	0.0000	0
	Total				100.0000	500,000 A

When you click the **Calculate** button, the linked files will be temporarily recalculated with the values from the allocation scenario determined in the current file. The results of these calculations will then be displayed in the following table. Note that the linked files are not modified during this process.

	Names of associated corporations	Percentage required to maximize the SBD %	Reduced business limit	Unused business limit	SBD	Part I tax payable	Closing balance of the general rate income pool (GRIP)
1	Associated Corporation #1	34.3000	170,000	0	28,900	31,118	1,020
2	Associated Corporation #2	63.8000	330,000	11,000	54,230	25,090	0
3	Associated Corporation #3	17.2000	0	0	0	0	42,840
	Total		500,000	11,000	83,130	56,208	43,860

The **Calculate** button temporarily recalculates that return using the proposed allocation and posts the results in the applicable allocation form.

You can modify the proposed allocations and recalculate the results as many times as necessary until you have determined your optimal allocation.

Step 4 – Save and close the return

Save and close the initial return in which you established the links and determined the allocations.

Step 5 – Import the data into the remaining returns

Open the next return in the group.

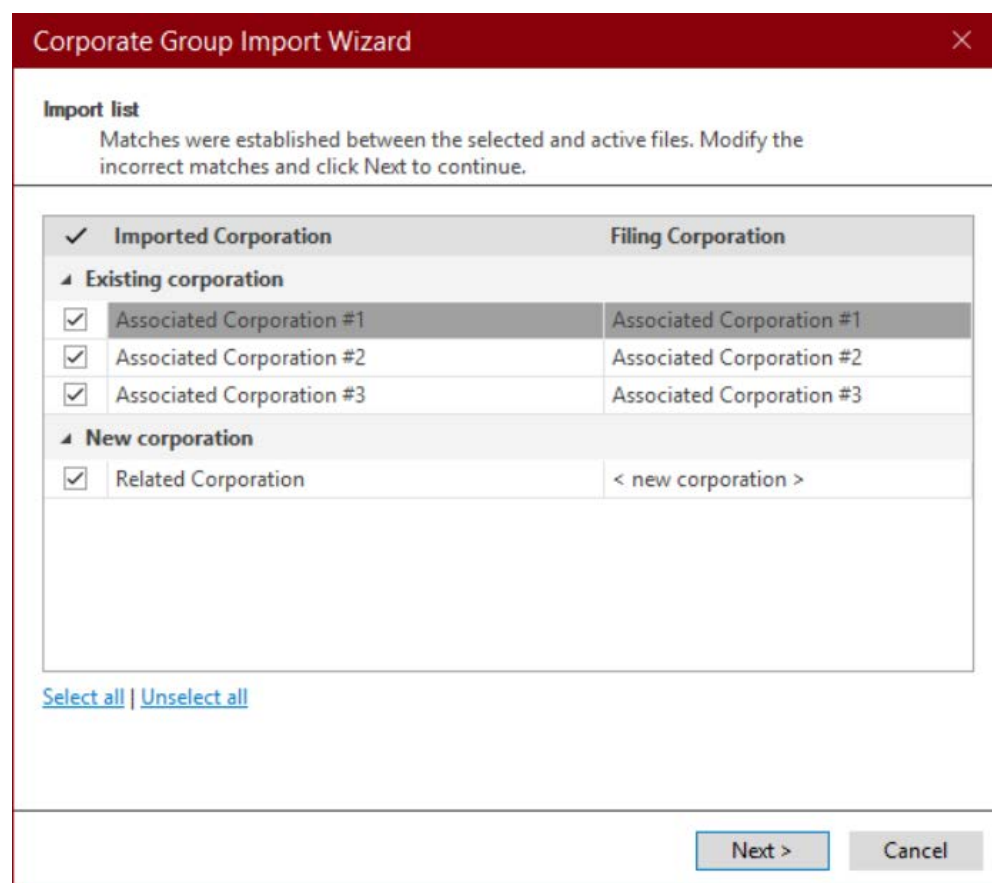
Click **Import Data/Corporate Group** on the **File** menu.

Select the return that you updated in Steps 1-4.

Taxprep will display a list of the related and associated corporations that are part of this group.

Corporations that are already listed in the current file will be shown as existing corporations. Any corporations not found in the current list, will be displayed in the **New** list.

Clear the check mark beside any corporations that are not related or associated with the current corporation.



Corporate Group Import Wizard [X]

Import list
Matches were established between the selected and active files. Modify the incorrect matches and click Next to continue.

