



BTB Tax Planner for 2017

User's Guide

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Chapter 1 - Introduction and Support

Welcome to the BTB Tax Planner!

The BTB Tax Planner was developed by tax professionals for tax professionals to use in everyday tax planning situations. We think you will agree it is a powerful program that is easy to learn and use.

The program is intended for professional tax planners and knowledgeable individual investors. With instantaneous calculations built in, it is ideal to use during a tax planning interview or client inquiry call. For individual investors, planning is critical to maintaining knowledge of one's tax liability.

This tax planning program is fast and efficient. Each time a new entry is made, or a prior entry is changed, the bottom line result is recalculated instantly, allowing you to discuss and provide the "bottom line" results for up to nine (9) "what if" scenarios. This will directly benefit you and your clients.

Support

Technical Support Hotline: 1-602-549-2005

Technical Support Fax: 1-602-391-2835
24 hours daily, 7 days a week

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Chapter 2 - Installation

2.1 Converting 2016 Client Data

If you used the 2016 version of the Planner, you can convert your client data so that it can be used in the 2017 program and the conversion will add a year to the taxpayers' ages. It is important to do this before using the 2016 Planner. If you use the Planner before conversion, data already entered will be overwritten by the conversion utility.

After installing the Planner, run the Conversion Utility. It only takes a few seconds to run.

2.2 Program Installation

Windows 95/98/me/2000/XP/Windows 7, 8 and 10 (both 32-bit and 64-bit processors)

1. Simply insert the BTB Tax Planner CD disk into the CD drive. The CD should "autostart," but, if not, click on the **START** button, then click **RUN**, then type **D:\SETUP** (change **D** to the proper drive letter, if necessary) and press **ENTER**.
2. By default, the installation procedure will create a directory named TAXPLAN on your hard drive (C:\). You may change the directory name and/or drive designation if you wish, but it is not recommended, especially if you will want to convert client data next year.

Network Installations

We do not support networks but users tell us they have successfully installed and run the Planner when they install from each workstation to the server.

Command Line Modification for Windows

After the program is installed, you may build a disclaimer into every printed report. You do this by modifying the command line in "Program Item Properties." Right click the mouse pointer once on the BTB Tax Planner icon and then choose "Properties." Add a space and then type "Y" at the end of the command in the box as follows: **C:\TAXPLAN\BTB16W.EXE Y** [Note: be sure to insert a **SPACE** in front of the **Y**.]

Chapter 3 - Using the BTB Tax Planner

This chapter contains information on starting BTB Tax Planner, navigation, and usage. Each menu and its associated commands are included.

3.1 Starting BTB

Double click on the BTB Tax Planner icon. When it starts, it displays the copyright information and version number. To continue, click on **Begin**. If you wish to exit immediately, click on the "Door" icon in the bottom right corner of the screen.

3.2 Navigation

Note: A new operational feature is added. On any input field marked with an asterisk (*), move the mouse cursor over the input field for a pop-up “help tip” regarding that entry.

The Tax Planner is designed for maximum efficiency. Become familiar with the following keys for quick access to the screens and functions.

Keyboard/Mouse

| | |
|---------------|--|
| Tab | To move from one field to the next. It will save each entry. |
| Shift-Tab | To move from one field to the previous field. |
| Next or Alt-N | To move from one screen to the next. |
| Back or Alt-B | To move to the previous screen. |
| Spacebar | To insert or remove an “x” in a box. |
| Arrows | To change the filing status or SEP/KEOGH limitation. |

(Note: the ENTER key cannot be used to move from field to field. You must use TAB key or the mouse)

3.3 The Menus

The menu bar at the top of the screen contains the names of the menus available: File, Screen, Utilities, and Help.

3.3.1 The File Menu

The file menu has five options: **New Taxpayer** to initiate a new file or switch to another file, **Save, Start New** to save the current client and then go to the new taxpayer screen, **Save and Continue** to save the current file and continue with the current client, **Print** to print reports, **Save and Exit** or **Delete Taxpayer** and **Exit** to leave the program.

NEW TAXPAYER SCREEN

List Name/SSN: Enter the client’s name in the first field as you want it to appear in the client list, e.g. “Doe,” or “Doe, John and Mary,” or “John and Mary Doe.” In the second field, enter the nine digits of the client’s social security number; do not enter dashes.

To open an existing client file: enter the client’s list name, or simply click on the down arrow to see the list of previously saved client names. Then click on the client name you want to open.

For the scenario numbers, type the number or scroll up or down with the arrow keys.

SAVE, START NEW: to update (save) the current client file and go to the new taxpayer screen.

SAVE AND CONTINUE: saves the file and allows you to continue.

PRINT: to print reports. Print options may also be selected. To print reports in DOS, press F6.

DELETE TAXPAYER: To delete the client file that is currently open.

EXIT: exits BTB Tax Planner.

3.3.2 Screen Menu

BIOGRAPHIC SCREEN

Scenario Numbering:

Use scenario numbers one through nine or type a custom description in the scenario box. For example:

Scenario 1 or "Cap Gain \$20,000"

Scenario 2 or "Cap Gain \$25,000"

Client Info:

Enter the client's name and full address, including city, state, and ZIP code. You must enter AZ, IA, IL, MN, OH or WI in the state field to get screens and tax calculations for those states.

Filing Status:

Click on the status or press Alt-J, Alt-S, etc.

Total Exemptions:

Type the total number of exemptions for taxpayer, spouse and dependents.

Age and/or Blind:

Enter the ages for the taxpayer and spouse. **Note: if no ages are entered, the program assumes that the second exemption claimed is for a dependent and not for a spouse. Omitting the ages of husband and wife may cause errors in some state calculations.**

Employed or Self-Employed, & Retirement Plans:

These are necessary for applying the IRA, SEP-IRA and Keogh limitations. On a joint return, if one of the spouses expects to earn less than \$5,000 and you want to allow combined IRA contributions up to the maximum limit for a Spousal IRA, do not check the box of the spouse with the lower earned income. Click on the box or use the spacebar.

