

Drake 101: e-Filing

1 Credit Hour

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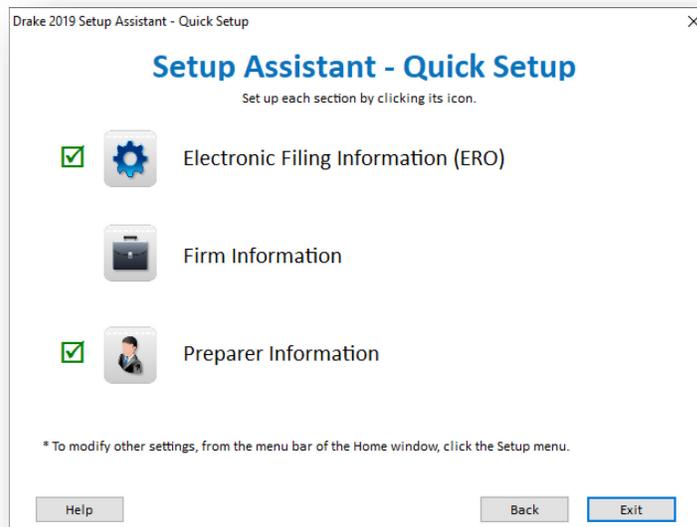
Program Setup

Setup Assistant

The Setup Assistant is opened automatically the first time you log in to Drake Tax. Select to import your settings from the prior year or Quick Setup for new users.



New users The Setup Assistant is designed to help you setup Drake Tax to e-File, setup your first firm, and first preparer. After each initial item setup is complete a green check is displayed.



Firm Setup

Firm setup must be completed before preparing and e-filing returns. If data is inaccurate or missing, tax returns might be e-filed with incorrect information.

 Save
 Help
 Cancel

Num.	Firm Name	Contact	EFIN	DCN	Bank
1	Smith CPA	Tina See	111111	00003	

e-File Confirmation(Required if you plan to e-file returns for this firm)

You must confirm your EFIN is properly set up at Drake Software before you can e-file returns. To complete this step, enter your EFIN in the box provided below and click the "Confirm" button. Your confirmation status will be displayed to the right of the button. Clicking "Confirm" is also necessary to auto-fill your banking and audit protection setup screens. Applications must first be completed online at eom.drakesoftware.com.

EFIN ✘ You are not approved to e-file.

Firm Information | Settings | Banking | Audit Protection

<p>Firm name <input type="text" value="Smith CPA"/></p> <p>Address <input type="text" value="235 East Palmer Street"/></p> <p>City <input type="text" value="Franklin"/></p> <p>Domestic Address</p> <p>State/ZIP <input type="text" value="NC"/> <input type="text" value="28734"/></p> <p>Foreign Address</p> <p>Province/State <input type="text"/></p> <p>**Country/Postal Code <input type="text"/> <input type="text"/></p>	<p>Contact name <input type="text" value="Tina See"/></p> <p>Telephone number <input type="text" value="(828)524-8020"/></p> <p>Fax number <input type="text"/></p> <p>Email address <input type="text" value="Support@DrakeSoftware.com"/></p> <p><small>**Country code is required for e-file when firm is not in the USA.</small></p>
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Access **Firm Setup** from the Setup Assistant or **Setup > Firm(s)**.

ERO Setup

An Electronic Return Originator (ERO) must complete ERO Setup in order to e-file returns, download software updates, and access the online e-filing database.

The screenshot shows a dialog box titled "General Information" with the following fields and options:

- Account Number: 111111
- EFIN: 111111
- e-File Password: [Redacted]
- Serial Number: Edit Serial [Redacted]
- Transmitter Name: THE FIRM
- Transmitter Address: 235 EAST PALMER STREET
- City: FRANKLIN
- State: NC
- Zip: 28734
- Federal EIN: [Redacted]
- Telephone Number: (828)524-8020

Buttons: Use Firm #1 Info, Help, OK, Cancel

Franchise/Network Information (Admin only)

- Master EFIN: [Redacted]
- Fee: [Redacted]
- Name: [Redacted]

Disclosure or Use of Tax Information by Preparers of Returns

- Need consent to disclose tax return information to this franchisor/network: [Redacted]

Access **Electronic Filing Setup** from the Setup Assistant or **Setup > ERO**.