☒ Imported Corporation	Filing Corporation
Existing corporation	
☒ Associated Corporation #1	Associated Corporation #1
☒ Associated Corporation #2	Associated Corporation #2
☒ Associated Corporation #3	Associated Corporation #3
New corporation	
☒ Related Corporation	< new corporation >

[Select all](#) | [Unselect all](#)

Next > **Cancel**

Step 6 – Complete the R&A Workchart for each corporation

You will need to identify the relationship between any new corporations listed and the filing corporation as well as provide any details for the percentage of shares owned by the filing corporation for Schedule 9 purposes.

For existing corporations, this information will be rolled forward from the prior year, but may need to be adjusted to reflect any change in ownership.

Step 7 – Repeat for remaining corporations

Repeat Steps 5 and 6 for each corporation in the group.

Changes in Linked Returns

If any data affecting the R&A Workchart is modified in any of the linked returns after the data has been transferred from the original file to other files in the group, you can update the data from all of those returns using the command **Update Links to Corporations** from the **Tools** menu.

Taxprep will display any data items that differ between the source files and the current file that you are viewing. You can select to transfer any or all of the modified data.

Creating a Taxprep Forms File

You can use the command **Create Taxprep Forms File** on the **File** menu to create a *Taxprep Forms* file and copy the appropriate data from *Form Identification*, *Corporate Identification* and *Other Information* (Jump Code: **ID**) to the Identification form of the new *Taxprep Forms* client file.

This can be useful in situations where you need to prepare a form or an information return that is only available in *Taxprep Forms* (e.g. *T5 Information Return*).

You can also create a *Taxprep Forms* client file from the Client Manager.

Once the *Taxprep Forms* file has been created, *Taxprep Forms* will launch automatically so that you can prepare the required forms or slips.

Note: You must have *Taxprep Forms* installed in order to use this feature.

Importing and Exporting Other File Types

Corporate Taxprep also allows you to import and export the following types of files:

- .csv files (separator: semicolon). This file format contains items from a spreadsheet or a database with cells separated by semicolons and can be created with any type of text editor.
- .xls files (worksheet). This type of file is created with Microsoft Excel®.

For more information on importing and exporting data, refer to the Help.

Saving Returns



You must click the  icon to save the data. If you attempt to close the return while there is unsaved data, the program will prompt you to save the file prior to closing it.

The program will also automatically save periodic back-ups of your data files if they contain any unsaved data. You can modify the interval at which the back-up files are saved in **Options and Settings**.

All returns within the data file are saved automatically when the file is saved.

File name extensions

The client files created with *Corporate Taxprep* have a “.2xx” extension, where the “2” represents corporate tax and “xx” represents the end of the corporation's taxation year. *Taxprep* will assign the file extension automatically based on the taxation year.

Notes to the File

Taxprep Sample Corporation .219 - Properties

General Attached Files Security

T2 Taxprep Sample Corporation .219

Information

Client	Taxprep Sample Corporation
BN	99999 9998 RC0001
Return Status	Rolled forward

EFILE Status

T2	Not eligible
T2 - Docs	Not applicable
CO-17	Eligible
AT1	Not eligible
RC59X	Not applicable
RC59	Not applicable
RC59A9	Not applicable

Notes

--- Rolled forward, 2019-10-25 5:10:13 PM ---
Opened new plant in 2018. Will affect R&D allocation for 2019.

Lock data ☐

Password protected ☐

☒ Show before saving

OK Cancel

When you save a file, by default *Taxprep* will display the **Properties** dialog box. This includes a section for Notes that can be used to record information about the return.

These notes can be edited and viewed in the Client Manager. When rolling forward your files, you also have the option to roll forward these notes.

Attaching External Files

You can attach any external file to your tax return file by clicking the **Attached Files** tab of the **Properties** dialog box (see above) when you are saving your file.

This dialog box is also accessible by pressing F11. Alternatively, you can click the  icon on the toolbar or the **Attached Files** command on the **File** menu.

Any type of file can be attached.

A copy of the selected file will be saved within the *Taxprep* data file. The original file will not be affected and any subsequent changes made to the original file will not be reflected.

However, if you click  to open the file in the appropriate program (e.g. Excel), you can edit the file and save it in that program and any changes that you make will be reflected in your attached file. Note that the original file will not reflect these changes.

You can use the **Attached files** command to attach certain documents to be electronically transmitted along with the T2 or CO-17 return. See page 30 for more information.

You can also automatically attach a PDF file generated using any of the print commands in *Corporate Taxprep*.

For more information on attaching external files, refer to the Help.