SEP/KEOGH Limit:

Click on the applicable limit.

INCOME SCREEN

Enter data as you would on line 7 through 21 on Form 1040. Line 22, total income, is automatically calculated.

Line 7 Wages: Enter the total W-2 wages for each spouse in their respective fields. The program assumes that any wages entered for husband or wife are subject to social security taxes. If the taxpayer has any self-employment income and his/her W2 Box 10 wages are not the same as his/her Box 12 wages, you will have to make a side calculation of any self-employment tax liability.

Line 9 Dividends: Enter qualifying and non-qualifying ordinary dividends in their respective fields.

Line 13 – 13c Capital Gains and Capital Gain Dividends: There are four possible entries:

- on the first line, enter the combined net short-term gain (or loss) for the year.
- on line 13a, enter the combined net gain (or loss) from those dispositions where the maximum capital gain rate is 28% (such as collectibles). Remember that long-term capital loss carryovers from 2015 are first used to reduce this type of gain. If the carryover or current year losses exceed the 28% gains, the excess loss reduces (in order) 25% type gains, if any, then 20% / 15% / 5% gains.
- On line 13c, enter the net of all other LT capital gains and losses. Do not include any gains subject to the 25% or 28% limits.

Line 18 Farm Income: The field for farm income is assigned to the husband in the Planner since the majority of cases fall into this category. If the wife is the farmer, make her the “taxpayer” and use “spouse” for the husband.

ADJUSTMENTS TO INCOME SCREEN

Enter the data as you would on lines 23 through 35 on Form 1040.

- Lines 28a and 28b: To determine the maximum amount that can be contributed to a self-employed person's plan, enter a large amount and the proper limits will be applied.
- The IRA contribution limits are automatically applied on Lines 32a and 32b.
- Wisconsin Users - The difference in taxable Social Security benefits is automatically calculated and reflected in Line 1, Form 1.

ITEMIZED DEDUCTION SCREEN

Enter the data the same as on the federal schedule.

- The program automatically applies all limitations on medical and miscellaneous expenses.
- Any itemized deductions that enter into the calculation of Alternative Minimum Tax are automatically carried to the AMT screen.

TAX COMPUTATION SCREEN

- The tax is calculated using the Tax Rate Schedules (not the Tax Tables) for all filing statuses and tax brackets. Therefore the “bottom line” result may not be exactly the same as the tax in the Tax Tables released at the end of the year.
- The only entry necessary in this screen is for “Additional taxes,” if any, below line 43.

CREDITS AND OTHER TAXES SCREEN

- Child Care Credit is calculated automatically. Enter # of qualifying dependents.
- Credit for the Elderly is not calculated automatically.
- Use Form 8863 to calculate total Education credits and enter total on line 50. These credits are neither calculated nor limited by the Planner.
- The Child Tax Credit will be calculated by the Planner based on the number of qualifying children, but will be limited with the other non-refundable credits to the tax liability
- The Unearned Income Medicare tax is calculated automatically. The income subject to the tax can be adjusted by entering a positive or negative amount in the field to the left of the column. If you pass the cursor over that field, you will be referred to Prop Reg § 1.1411.
- The Additional Medicare Payroll Tax is calculated automatically. Enter the payroll tax withheld for this tax on line 64c.

ALTERNATIVE MINIMUM TAX SCREENS

The program will calculate any alternative minimum tax (AMT) automatically based on basic return information. If needed, enter any additional adjustments and preferences that are not already included in the basic return data.

PAYMENTS SCREEN

Note to prior users: the Earned Income Credit screen has been eliminated. The input fields are now part of Line 66.

Input the data required – federal tax withheld, estimate payments, etc.

ADDITIONAL CHILD TAX CREDIT – line 65

The Planner cannot calculate this credit since neither FICA taxes nor wages subject to social security taxes are entered. This credit must be determined separately on Form 8812 and then entered in the Planner on Line 67.

STATE SCREENS

The program will calculate 2016 state taxes for six states (AZ, IA, IL, MN, OH and WI), but only if the post office abbreviation for the state is entered in the taxpayer's address in the biographic screen.

3.3.3 UTILITIES

This menu selection will print client lists for your review.

3.3.4 HELP

This menu selection will provide you with information on the BTB Income Tax Planner and give you the technical support number.

Chapter 4 - Disclaimer and Copyright

4.1 Disclaimer of warranty

The BTB Tax Planner is designed to assist tax professionals who have a thorough knowledge of tax law. Therefore, you must agree to assume full responsibility for all decisions which are based in whole or in part on results obtained from using this program. The BTB Tax Planner is intended to be used to help explore the tax consequences of financial decisions. The program is not intended to be used or relied upon as a thorough analysis of tax consequences, and neither Back To Basics Income Tax Seminars, Inc., nor the programmer warrant that the program performs such a function. The program is not meant to replace sound tax planning or to make tax decisions for the user or his/her clients.

The program is provided "as is" without warranty of any kind, either expressed or implied, including but not limited to the implied warranty of merchantability and fitness for a particular purpose. The entire risk as to the quality, performance and results of the program is with the customer and the clients of the customer. In no event will Michael or Celia Barnes, d/b/a BTB Software, or the programmer be liable to customers or third parties for any direct, incidental, or consequential damages resulting from the use of the program or arising out of any breach of any warranty.

4.2 Copyright

The BTB Tax Planner and its documentation are copyrighted. The customer may not copy or otherwise reproduce any part of the program or its documentation except for that customer's own use.