Preparer Setup

Preparer Setup fields and preparer security must be completed before a preparer can begin preparing and e-filing returns. All preparers must be entered in Preparer Setup. Data-entry operators can also be entered. Each time a name is added to Preparer Setup, a number is assigned to that name.

Red indicates missing e-Filing data.

Number	PTIN	Username	Preparer Name	Security
ADM		Admin	ADMINISTRATOR	Admin
1	P01234567	Ed	Ed Ewcation	Admin
2	P00000000	Tate	Tate Urchips	FULL
3	P00000000	sbob	Spongebob Squarepants	FULL
4		Alexa	Alexa Begone	None

Save **Security** **Schedule** **Help** **Cancel**

General Information

Preparer name: Ed Ewcation

E-mail: Ed@1040.com

Self-employed:

Social Security Number:

PTIN: P01234567

Office number (optional):

Hourly rate:

Firm: 1 - SMITH CPA

Login Information

Username: Ed

Password: **Change Password**

Enable Multi-Factor Authentication (MFA):

Disable preparer:

State Registration Numbers

Registration numbers for CA, MD, NY, OR, and VA. **Registration**

Return Signature Options

PIN signature: 12345

Use PIN for:

- 8879 PIN Signature
- Alternative Electronic Signature

PDF rubberstamp: **Setup Signature** **▶**

Republic Bank Information

RBIN:

Power of Attorney Information

Preparer designation: - <None>

CAF Number:

Lic/Enrollment:

Jurisdiction:

W-7 Acceptance Agent

Acceptance agent:

Agent title:

Preferred Language

Language options: - Use System Default

Access **Preparer Setup** from the Setup Assistant or **Setup > Preparer(s)**.

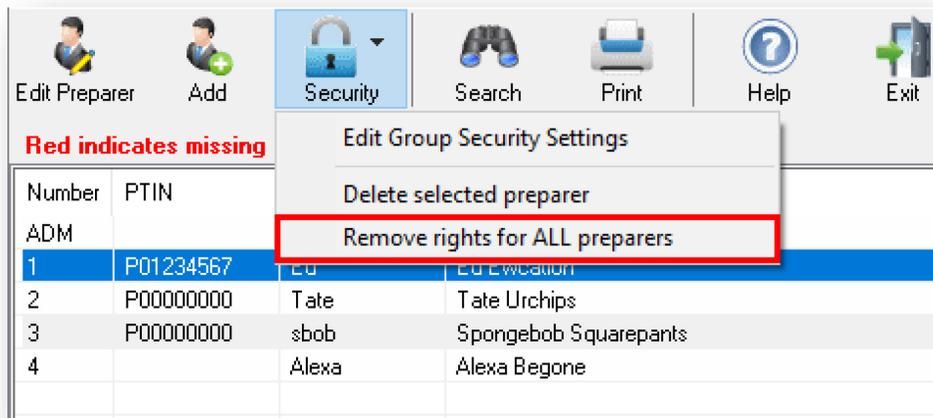
Preparer Security

Only administrative users can set security rights. Settings must be established before a preparer can begin working in the software.

Preparer Security Options

Security Option	Description
Set Security to Allow No Options	Employee cannot access any part of the program.
Set Security to Allow All Options	Employee can access all parts of the program, except for ADMIN-only features.
Set Security Equal to Existing Preparer	Employee is given security settings to match those of another preparer on the list.
Add Preparer to Security Group	Add preparer to a pre-established security group. (See "Setting Up Group Security," following.)
Front Office (Scheduling Only)	Employee can access the Scheduler only.
Administrator (Full ADMIN Rights)	Employee can access all parts of the program, including administrative-only features.

To remove security rights from *all* preparers (other than administrative users), go to **Setup > Preparers**, click **Security**, and select **Remove Rights from All Preparers**. To remove rights for an individual employee, set that person's security to **Set Security to Allow No Options**.



EF Program Options

Use Options Setup (accessible by clicking **Setup > Options** from the **Home** window) to view or change e-file defaults.

e-File Options

EF Selections Screen

By default, the program designates all eligible federal and state forms for e-file. Use the **EF** screen to override program defaults on a per-return basis.