Reviewing Returns

Once you have entered all of the information into the tax return, you should review the return to ensure accuracy. There are several ways of reviewing the return:

Xpress

Taxprep Xpress is a tool used to enter and verify data. It offers many filters that enable you to, among other things, compare the values entered for this year with those from last year. This way you can quickly notice errors or missing information. It also allows you to review overridden and marked cells in the return by selecting the appropriate Xpress filter.

Track Changes

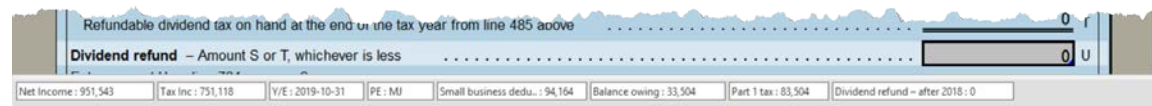
During the review process, you may wish to monitor any changes made to the return to ensure that only the identified corrections are made and that no data is changed inadvertently.

Activate the command **Track Changes** on the **Edit** menu and any changes made to the return after that point will be tracked and can be viewed in **Xpress** using the filter "Data Modified after activating Track Changes".

Monitor

The Monitor is a tracking tool that lets you display key tax information at the bottom of the tax return window.

On the **View** menu, click **Monitor** to display or hide the monitor.



You can use the Monitor to keep track of any data cell from a return no matter what form you happen to be viewing at the time. This allows you to see changes in any calculated values, such as tax payable.

Certain values will be displayed in the Monitor by default: Net Income, Taxable Income, Part 1 Tax and Dividend Refund. However, you can customize the Monitor's contents by adding and removing cells as well as adjusting their descriptions, width and display order.

To add a cell to the Monitor, simply click the cell that you want to view and drag it onto the Monitor.

When you customize the Monitor's contents, these settings are saved for your workstation and will apply to all returns.

Diagnostics

You can display the list of diagnostics so that you can consult them as you work on the return.

To view the list of Diagnostics, click **Diagnostics** on the **View** menu or click the  icon on the toolbar. You have two options for displaying the diagnostics: Dock and Float.

If you choose Dock, the list of diagnostics will be displayed in a pane at the bottom of the *Taxprep* window.

If you choose Float, the diagnostics will be displayed in a separate window which you can re-position (e.g. onto a second monitor).

You can also use the hotkey **Alt+F5** to display the docked list of diagnostics and the hotkey **Alt+F6** to display the floating list of diagnostics. Alternatively, you can access the Form Manager and enter the Jump Code **DIAG** to display the Diagnostics.

Once the Diagnostics are displayed, you can switch between display modes using the icon on the **Diagnostics** toolbar.



To display diagnostics directly on a form, point to a cell with a diagnostic's indicator and the diagnostic message will be displayed. This information is available regardless of whether or not the diagnostics pane is visible.

Diagnostics can be printed directly from the Diagnostics pane (either floating or docked) using the command **File/Print Diagnostics** or they can be included in a print format so that they are printed along with the return. By default, the Diagnostics will be printed in the Office copy of the return.

Customized Diagnostics

You can also create your own diagnostics in *Taxprep* in the view **Filters and Diagnostics**. These diagnostics can be used to check for adherence with firm procedures (e.g. partner name entered) or as a reminder for specific data entry requirements or tax issues.

Any diagnostics that you create that are applicable to the return will appear in the tab My Diagnostics on the Diagnostics pane.

Refer to the Help for more information on how to create custom diagnostics.

Review Mode

When a return is being reviewed, the review mode allows you to add review marks to the appropriate cells in the forms simply by clicking them.

Review marks can be used to identify whether the data is correct or incomplete.

The following review marks are available:



TIP

The review mode can be used from the Xpress tool.

Symbol	Name of the review mark	Recommended when...
✓	First review	The reviewer wants to indicate that the content of a cell has been reviewed once.
✓	Second review	The reviewer wants to indicate that the content of a cell has been reviewed a second time.
✗	Error	The reviewer wants to let a preparer know that the content of a cell contains an error.
?	Uncertainty	The preparer wants to indicate that he or she is uncertain of the content of a cell. This mark can also be used to represent an estimate.
○	Other	The preparer wants to indicate that the content of a cell must be reviewed for a reason other than the one previously mentioned.

Note: If you double-click a cell when the review mode is activated, a review mark is added and then you can access the source form.

Review marks are not printed when you use the **Print Return** command. Review marks can be printed using the **Print Form** command by using the print option *Print as displayed*.

Reviewing Diagnostics

You can mark diagnostics as “Reviewed” or “Ignored” by right-clicking on the diagnostic in the Diagnostics pane and selecting the desired annotation.

