

## General Instructions for Practice 2011 Tax Returns

Enter practice returns in Drake Software to become familiar with Drake data entry. Thirteen practice returns are available: Practice1.pdf – Practice13.pdf. After entering return data in the software, compare your results with the solutions provided: Solution1.pdf – Solution13.pdf. Go to **Support.DrakeSoftware.com > Training Tools > Practice Returns > Returns** for the most current solutions.

Definitions: “Form” refers to government forms and “screen” refers to Drake Software data entry screen.

To agree with the provided solutions, suppress Form 1040A and Form 1040EZ. Go to **Setup > Options > Form & Schedule Options** tab, and from the **1040A/EZ** suppress drop list, select **Suppress A and EZ forms**. Also, you should suppress Resident state. Go to **screen 1** and **enter 0** in the **Resident state** drop list.

Complete the appropriate screens to produce a Form 8867 for each practice return except #11, #12, and # 13.

Once entered, calculate the return and examine the return results. Review any EF Messages and Notes that produce.

Drake updates the software on a regular basis. Therefore, you should update your software at least once a day during tax season (either manually or automatically). Since your version of Drake Software will be more up-to-date than the version used to prepare the practice returns, the returns you prepare may be correct and the solutions to the practice returns may be incorrect.

### Notes:

- Be aware that application of tax law can be interpreted differently by different preparers. There can be more than one correct solution to a tax scenario.
- You must disclose if you choose not to follow the IRS interpretation of the tax law. Access the disclosure forms in Drake Software.
- The purpose of these exercises is to allow you to practice entering data into Drake Software. Use the numbers in the practice return (for example, prior depreciation) even if you believe that they are not correct.
- All business practice returns use the tax method of accounting.

### **Important Alert for PPR Customers:**

PPR customers are limited to the following test return ranges: 400001001– 400001012, and 500001001– 500001008. The SSNs in these practice return scenarios are not within these ranges, and will count toward your PPR returns if created in the software. Use the allowable test return ranges instead.