Drake 101: Program Settings & Tools

Drake Tax WEBINARS

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Program Settings and Tools

Course Overview

This is a basic course designed to assist Drake Software users with the required and basic program setup and Tools menu in Drake Software.

Learning Objectives

- Log in and set up Drake Tax
- Explain required settings and other setup items listed on the Setup menu
- Discuss several features under the Tools menu used in everyday practice

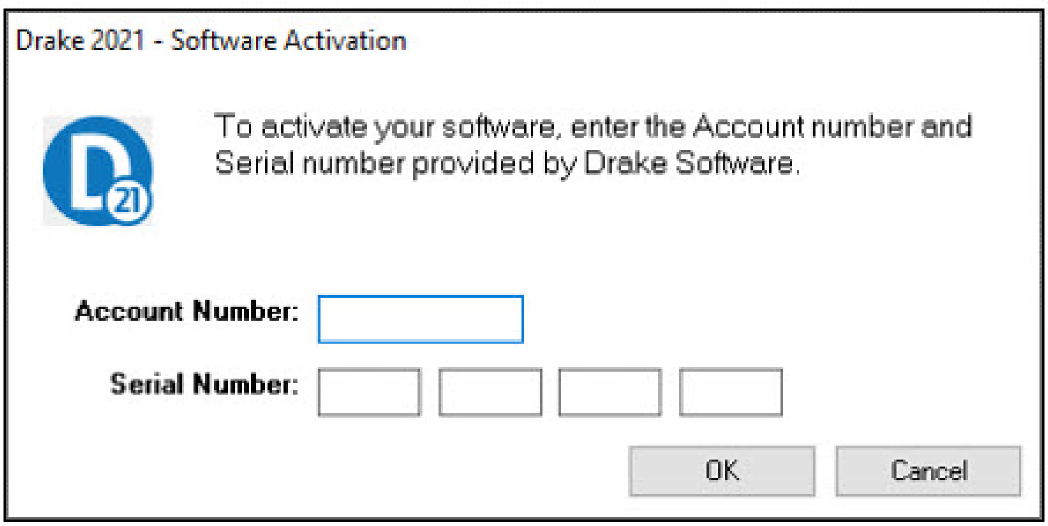
Logging into Drake Software

Initial Login

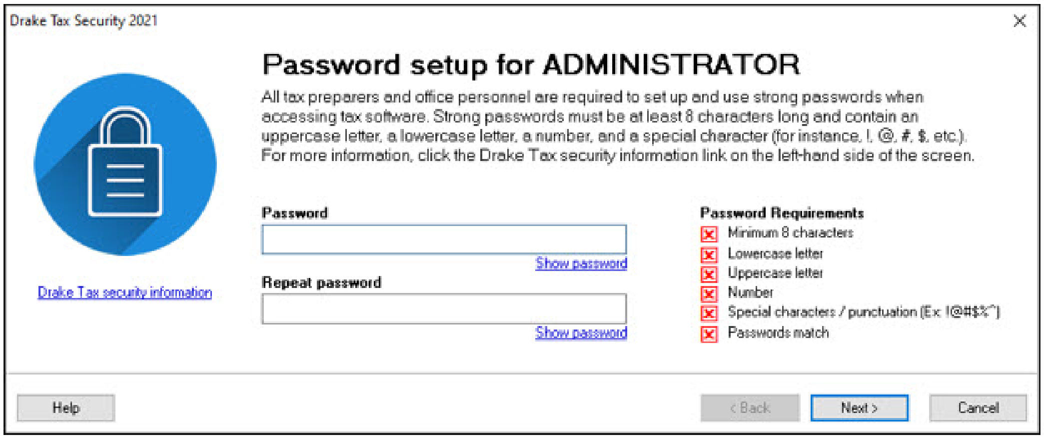
To open and log in to Drake for the first time:

1. Double-click the Drake Tax 2021 icon on your desktop.

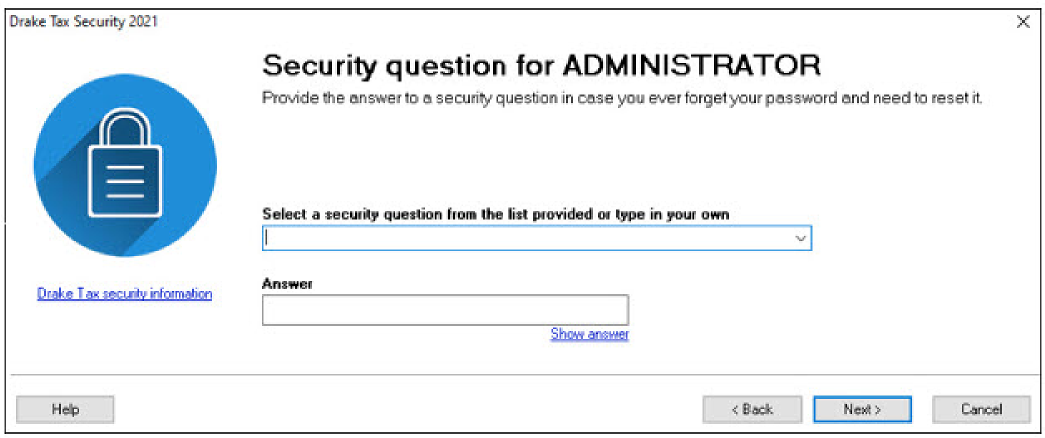
2. Enter your account number and serial number in the appropriate fields of the **Software Activation** dialog box.
3. Click **OK**.



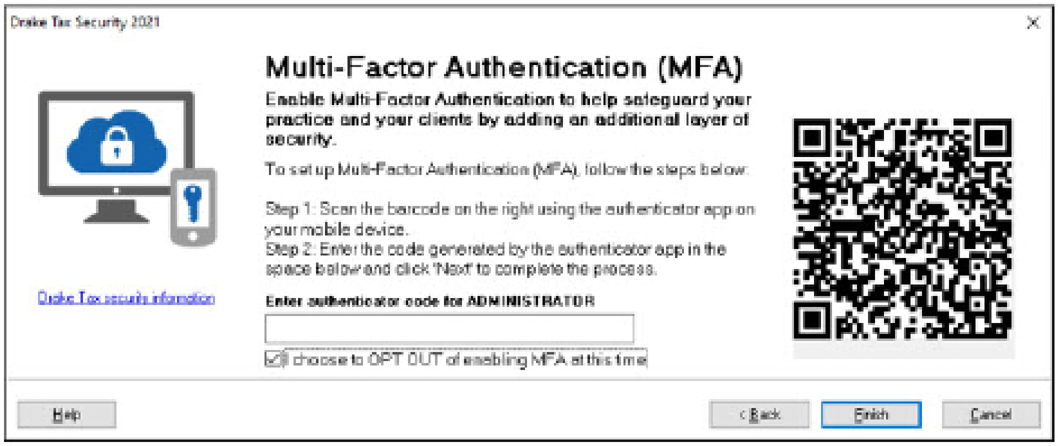
4. You will log in first as the Administrator by creating a password for the username, **ADMIN**. The password must be a minimum of eight characters including one lowercase, one uppercase, and at least one special character.



5. Select a security question and provide an answer to the question to use in case you forget your password and need to reset it.



6. The **Multi-Factor Authentication (MFA)** window will open next. From here, the admin may either proceed with MFA or opt out of MFA by selecting the corresponding box.



Setting Up Multi-Factor Authentication

1. Open Drake Tax.
2. Enter your preparer specific login information on the **Home** window and click **Login**.
3. Open the Authenticator App on your smartphone.
4. Scan the QR code (barcode) that shows on the login screen on the computer.
5. The app will display a unique 6-digit code. Enter this code on the MFA screen.
6. For security, the code changes every 30 seconds, so you must ensure that your computer clock and mobile device are set to the exact same time. If the code has expired, you will receive a pop-up in Drake Tax stating that the code entered did not match.
7. Click **OK**.