By default, all diagnostics will appear under the **Take Action** tab in **Diagnostics** pane. However, once a diagnostic is marked as Reviewed or Ignored, it will no longer appear under the **Take Action** tab but will instead be shown in the **Reviewed** or **Ignored** tab, as applicable.

This allows you to mark any diagnostics that cannot be cleared (e.g. a filing reminder), so that upon subsequent review, you will know which diagnostics you have already reviewed.

Printing

Printing Forms

Printing a single form

In the **Tax Return** view, you can print individual forms for any of the active returns.

1. On the **File** menu, click **Print Form** to print the current form that is on screen.

Note: When you use the **Print Form** command on a multiple copy form (e.g. CCA Workchart), only the current copy will be printed. To print all copies of a multiple copy form, select the entry on the Form Manager and then click **Print Selected Form(s)**.

Printing several forms

To print more than one form at the same time (but not necessarily the whole return), proceed as follows:

1. Select the desired forms on the Form Manager.
2. On the **File** menu click **Print Selected Forms**.
3. Click **OK** to start printing.

Note: When viewing a form, the print command is called **Print Form**. When on the Form Manager, the print command is called **Print Selected Forms**.

Form Printing Options

You can select a number of options when printing individual forms:

- Print to PDF file
- Print a blank copy of the selected form(s).
- Override the date to be printed on the form(s).
- Page range to be printed (single form only).
- Print a watermark on the form(s).
- Use zoom printing to print more than one page per sheet of paper
- Select the language in which the form will be printed

You can also click the **Options** button to modify any of the print settings previously configured under **Options and Settings**.

Printing Returns

You can print the returns included in the current client file using any of the following three methods:

- On the **File** menu, click **Print Tax Return**.
- From the Form Manager, right-click and then click **Print Tax Return** on the shortcut menu.
- Press **Ctrl+R**.

Viewing Diagnostics

When you select the command **Print Tax Return**, and there is at least one diagnostic that needs to be corrected, the diagnostics will be displayed automatically prior to printing.

Click **Continue** if you want to proceed with printing the return.

Selecting Returns

Print Tax Returns

Return selection

Name	Language	Details
Taxprep Sample Corporation	English	

Print format selection

Name	Copies	PDF	Watermark
☒ Client	1	☐	Client Copy
☒ EFILE - TED	1	☐	None
☐ GOVT Federal forms hard C...	1	☐	None
☐ GOVT RSI, Bar Codes - RDA...	1	☐	None
☒ Office	1	☒	None

More printing options

☒ Change status after printing: Printed

Pages per sheet: 1

☐ Override date: 2019-10-29

Options... OK Cancel Help

A different icon is used to represent each of the corporate income tax returns that may be required:

- Federal returns and schedules (includes the capital tax returns for provinces other than Québec and federal information returns)
- Québec CO-17 return
- Alberta AT1

You can select which returns you want to print by selecting the appropriate check box.

Note: The selection of what will be printed for each copy of the return is saved in a template file called "Print Format." For more information on customizing print formats, refer to the Help.

All of the available print formats will be listed. You can change which print formats are selected by clicking the appropriate check boxes.

All selected print formats will be produced for each return. (e.g. a client copy, EFILE documents and an office copy will be printed).

If you want to generate a PDF file instead of printing a hard copy, select the **PDF** box.

You can select a different watermark for each copy.

Click **Options** to change any of your configured print options prior to printing.

PDF Printing

When generating PDF files, you can apply a password automatically to the generated PDF. This helps ensure that the returns remain secure (e.g. when sending copies via Email). You can also configure the file naming convention for the PDF files generated. These options can be

configured in advance using the command **Options and Settings** on the **Tools** menu, or immediately prior to printing using the **Options** button in the **Print Return** dialog box.

T2 Return and Bar Codes

The CRA requires that a computer generated T2 return that is not being filed electronically, be submitted in a format called T2 Bar Code Return. The “GOVT-RSI, Bar Codes – RDA, code à barres” print format has the T2 Bar Code Return set to print automatically whenever it is applicable.

The T2 forms that appear on screen resemble the T2 forms available from the CRA. These are the T2 forms that are set to print in the “Client” and “Office” print formats.

Note that bar codes forms cannot be printed if any mandatory information is missing from the return. Verify the **RSI-Bar codes** tab in the diagnostics to identify any errors.

Printing the Québec CO-17

The Québec CO-17 return can only be filed in French. The “GOVT-RSI” print format has an option enabled to automatically print the CO-17 return in French regardless of which language is used to print the rest of the return. In the “Client” and Office” print format, the CO-17 return will print in the same language as the rest of the return.