By default, all eligible returns are transmitted—unless you indicate otherwise on the **EF** screen. To suppress one state or city return while e-filing others, select the states or cities *you want to e-file* from the **Select the states/cities to e-file** drop lists. The selected states will be e-filed, but no other state returns will be transmitted, even if those other returns are eligible.

EF Selection Screen [Video: How to e-File](#)

Ready for EF **PROGRAM DEFAULT:** ALL federal and state forms that are ELIGIBLE will be e-filed.

FEDERAL E-FILE OVERRIDE:
Select one of the options below:

1040 (includes 9465 if present)

4868

2350

9465 only

FinCEN 114 only

56

Do NOT send Federal

Tip: To send a federal form and NO state forms, select the 'Do NOT send any states' box in the State E-File Override section to the right.

STATE E-FILE OVERRIDE:
Select the states/cities to e-file:

▼	▼	▼
▼	▼	▼
▼	▼	▼
▼	▼	▼
▼	▼	▼

Do NOT send any states

Tip: If you do not make a state selection above, all eligible states will be e-filed.

SUPPRESS ALL E-FILE:

Suppress federal/state EF and all bank products

ADDITIONAL OPTIONS:

Return not eligible for a bank product e-Signature NOT required on this return

Imperfect return election Email 9325 notice to taxpayer

Form 8453 Paper Document Indicators

<input type="checkbox"/> Form 1098-C	<input type="checkbox"/> Form 8332
<input type="checkbox"/> Form 3115	<input type="checkbox"/> Form 8858
<input type="checkbox"/> Form 3468	<input type="checkbox"/> Form 8864
<input type="checkbox"/> Form 4136	<input type="checkbox"/> Form 8885
<input type="checkbox"/> Form 5713	<input type="checkbox"/> Form 8949
<input type="checkbox"/> Form 8283	

NOTE: Do not make an entry on PDF screen for selected PDI items.

Select all paper document indicators that apply. For more information on the paper document indicators, click the Screen Help button at the top of the screen.

To mark the Power of Attorney PDI, go to the MISC screen and complete the applicable lines in the Special Signatures section.

Retransmit this return even though its current status is "Pending." (IMPORTANT: See field help)

Ready for EF

At the top of the **EF** screen is a **Ready for EF** drop list. If the option is selected in Setup, you must select **Ready for EF** before the return is put into the "send" queue for e-file—even if it is otherwise ready to go. Because you must manually indicate that each return is ready to be e-filed, selecting this option can help prevent accidental e-file.

To choose this option, go to **Setup > Options, EF** tab and select **Require 'Ready for EF' indicator on EF screen**.

Review return for e-File Messages Prior to e-Filing

Calculate the return to determine if it is ready to be e-filed. EF Messages are generated only if issues within the return cause it to be ineligible for e-file. Messages include error codes, descriptions of the issues, and identification of fields that must be verified. All EF Messages must be eliminated before a return can be e-filed.

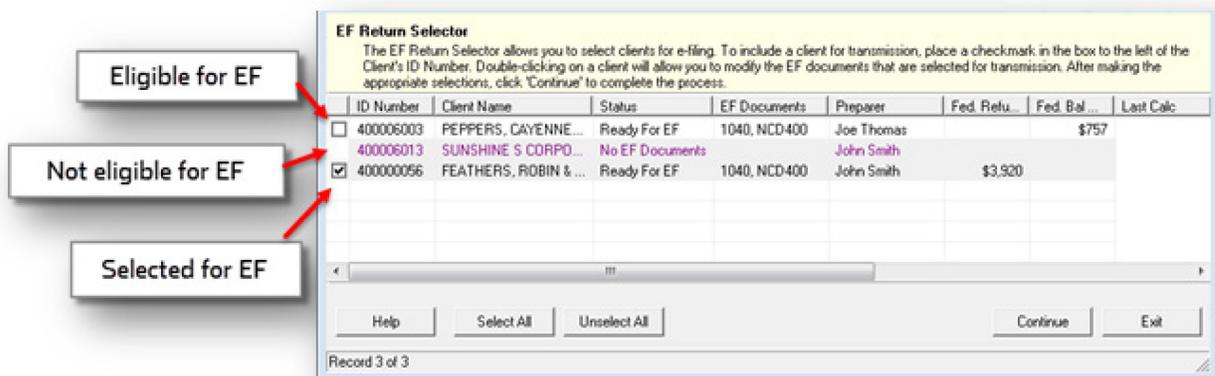
Three Steps to e-File

Step 1 - Select Returns for EF

To prepare a return for transmission:

1. From the Drake **Home** window, select **EF > Select Returns for EF**. The **EF Return Selector** displays a list of recently calculated returns. Those eligible for e-file are indicated by a check box.
2. Select the boxes of the returns to transmit. Use the **Select All** or **Unselect All** buttons as needed.
3. Click **Continue**. The Report Viewer shows the **EF Selection Report**, which lists all returns that are awaiting transmission.
4. Click **Exit** to close the Report Viewer.

The selected returns are now in the "send" queue and are ready for transmission.



Step 2 - Transmit Returns

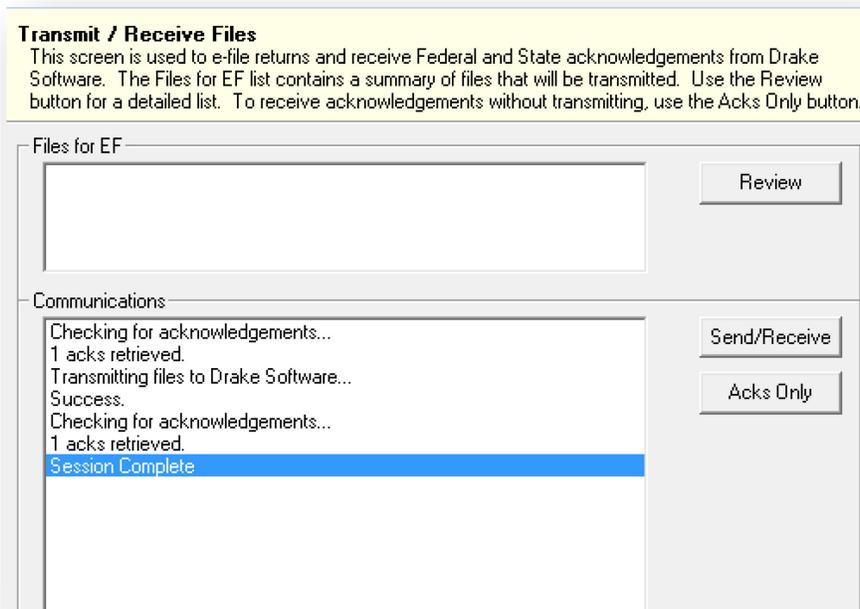
To transmit a return:

1. From the **Home** window, select **EF > Transmit/Receive** to open the **Transmit/Receive** dialog box, which displays the types of returns to be e-filed.
2. To review and, if necessary, eliminate files from the "send" queue, select a file from the **File for EF** pane and click **Review**. The **Transmit File Editor** lists individual returns. To remove a return from the queue, select it and click **Remove. (OPTIONAL)**
3. Click **Send/Receive**. The Report Viewer displays the **EF Transmission Record**. Click **Exit**.

The program immediately authenticates you on the Drake Server and performs the following tasks:

- Checks for new acknowledgments
- Transmits files to Drake
- Retrieves pending acknowledgments of the transmitted files (if available)
- End Transmission Session – Session Complete

4. Click Exit to close the Transmit/Receive box.



Step 3 - Process Acknowledgements

When Drake receives a transmission, it immediately returns a one-letter acknowledgment, or "ack." When the IRS Submission Processing Center receives the return, it sends an ack to Drake, which you can "pick up" by logging in to Drake.

To process acks, go to the **Home** window and select **EF > Process Acks**. The **Process Acknowledgments** box displays progress. This data is copied to the EF database for later access. If no new acknowledgments are found, Drake asks if you want to review old ones. After you read the acknowledgment file, an **Acknowledgment Report** shows the acknowledgment code and batch ID.