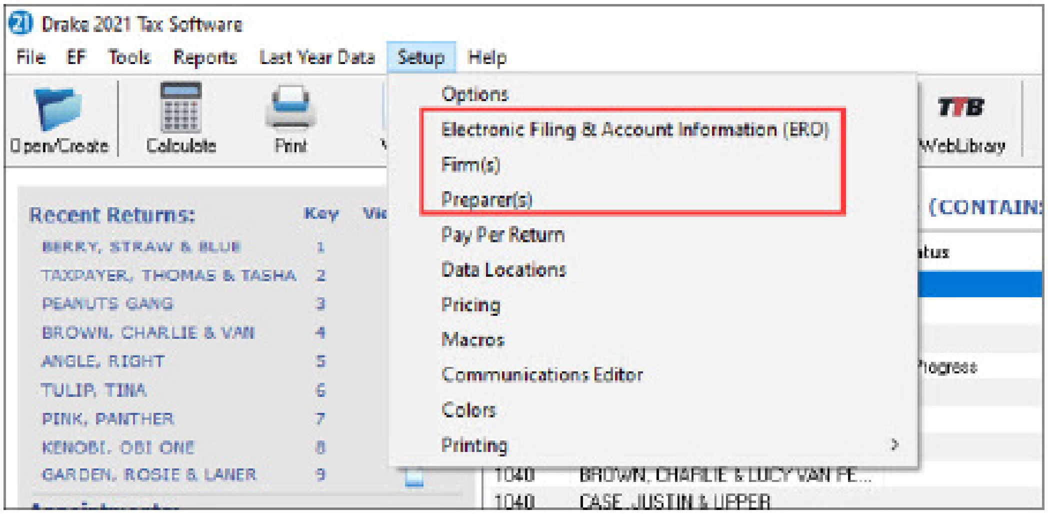
MFA has now been set up. The next time you log in you will have to open the Authenticator App to view the code for your preparer login. The QR scanning is only done the first time to sync the mobile device with Drake Tax and your preparer login. You can use the same smartphone for different preparers (i.e. admin and preparer1), but the **MFA** code generated will be different. Be sure that the login information entered and the code generated are for the same preparer login.

If the Administrator disabled **MFA** in the initial setup of Drake Tax, you can enable by going to **Setup>Preparers** and click on each preparer and uncheck **Disable Multi-Factor Authentication (MFA)**.

Setup Assistant

The Setup Assistant is opened automatically the first time you log in to Drake. Designed to guide you through the software setup screens, the Setup Assistant appears each time the program is opened until all required setup items are completed. A green check mark indicates that a setup item is complete.

All the items on the Setup Assistant can also be accessed from the **Setup** menu, located on the Drake Tax home screen. There are additional items on the **Setup** menu, not found on the **Setup Assistant**.

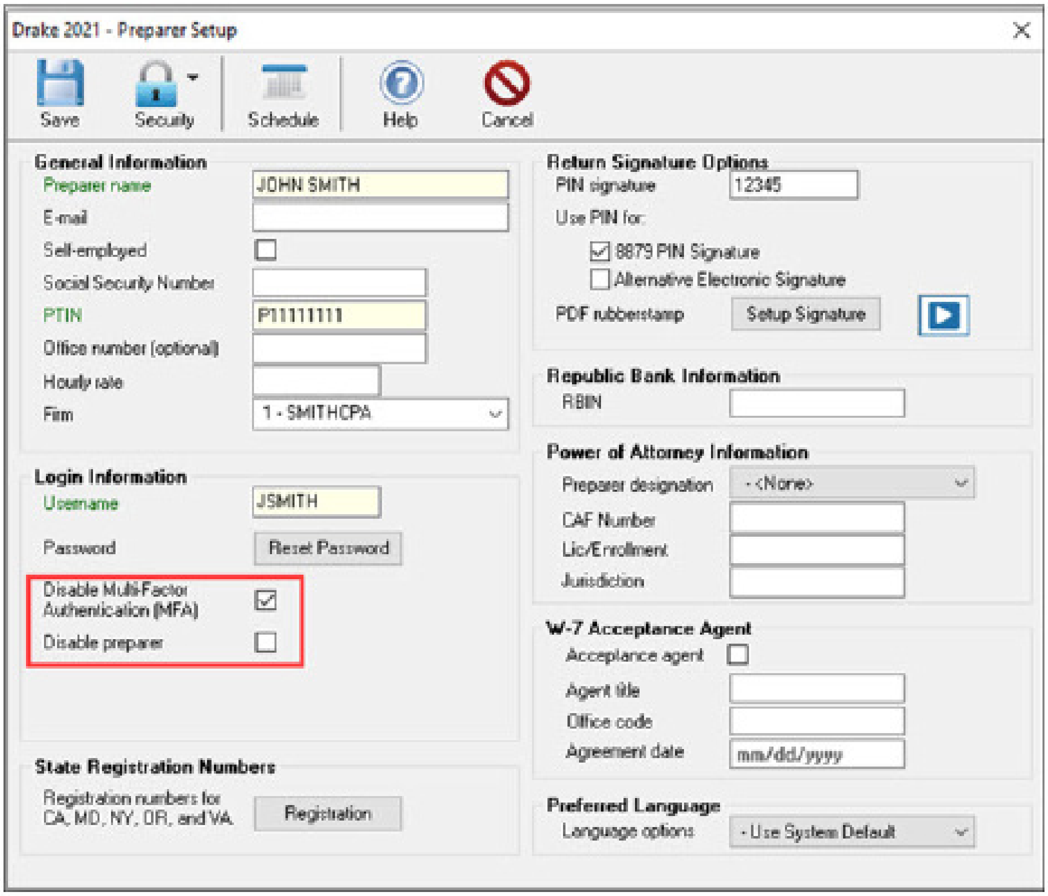


Required Setup Items

The three following items on the Setup Assistant are required screens. Perform required set-up procedures before attempting to prepare or e-file returns.