The information in the Québec CO-17 return is included in one or more two dimensional bar codes which are printed on Form COR-17.U, *Corporation Income Tax Return Data*.

Filing Requirements

To view a complete list of filing requirements for the federal and provincial returns, refer to the **Filing Requirements** topic in the Help.

Printing Returns from Multiple Files

If you want to print returns from multiple data files, select the returns on the Client Manager then click **Print Tax Returns** as you would for a single file.

EFILE

Most federal T2 returns, Québec CO-17 returns and Alberta AT1 income tax returns can be electronically filed. You can also transmit certain attachments with T2 and CO-17 returns.

In addition, the following federal information returns can be electronically filed:

- RC4649 – Country-by-Country Report
- T106 – Information Return of Non-Arm's Length Transactions with Non-Residents
- T1134 – Information Return Relating to Controlled and Not-Controlled Foreign Affiliates
- T1135 – Foreign Income Verification Statement

The information returns can be transmitted at the same time as the T2 return or they can be transmitted separately (e.g. where the return is not due at the same time as the T2 return).

Please refer to the Help for more detailed instructions on electronic filing these returns.

Business Consent

You can also electronically file Forms RC59 – *Business Consent* and RC59X – *Cancel Business Consent or Delegated Authority*.

Similar to the electronic transmission of information returns, the RC59 is a separate transmission from the T2 return. While it can be transmitted at the same time as the T2, similar to an electronically filed Information return, normally it would be transmitted in advance of the preparation of the return, for example, to obtain authorization to download data for the client using **TaxprepConnect**.

The RC59 is transmitted using the same **Transmit** command that is used to electronically transmit the tax and information returns (See the “Transmitting Returns” section on page 31).

An electronically filed RC59 that is accepted by the CRA will provide authorization for online access to client information. Therefore, if you are transmitting the RC59, the form that *Taxprep* will print will be different from the version printed for paper filing. *Taxprep* will print an approved certification page similar to the certification page printed when submitting a business authorization online through the *Represent a Client* service.

When the RC59 is electronically filed and accepted, authorization is normally granted immediately.

Mandatory EFILE

Corporate tax returns are subject to two different kinds of mandatory EFILE.

Federal T2 and Québec CO-17 returns for prescribed corporations (e.g. with revenue greater than \$1 million) must be electronically filed or the corporation will be assessed a penalty of \$1,000 for each return. For year ends after 2017, this penalty may also be applied for failure to electronically file an Alberta AT1 return for a prescribed corporation.

Corporate Taxprep will identify the corporations that are subject to mandatory EFILE and will display a diagnostic if the return is not selected for EFILE.

In addition, tax preparers who prepare corporate tax returns for remuneration may be subject to a penalty of \$100 for failure to electronically file a corporate return after 2012 (after 2017 for Alberta AT1 returns). Note that tax preparers may paper file up to 10 returns without penalty. For more information on mandatory EFILE for tax preparers, refer to the following CRA Web page:

<http://www.cra-arc.gc.ca/esrvc-srvce/tx/prprrrs/mndtrylctrncflng-eng.html>.

Setup

To set up EFILE proceed as follows:

1. On the **Tools** menu, click **Options and Settings** and complete the “Electronic Services” section.
2. In the *Preparer Profile*, complete the **EFILE** tab.

Note: If you are electronically filing in a network environment, refer to the Help for additional instructions on how multiple users can access the transmission information.

Transmitter Numbers

For federal Corporation Internet Filing (CIF), you will require either an EFILE number and password (the same number and password used to transmit T1 returns) or a Web Access Code (WAC) in order to transmit your return.

Your EFILE number and password must be entered in the “Electronic Services/Identification/Federal” section of the **Options and Settings** dialog box.

The WAC can be obtained through an online request using Form WAC, *Online Request to get a Web Access Code* (Jump Code: **WAC**). You can also make the request at the time of transmission from within the **Transmit** dialog box.

A new WAC must be obtained each tax year.

Note that if using WAC rather than an EFILE number, you will not be able to transmit supporting documents for the T2 return (see “T2 and CO-17 Supporting Documents” below.)

In order to transmit your Québec CO-17 returns, you will require either a NetFile Québec number and password (same number and password used to transmit TP1 returns, if applicable) or you must obtain a Clic Revenu number and password through the *Revenu Québec* Clic Revenu service.

Your user code and password must be entered in the “Electronic Services/Identification/Québec” section of **Options and Settings**.

No transmitter number is required for Alberta Net File.

The electronic filing of the RC4649, T106, T1134, T1135, RC59 and RC59X require an EFILE number and password. You cannot use a WAC to transmit these information returns or consent forms.

