

CORPTAX Planning Solutions

State and Federal Tax Planning Systems

CORPTAX State Planner™

Our state and federal planning solutions integrate with CORPTAX® U.S. Compliance to provide you with full tax planning capabilities from a multiyear perspective. CORPTAX State Planner™ is designed to simplify the state tax compliance process and double as a tool for planning corporate changes that may affect multistate tax operations, while Federal Planner/Estimate determines your federal tax liability and assists in tax planning strategies.

Key Features

- Selects the least tax liability without incurring an underpayment penalty
- Determines extension, estimate and return payments for the return year
- Calculates the apportionment factor, net income, adjustments and taxes according to the specifications of each state
- Performs instantaneous cushion analysis for federal and state income taxes and state apportionment
- Calculates effective tax ratios by state
- Calculates federal income to be used before modification
- Calculates and adjusts apportioned income
- Adjusts federal income with state modifications before apportionment
- Calculates state taxable income after NOL deductions
- Calculates state estimated income taxes
- Compares calculated taxes against Alternative Minimum Taxes (AMT)
- Integrates with CORPTAX® Calendar for tracking and scheduling of estimated quarterly payments
- Adds other state taxes to income taxes
- Determines amount of tax to pay
- Spreads tax liability to remaining estimate periods
- Calculates effective state tax rates

Benefits

Fully Integrates with CORPTAX® U.S. Compliance

State Planner integrates with the CORPTAX® U.S. Compliance system to automatically calculate the estimated income tax for multiple states. It utilizes the compliance data currently stored in the CORPTAX database to reduce data entry and simplify state income tax planning. In addition, you can use data from previous estimates for subsequent calculations, summary data for quick planning or specific data for more detailed calculations.

Flexible Reporting Capabilities

State Planner gives you the flexibility to calculate the estimated tax liability for multiple states within one report. The report provides you with detailed information on multiple states, each in its own column, side-by-side. It can also compute a columnar combined or consolidated return.

Planning and Analysis Capabilities

State Planner's built-in flexibility allows you to calculate the estimated payments due and quickly simulate "what-if" state planning scenarios. By changing an apportionment component or modifying the income or deductions, State Planner will recalculate the tax. It can also accommodate numerous scenarios for comparing and simulating corporate changes as they affect state tax liabilities.

Customizable Calculations

With State Planner you can customize the calculations to reflect your special needs. State Planner gives you control over the indicators and variables that manipulate the calculations (e.g., a tax rate change during the year), and easily updates and recalculates changes.



State Planner Benefits (cont.)

Calculates the Estimated Tax and Payment Spread

State Planner calculates both the state taxable income and the estimated tax. The system then calculates the payment spread by month and by quarter, allowing for cash flow analysis.

Determines the Least Tax to Pay

By calculating the estimated tax using the different methods allowed by each state, State Planner can determine the least tax to pay in order to avoid incurring an underpayment penalty.

Payment Cushion Analysis

State Planner also allows you to override the amount payable. It then calculates the payment cushion in terms of the relative change in the apportionment ratio, federal taxable income and state taxable income, utilizing the extra payments to prevent the underpayment penalty.

Federal Planner/Estimate

Key Features

● Tax Planning Capabilities

- ◆ Budgets for future taxes
- ◆ Allows you to select certain elections (i.e., forgo NOL payback) for tax planning strategies
- ◆ Tests the impact of proposed audit adjustments
- ◆ Determines the multiyear effect of an amended return
- ◆ Calculates current tax liability on a multiyear basis
- ◆ Analyzes proposed major transactions
- ◆ Valuation allowance analysis

● Reporting Capabilities

- ◆ Contains all federal tax laws and rates from 1969 to the current year
- ◆ Allows you to override tax rates to estimate the effect of proposed legislation
- ◆ Automatically recalculates the multiyear effect of carrybacks and carryforwards every time the data or the underlying assumptions are changed

Benefits

Annualized Income and Adjusted Seasonal Installment Methods

If your income is expected to vary during the year or you operate on a seasonal basis, Federal Estimate can determine whether or not you qualify for adjusting your required installment amounts. If you qualify, it then calculates the lower payment(s) based on the company's base period percentage.

Federal Tax Liability

Federal Planner calculates federal income tax from a multiyear perspective, instantly accounting for carryovers and carrybacks of NOLs, capital losses, charitable contributions and credits. The AMT is fully supported, including the AMT NOL, the Minimum Tax Credit and multi-basket Foreign Tax Credit.

Valuation Allowance Analysis

Federal Planner performs the complex valuation allowance analysis quickly and accurately. After calculating all years, a special schedule determines whether any tax benefits expire before they are utilized. Federal Planner then computes the tax effect of these unutilized benefits and allows you to view the impact of potential tax planning strategies instantly.

Extensive Reporting Capabilities

The Valuation Allowance and Federal Planner reports present calculations for a single company or group of companies on a year-by-year basis, showing the interrelationships among years in terms of carrybacks and carryforwards. As a result, any unutilized tax assets are identified by amount, type and year.



For more information, please call 800-966-1639 or visit our website at www.corptax.com.

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