Preparers

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 and anyone who needs access to Drake Tax should also be setup.



Preparer Security Options

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

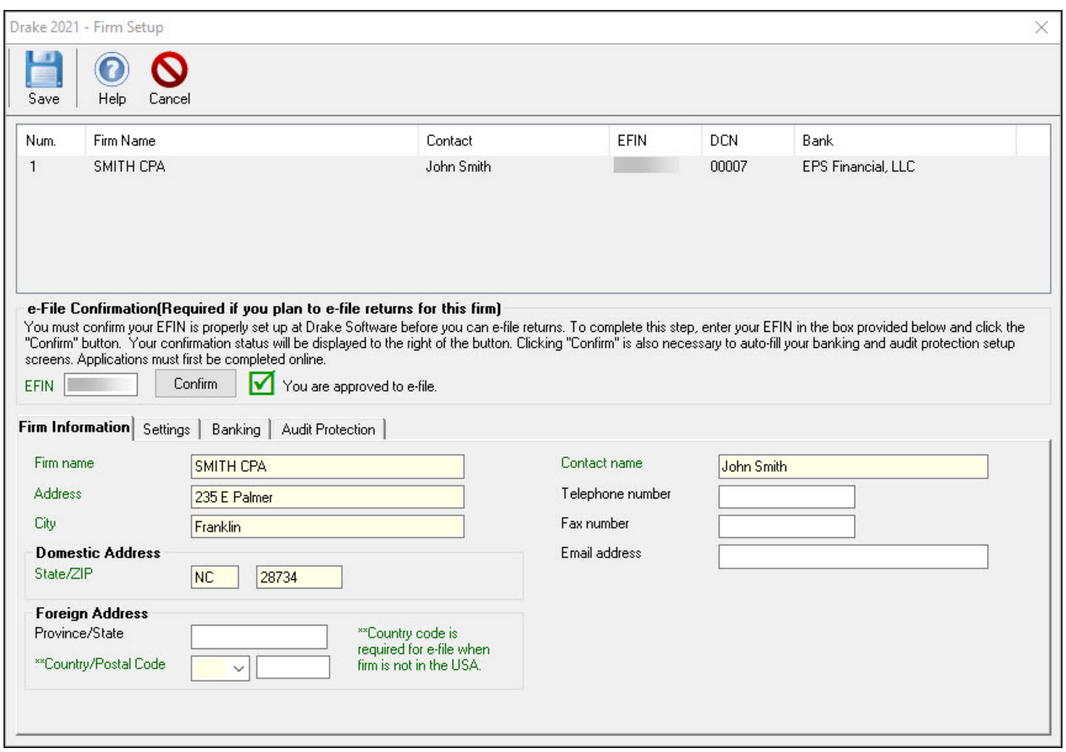
Security Option	Description
Set Security to Allow No Options	Employee cannot access any part of the program.
Set Security to Allow All Options	Employee can access all parts of the program, except for admin-only features.
Set Security Equal to Existing Preparer	Employee is given security settings to match those of another preparer on the list.
Add Preparer to Security Group	Add employee to a pre-established security group. (See "Setting Up Group Security" on page 56.)