Selecting Returns and Forms

Before a return or form can be electronically transmitted, it must be selected for EFILE.

By default, all applicable income tax returns, information returns and consent forms will be selected for EFILE. However, in the *Tax Preparer's Profile*, for each type of return or form, you can disable the option that automatically selects that type of return or form for EFILE.

For the income tax returns, you can modify whether or not the specific T2, CO-17 or AT1 return is selected for EFILE on the on the *RSI – EFILE- Bar codes, RSI, Electronic Filing and Bar codes Control Workchart* (Jump Code: **RSI-EFILE-Bar codes**).

For the information returns and consent forms, you can modify whether or not that return or form is selected for EFILE on the specific return (e.g. T1134).

Checking EFILE Eligibility

Once a return has been selected for EFILE, the program will determine if the return is eligible for EFILE.

The program designates a return's EFILE status as "Eligible" when the return:

- has been selected for EFILE;
- meets the eligibility requirements; and
- includes all of the required data as specified by the applicable government.

To verify if a return satisfies EFILE eligibility requirements, display the **Diagnostics** pane, then click the **T2 EFILE** tab to verify EFILE diagnostics.

Note: The diagnostics are only generated after the return has been selected for EFILE.

Notes to the Financial Statements

The notes to the financial statements are included in EFILE transmission. They must be provided to the CRA in plain text format in the Form *General Index of Financial Information* (Jump Code: **NOTES**).

You cannot transmit tables, graphs or other image files.

Any Notes to the Financial Statement entered in the **Notes** form for the federal return will also be transmitted automatically to Revenue Québec along with the CO-17 return.

T2 and CO-17 Supporting Documents

When electronically transmitting T2 or CO-17 returns, you can also transmit certain supporting documents that you would otherwise have to provide to the government.

To transmit a supporting document, the document must first be attached to the return using the **Attached Files** command (see page 22). The document can then be selected for transmission with the appropriate return (i.e. T2 or CO-17).

Transmission of T2 supporting documents

Only certain T2 supporting documents are eligible for transmission. You must select the type of document from the drop-down list provided. If the document that you want to transmit is not listed, then it is not currently eligible for electronic transmission. You must also supply a brief description of the document at the bottom of the dialog box.

You can select multiple documents for transmission with the same T2 return, however, the total size of all of the documents cannot exceed 150 MB.

The supporting documents can be transmitted at the same time as the return, or within 24 hours of the T2 return having been accepted.

Only documents with the EFILE status of "eligible" can be transmitted.

For more information on the specifications for the T2 Supporting documents, refer to the **Attach a File** topic in the Help.



TIP

You can avoid re-typing the financial statement notes by using the Windows copy Ctrl+C and paste Ctrl+V commands to copy them from your word processing program to the *Notes* form.

Authorization

If you are transmitting the return on behalf of a corporate client, then you will require a copy of the Form T183 CORP, *Information Return for Corporations Filing Electronically* (Jump Code: **T183**) signed by an authorized signing officer of the corporation prior to transmitting the return.

Similarly if you are transmitting a CO-17 return to *Revenu Québec* using your NetFile Québec number, an authorized signing officer must sign form CO-1000 (Jump code: **Q1000**) .

AT1 Net File Authorization

While there is no comparable form to the T183CORP for Alberta Net File, information about the transmitter is included in the transmission file and the transmitter must make a declaration of authorization at the time of transmission.

The Alberta EDI schedule (Jump Code: **AEDI**) displays information about the filer and the person to contact with regards to electronic filing of an Alberta tax return.

Transmitting Returns

A return can be electronically transmitted from either the **Tax Return** view or the **Client Manager** view.

Transmitting the Active Return(s)

On the **Transmission** menu, click **Transmit**.

All of transmittable returns in the data file will be listed and the returns with the EFILE status **Eligible**, will be selected by default. You cannot select or transmit a return with an EFILE status other than **Eligible**. If there is an eligible return that you do not want to transmit at this time, you can clear the selection box for that return.

Click **OK** to transmit the return(s).

Terms and Conditions

When you transmit a T2 return to the CRA, you are required to read and agree to the terms and conditions of the Corporation Internet Filing online transmission in order to transmit your T2 return. A dialog box will therefore appear at the time of transmission, listing the terms and conditions. You must select the box to indicate that you agree in order to continue the transmission.

This acceptance must be done for each return transmitted.

In addition, if the program detects one or more AT1 returns to transmit, you will have to certify, for all transmitted Alberta returns, an Alberta TRA declaration of responsibility stating that the return(s) meet the requirements and that you are authorized to transmit them.