Drake Acknowledgement Codes

Code	Description
P	Tax return transmitted successfully to Drake. Return is being processed.
T	TEST return transmitted successfully to Drake.
B	Bad transmission

IRS Acknowledgement Codes

Code	Description
A	Tax return has been accepted by the IRS.
R	Tax return has been rejected by the IRS.
E	Imperfect return.

Bank Acknowledgement Codes

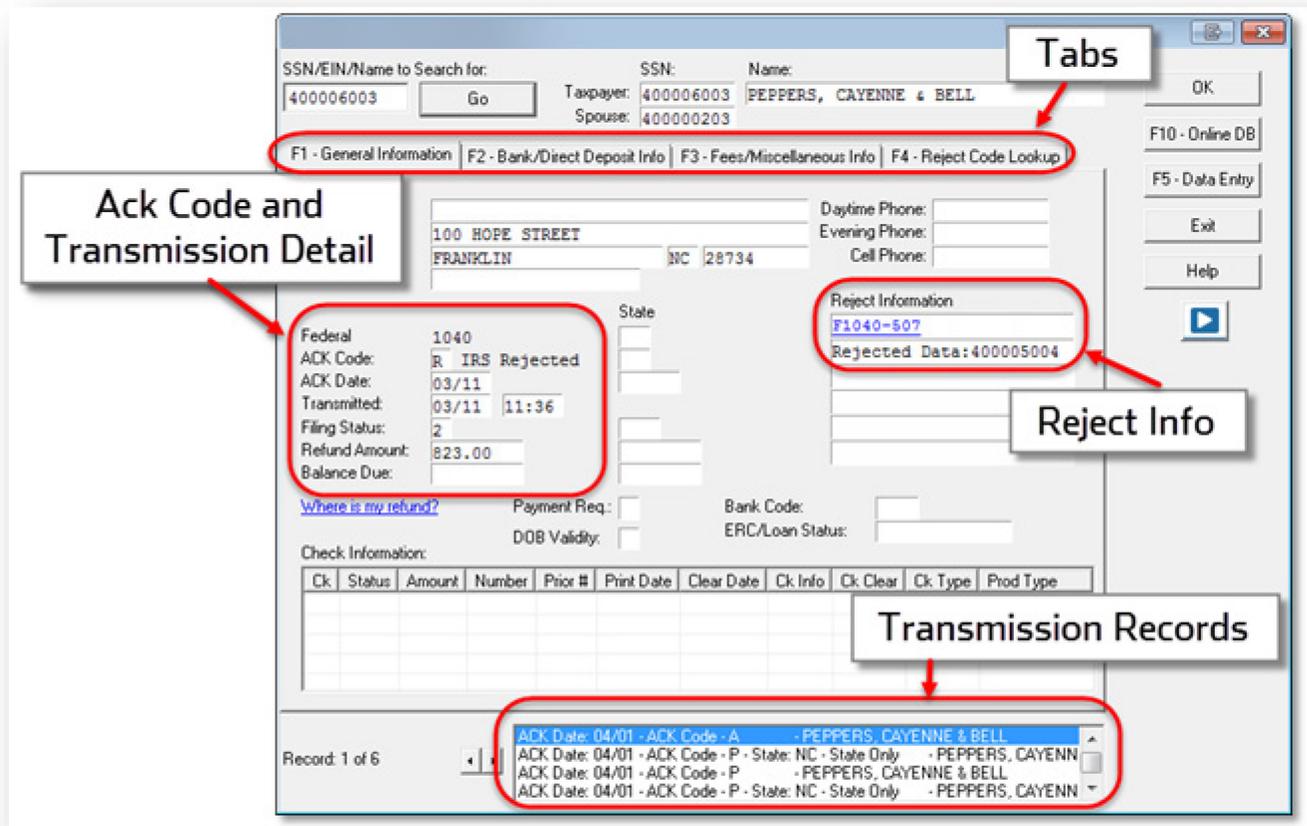
Code	Description
Bank Product Accepted	Bank product application has been approved.
Bank Product Declined	Bank product application has been declined.
Check Print	Checks are available for printing.
Prep Fees Deposited	Preparer fees have been deposited.

EF Database

The EF database is a searchable database that displays information about all returns your office has e-filed for the current tax year.