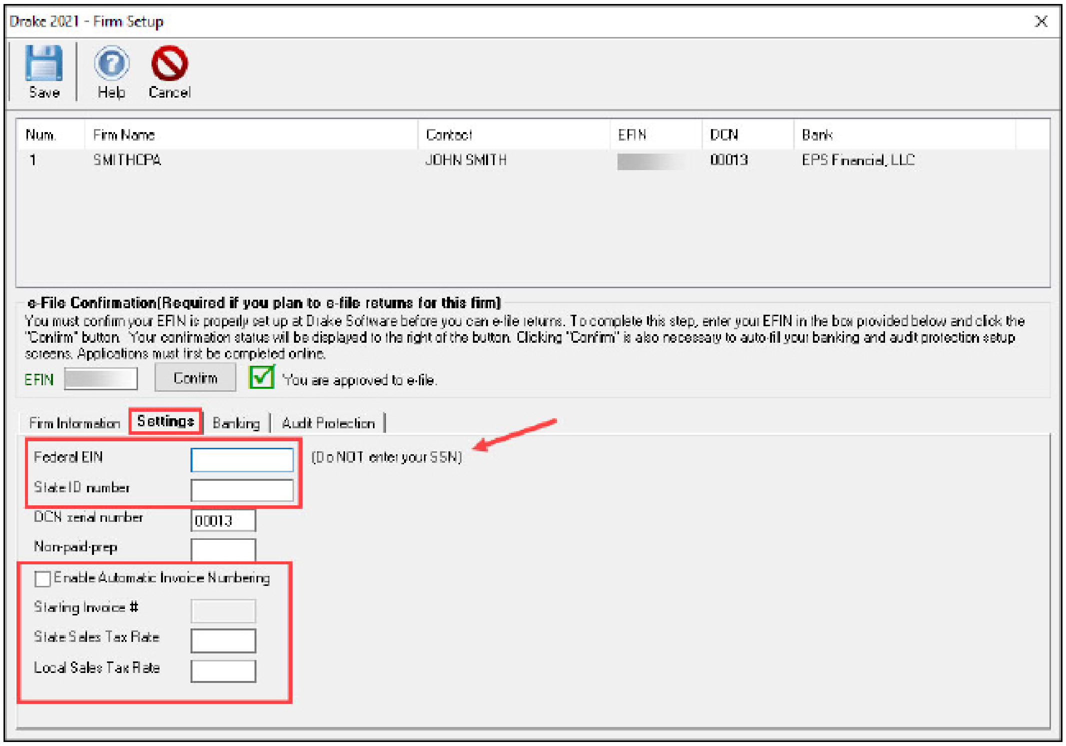
Security Option	Description
Front Office (Scheduling Only)	Employee can access the Scheduler only.
Administrator (Full ADMIN Rights)	Employee can access all parts of the program, including administrator-only features.

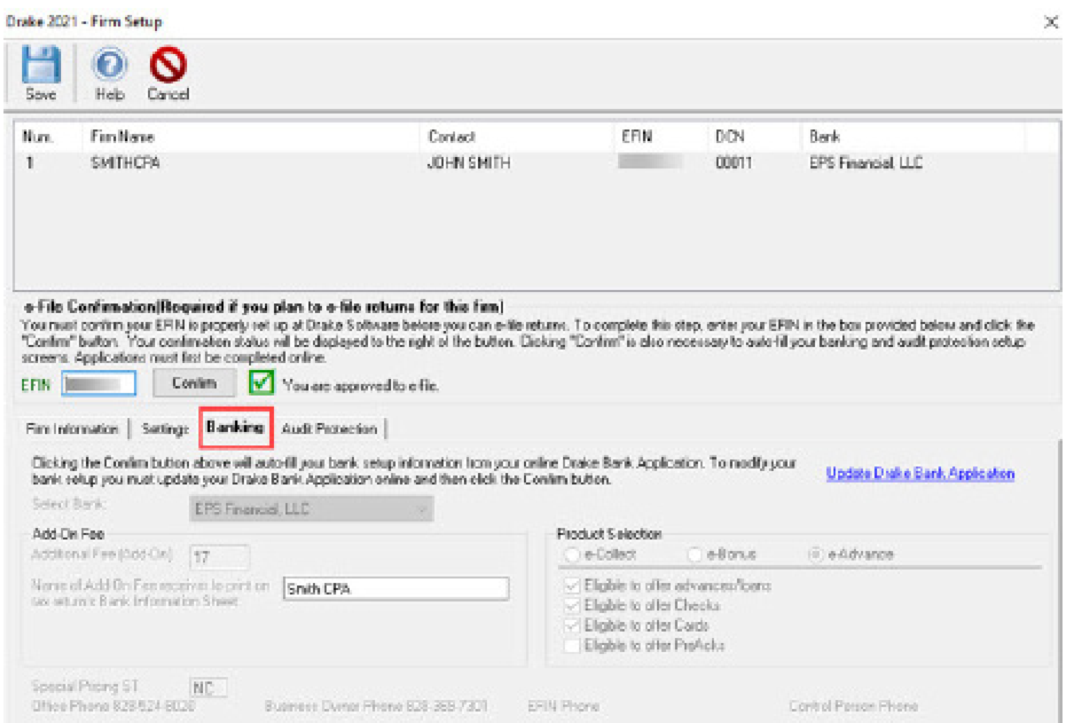
To remove security rights from all preparers (other than administrative users), go to **Setup > Preparers**, click **Remove Right**s, and click **Yes**. To remove rights for an individual employee, set that person's security to **Set Security to Allow No Options**. A preparer will be prompted to confirm his or her account and set up a password when logging in to the software for the first time.