Confirmation of acceptance

When a return is transmitted, the government does a preliminary check of the return. If the return meets the basic requirements, they will confirm whether or not the return has been accepted for processing within seconds.

The **EFILE Transmission Results** dialog box is displayed automatically once the returns have been transmitted. It lists the returns that have been transmitted and provides a confirmation number for each accepted return or an error message for any rejected returns.

Use the **Print** button at the bottom of the dialog box to print the list for your records. You can also view the transmission results for any returns transmitted from your workstation by clicking **EFILE Transmission Results** on the **Transmission** menu.

The corporation name, business number, taxation year end and date of confirmation as well as the confirmation number can be viewed on Form *EFILE Information* (Jump Code: **EFILE INFO**).

A separate confirmation number will be provided for each return or form transmitted. The Form *EFILE Information* contains a separate section for each type of return and form that can be electronically transmitted.

EFILE Information		
Corporate information		
Corporate name REL 3 - TR - CLIENT	Business number (BN) 59775 6998 RC0001	End date of taxation year Year Month Day 2016-03-31
EFILE		
Status Accepted	Date 2017-10-20	Confirmation number* CCH8898
T1135		
Status Accepted	Date 2017-10-20	Confirmation number* 60KUUY8V
*Warnings: – Please keep the confirmation number(s) for your records. – Form T1135 will be verified by the CRA based on the same criteria as if another filing method had been used. Keep all information for six years.		

If the tax authority accepts the return or form for processing, then the program will automatically change the EFILE status of that return or form to “Accepted.”

Correcting the Return

If the return or form is not accepted by the CRA, Alberta Tax and Revenue Administration or *Revenu Québec*, then *Taxprep* will set the applicable EFILE status of the return or form to “Rejected” and will record the error message received in Form *EFILE Information* (Jump Code: **EFILE INFO**).

When a return that has an EFILE status of “Rejected” is recalculated, the EFILE status will be automatically determined again based on the current data in the return and if applicable, the EFILE status will be reset automatically to “Eligible.” While *Taxprep* automatically recalculates the return whenever data is modified, you can also force a recalculation without changing any data using the command **Recalculate (Ctrl+F9)** on the **Tools** menu.

Note that as the problem that gave rise to the rejection was not detected by *Taxprep* prior to transmission, you must ensure that the modifications made to the return will rectify the problem. Otherwise, the return could still be rejected even though the EFILE status is “Eligible.”

T2 Supporting Documents

Note that if the T2 return is rejected, then any T2 supporting documents will not be transmitted and the EFILE status of these documents will remain “Eligible”.

Amending Returns

T2 Returns

If you discover a mistake and wish to adjust the return after it has been assessed, you can file a request for reassessment (also known as “filing an amended return”).

This request can be made electronically, by transmitting the revised T2 return, or by paper filing a T2 Bar Code return.

In either case, you will need to answer “Yes” to question 997 on the Identification form to indicate that this is an amended return. You must then provide details of the changes being requested on the form provided for line 996.

Amended tax return	
For more details, press F1 to consult the Help.	
Is this an amended federal tax return?	997 ☒ Yes ☐ No
If yes , complete Form Line 996 – <i>Amended Tax Return – Description of Changes</i> .	
Go to form Line 996	
Is this an amended Alberta tax return?	☐ Yes ☒ No
Is this an amended Québec tax return?	☐ Yes ☒ No
If yes , Complete Form CO-17.R, <i>Request for an Adjustment to a Corporation Income Tax Return</i> .	
Go to form CO-17.R	

Note that you can also transmit supporting documents with an amended T2 return. However, if the documents have already been transmitted to the CRA, do not transmit them again with the amended return unless there have been changes to the documents.

CO-17 Returns

You have two options for requesting a reassessment for a Québec CO-17 return:

1. Electronically file an amended CO-17 return;
2. Paper-file Form CO-17.R, *Request for an Adjustment to a Corporation Income Tax Return or to an Information and Income Tax Return for Non-Profit Corporations* (Jump Code: **QJR**) to request an adjustment to a CO-17 return along with the appropriate supporting documents, including a copy of the revised CO-17 return.

Electronically filing an Amended CO-17 Return

The program will transmit a complete amended CO-17 return with the desired changes, similar to transmitting an amended T2 return. Note, however, that even though Form CO-17.R is not transmitted, the program will use this form to track the adjustments being made.

