

Drake Software 2011

Electronic Filing and Banking Practice Returns

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

1) Set up the software:

- a. Complete **ERO** and **Firm Setup** from the **Setup** menu in Drake. If using bank products, select your bank for this exercise on the **Firm Setup** screen.
- b. Designate a PIN for your preparer ID in **Preparer Setup**.

2) Prepare the returns for e-filing:

Open and complete the **PIN** screen for the practice returns. Set the **Preparer #** field on screen **1** to your preparer number. If necessary, clear Messages pages. Verify the returns are eligible for e-filing. To practice printing checks, fill out a valid bank screen for the bank you have selected in step 1 above (only in the practice

Practice Returns:

500-00-1001	500-00-1005 (Bank)
500-00-1002	500-00-1006
500-00-1003	500-00-1007
500-00-1004 (Bank)	500-00-1008

Bank Screens:

EPS Financial	EPS
Tax Products Group	TPG
Advent Financial	AD
River City Bank	RC
Republic Bank	RB

3) e-File the practice returns:

- a. To select returns for e-file, go to **EF > Select Returns for EF**. Select returns 500-00-1001 through 500-00-1008.
- b. To transmit the returns, go to **EF > Transmit/Receive**. Click **Send/Receive**.
- c. To process acknowledgements, go to **EF > Process Acks**. You will receive 'T' acks instead of the normal 'P' ack. (T is for test; P is for processing).
- d. To pickup new acks, go to **EF > Transmit/Receive** again and this time select **Acks Only**.
- e. Go to **EF > Process Acks** to process and view the new acknowledgments.

4) View the acknowledgements in the EF Database:

- a. Go to **EF > Search EF Database** to view the results of each transmission -

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

5) **Correct returns with rejects:**

Fix the rejected returns, recalculate, and retransmit.

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 3-4 to retransmit and view acknowledgements.

6) **Printing Checks:**

To view and print the practice checks for returns 500-00-1004 and 500-00-1005, go to **EF > Check Print**.

Note: Before you can print checks, you must have **Setup Checks** completed. For purposes of practice returns, all checks will print with a value of .01.