Firm(s)

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. Select **Firm Setup** from the Setup Assistant or **Setup > Firm(s).**




Drake 2021 - Firm Setup
Save
Help
Cancel
Num.
Firm Name
Contact
EFIN
DCN
Bank
1
SMITHCPA
JOHN SMITH
00013
EPS Financial, LLC
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.
EFIN
Confirm
You are approved to e-file.
Firm Information
Settings
Banking
Audit Protection
Federal EIN
(Do NOT enter your SSN)
State ID number
DCN serial number
00013
Non-paid-prep
Enable Automatic Invoice Numbering
Starting Invoice #
State Sales Tax Rate
Local Sales Tax Rate


Drake 2021 - Firm Setup
Save
Help
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Firm Name
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EFIN
DCN
Bank
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SMITHCPA
JOHN SMITH
00011
EPS Financial, LLC
e-File Confirmation(Required if you plan to e-file returns for this firm)
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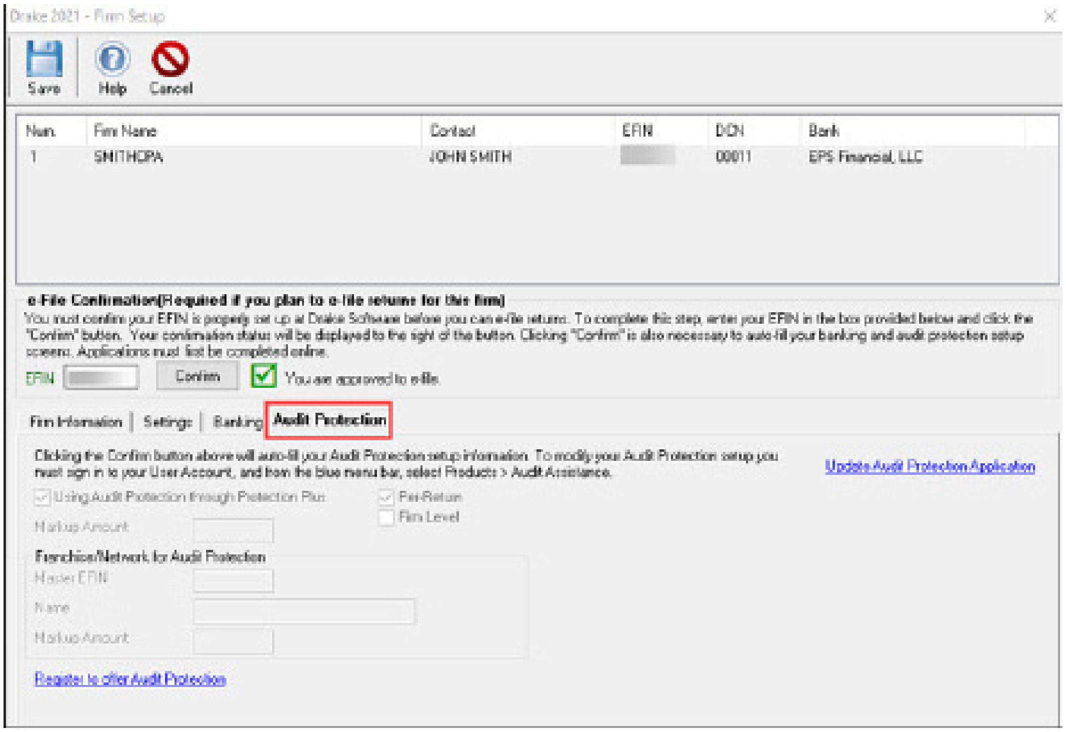
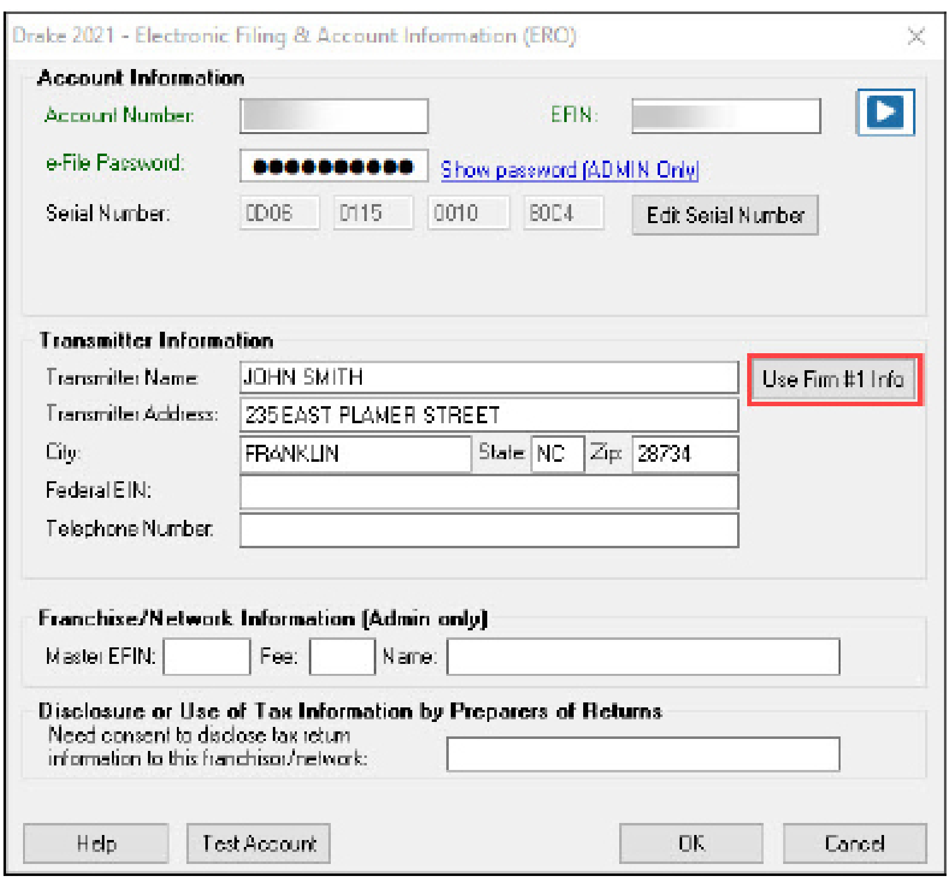
EFIN
Confirm
You are approved to e-file.
Firm Information
Settings
Banking
Audit Protection
Clicking the Confirm button above will auto-fill your bank setup information from your online Drake Bank Application. To modify your bank setup you must update your Drake Bank Application online and then click the Confirm button.
Update Drake Bank Application
Select Bank:
EPS Financial, LLC
Add-On Fee
Additional Fee (Add-On)
17
Name of Add-On Fee recipient to print on tax return's Bank Information Sheet
Smith CPA
Product Selection
e-Collect
e-Bonus
e-Advance
Eligible to offer advances/loans
Eligible to offer Checks
Eligible to offer Cards
Eligible to offer ProFicks
Special Pricing ST
NC
Office Phone 828-524-8020
Business Owner Phone 828-369-7301
EFIN Phone
Control Person Phone