If you electronically transmitted the original CO-17 return, by default, when you indicate that it is an amended CO-17 return on Form *Corporate Identification and Other Information* (Jump code: **ID**), the program will answer “Yes” to the question *Is the return an amended return?* (Box 24 on the CO-17 return), as well as answering “Yes” to the question *Do you want to electronically retransmit the amended CO-17 return instead of mailing a CO-17.R form?* at the top of Form CO-17.R. At that point, the EFILE CO-17 status will no longer be “Accepted,” and you will then be able to amend the return and make the desired changes. The amended return can then be transmitted in the same manner as the original return.

You can transmit an amended CO-17 return even if the original return was paper-filed. However, the EFILE exclusions that apply to the transmission of original CO-17 returns also apply to the transmission of amended returns.

If you are an accredited person transmitting on behalf of a corporation (e.g. an accounting firm), your client must sign a copy of Form CO-1000.TE providing authorization for you to electronically transmit the amended return.

Once the transmission is accepted by *Revenu Québec*, the confirmation number and the date the transmission was accepted will be saved in Forms CO-17.R and EFILE INFO, *EFILE Information* (Jump Code: **TED INFO**). For more information on filing amended CO-17 returns, refer to the Online Help.

AT1 Returns

Beginning December 1, 2018, you can transmit an amended Alberta AT1 return.

To transmit an amended AT1 return, you must answer “Yes” to the question on line 071, *Is this an amended Alberta tax return?* on Form *AT1 EDI Schedule – Alberta Electronic Data Interchange* (Jump Code: **AEDI**). If you answer “Yes” to the question *Is this an amended Alberta tax return?* in the “Amended tax return” section of Form Identification, *Corporate Identification and Other Information* (Jump Code: **ID**), this answer will be updated to line 071 of the AEDI form.

You must also provide the filing date and, on line 073, enter a brief description (maximum 100 characters) of the changes being made in the amended return.

Part D – Amended tax return

Is this an amended Alberta tax return? 071 ☒ Yes ☐ No

1. Filing date of the amended tax return 2018-12-31

Description of changes

073 Return is being amended to take into account a revised SR&ED claim on Schedule 12

Alternatively, you can submit a letter along with the revised schedules to Alberta Finance to request a reassessment of an Alberta AT1 return.

Information Returns

To transmit an amended T1134, T1135 and T106 information return, select the appropriate check box on the relevant information return indicating that it is an amended return, then retransmit the return.

Program Help

The following Help resources are available:

Tax and Form Help

Context-sensitive tax help is easily accessible from each cell by pressing F1 or by clicking **Corporate Taxprep Help** on the **Help** menu.

The Help Centre is online and requires Internet access. The Help Centre includes information about using the program, completing the tax forms, electronic services, FAQ's, Troubleshooting and *Release Notes*. It also includes links to many CRA and provincial guides.

Knowledge Base

Our Knowledge Base contains an array of articles answering technical and tax questions most frequently asked to Support Centre agents. When you enter a few key words in the **Search** field, articles will be displayed in order of relevance, providing you with valuable information that will accurately answer your questions. You can use the filters on the left-side of the screen to filter the results by product.

You can access the Knowledge Base from the Help Centre or directly from the Professional Centre.

InfoConnect Tax Hints

Cells with a blue triangle in the bottom right corner have a direct link to a relevant section in the appropriate Tax Research title.

If you have a subscription to the applicable Wolters Kluwer Tax Research product, and you have this option enabled, then when you hover your pointer over the cell, an **InfoConnect** tax hint will appear displaying the relevant tax hint. The tax hint consists of an excerpt from a tax research product. You can then click the **Learn More** link at the bottom of the hint to access the full topic in CCH IntelliConnect®.

For the majority of cells in *Corporate Taxprep*, the link will be to a relevant section of the *Income Tax Act*.

The screenshot shows a tax form titled "Attachments" with a section for "Financial statement information" and "Schedules". A pop-up window titled "Canadian Income Tax Act" is displayed over the form, showing the "251(2) Definition of 'related persons'" section. The pop-up includes a search bar, a list of questions, and a "Learn more" link. The form itself has a table with columns for "Yes", "Schedule", and "150".

Yes	Schedule	150
	9	
	23	
	49	
	19	
	11	
	44	
	14	
	15	
	T5004	
	T5013	
	22	

You can also view the **InfoConnect** tax hint by clicking the **Tax Research** button on the toolbar or by pressing Shift+F1.

The display of the **InfoConnect** tax hints can be disabled by clicking **Hide** at the bottom right corner of the hint.

Technical Help

To get help on the operation of the program (as opposed to the tax forms), access the Help Centre by clicking **Corporate Taxprep Help** on the **Help** menu and then use the **Search** function to find relevant help topics. You can also click the **Help** button in the various dialog boxes.