To search the EF database:

1. From the **Home** window, click **EF > Search EF Database**.
2. Enter an SSN, EIN, or name in the **SSN/EIN/Name To Search For** field of the **Search EF Database** window. To browse all records, leave this field blank.
3. Click **Go**. To scroll through the records for that taxpayer, use the arrows at the bottom of the screen or press PAGE UP or PAGE DOWN on your keyboard.



Online EF Database

The online EF database displays real-time data on e-filed returns. You can run reports on returns, bank products, and checks; search for e-filing information for a single SSN or EIN; access the Multi-Office Manager (MOM); view CSM data for one or multiple offices; and check the status of each IRS Service Center.

To access your online EF database from within the software:

1. From the **Home** window, click **Support**. (If you are already in the EF database, click **F10 - Online DB**.)
2. Enter your EFIN and Drake password and click **Log In**.
3. Go to **My Account > EF Database**.

ONLINE EF DATABASE
Return to Drake Support Home

Returns Report
[+] Instructions
[-] Options Data for Tax Year **2017**

Return Type
 Federal
 State
 Extension
 Business

Return Status
 Pending
 Accepted
 Rejected

Date Range
 Start Date: 01/01/2018
 End Date: 01/17/2018

Report Options
 Bank Products: With and without bank products
 Restrict to: All EFINs
 Saved Reports: Select

Client Search
 EFIN: 777777
 Tax Year: 2017
 SSN/Last Name:

Records Returned: 174 Page: 1 2 3 4 ... 9

EFIN	Name	Last 4 SSN	Ack Date
777777			01/19/2018
777777			01/18/2018
777777			01/19/2018
777777			01/18/2018
777777			01/18/2018
777777			01/18/2018
777777			01/19/2018
777777			01/19/2018
777777			01/18/2018
777777			01/17/2018

TaxPayer Lookup
 ID Number: XXXXX Name: [Redacted]
 Address: [Redacted]
 Spouse ID Number: XXXXX Phone: [Redacted]
 EFIN: 777777

Accepted Returns

Federal 1040	Submission Id: 7777770054100180096	DCN: 00777777000000
Transmitted: 1/17/2018 22:32 EST	Acknowledgement: A - 1/18/2018 Get 9325	Refund: \$4,953.00 Direct Deposit
Filing Status: 2	Preparer: 1	AGI: \$16,312.00 EIC: \$5,112.00
Tax Year: 2017	Bill Amt: 250.00	

NCD400	Submission Id: 77777722000018060534	DCN: 00777777000000
Transmitted: 1/18/2018 08:13 EST	Acknowledgement: A - 1/19/2018	Refund: \$256.00
Filing Status: 2	Preparer: 1	AGI: \$16,312.00
Tax Year: 2017	Bill Amt: 219.00	

Banking Information

Bank: Republic	Loan Amount: \$4,953.00
Product Status: Approved	Current Product: RAC
Original Product: RAC	
Payment #1: \$4,683.10	Status: Available
Deposit #1: \$4,953.00	Deposit Date: 1/26/2018
Prep Fee: \$215.00	Deposited: \$215.00 1/26/2018

Webinar Summary

- The four steps for e-filing in Drake Software are:

Step 1 – Review return for e-File messages

Step 2 – Prepare the transmission File

Step 3 – Transmit the Return

Step 4 – Process Acknowledgements

- It is recommended to go through all the options found in **Setup > Options > EF tab** prior to the start of tax season to ensure e-filing is properly set up.
- Be sure to e-file at least one test return prior to the start of tax season to verify a successful transmission has occurred.
- To make alterations to the e-file options for a single return, use the **EF** screen in return data entry.
- It is necessary to check for acknowledgements once returns have been e-filed to ensure you have a complete EF database.
- Use the Online EF Database to view real-time data on e-filed returns and to run reports on EF data.

Presenter Bio

Trent Fouts
Education Specialist
Drake Software



Trent joined Drake Software in 2008. Trent is a native of Franklin, North Carolina. His background includes over 16 years of customer service, corporate management, human resources. He has had the opportunity to gain experience in all of these areas ranging from retail management, hospitality management, culture-based travel and tourism, and is a Veteran of the United States Army. Trent has owned a tax practice using Drake Software. He is prepared to assist you in learning all aspects of Drake software products.

Presentation Slides