

Drake Software 2008

Electronic Filing and Banking Practice Returns

The files needed to complete this practice are available in the software.

1) Set up the software:

- Complete **ERO** and **Firm Setup** from the **Setup** menu in Drake. Select **Chase** as your bank for this practice in **Firm Setup**.
- Designate a PIN for your preparer ID in **Preparer Setup**.

2) Open and complete the **PIN** screen for the following returns. Set the Preparer ID field on screen **1** to your preparer number. If necessary, remove any flags. Calculate the returns.

500-00-1001	500-00-1005
500-00-1002	500-00-1006
500-00-1003	500-00-1007
500-00-1004	500-00-1008

3) **EF > Select Returns for EF**. Select returns 500-00-1001 through 500-00-1008.

4) **EF > Transmit/Receive**. Click **Send/Receive**.

5) **EF > Process Acks**. You will receive 'T' acks instead of the normal 'P' ack. (T is for test; P is for processing).

6) **EF > Transmit/Receive** again and this time select **Acks Only**.

7) **EF > Process Acks**.

8) **EF > Search EF Database** to view the results of each transmission. **Reports > Report Viewer** also displays a report of IRS acknowledgements.

500-00-1001 A - Accepted
500-00-1002 A - Accepted
500-00-1003 Reject 503
500-00-1004 A - Accepted
500-00-1005 Reject 600
500-00-1006 Reject 507, Sequence 185
500-00-1007 A - Accepted
500-00-1008 A - Accepted

9) Fix the rejected returns, recalculate, and retransmit (see page 2).

10) Print checks for returns with bank products.

- a. Go to **EF > Check Print**.
- b. Select **Print Available Checks**. Click **Continue**.
- c. Click **Setup Checks**. Select **Chase** for the bank name for this practice.
- d. Enter a **Check Range Starting Number**. An acceptable range for Chase checks is between 40000500 and 40000599. Click **OK**.
- e. Select the returns and click **OK** to print practice checks on blank paper.

NOTE: These are test checks - amounts may not match actual refund.

500-00-1003

Reject 503 – The spouse SSN and Name Control does not match the corresponding data on the IRS Master File. Verify the spouse's SSN. The correct SSN is 500-00-1053. Reenter the SSN and retransmit the return.

500-00-1005

Reject 600 – The Form 8862 was not included in the tax return and must be filed to claim EIC after disallowance.

Make entries on the 8862 screen. Recalculate and retransmit the return.

500-00-1006

Reject 507, Sequence 185 – Dependent's SSN has already been accepted as a dependent on another return. Sequence 185 indicates the second dependent's SSN is incorrect.

Verify the dependents SSN. If the information is correct, the return must be paper filed. In this case, the dependent's SSN was entered incorrectly. Enter 500-00-1055 and retransmit the return.

Go back through steps 3-7 to retransmit these returns.