ERO & Account Information

The Electronic Return Originator (ERO) must complete the ERO Setup in order to e-file returns, download software updates, and access the online e-filing database. Access ERO & Account Information from the Setup Assistant or Setup menu.

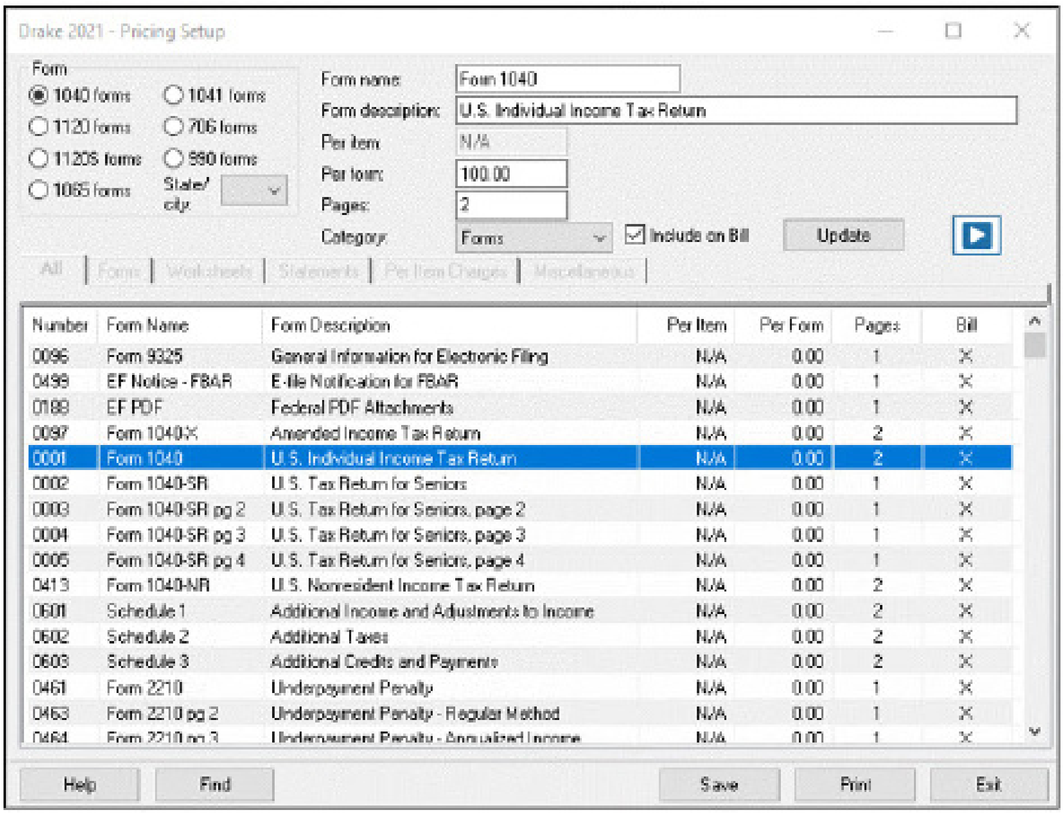


Additional Setup Items

The following items are optional setup items and can be found on the **Setup** menu, located on the Drake **Home** window.

Pricing

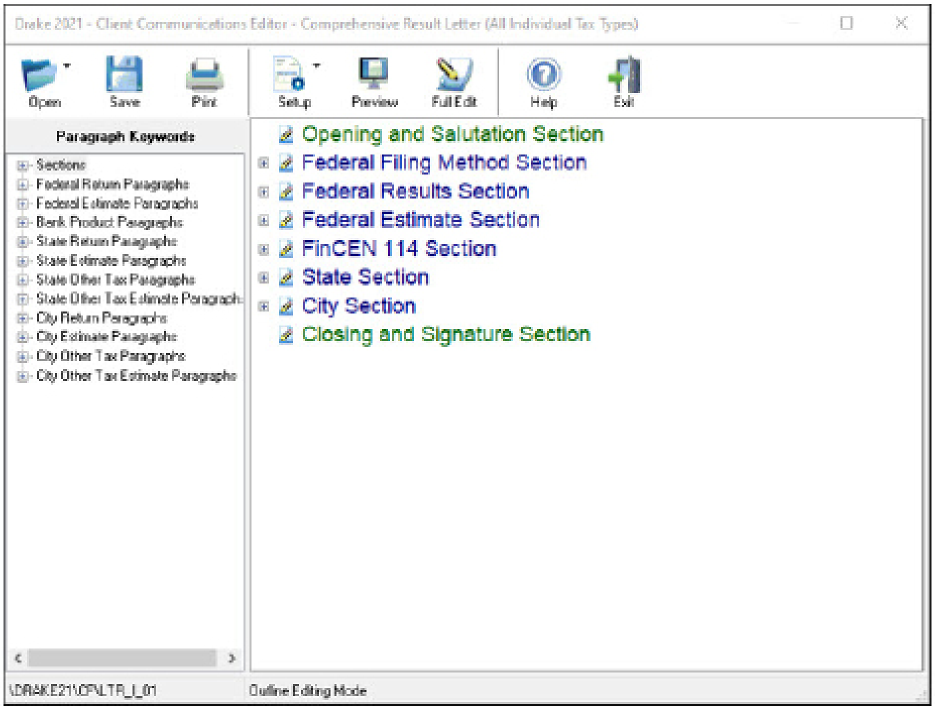
Setting up pricing will allow Drake to calculate charges and generate a client bill. Prices can be defined for each form, and on some forms, for each item. Minimum and maximum charges can be set for completed returns.



Access **Pricing Setup** from the **Home** window of Drake under **Setup > Pricing**.

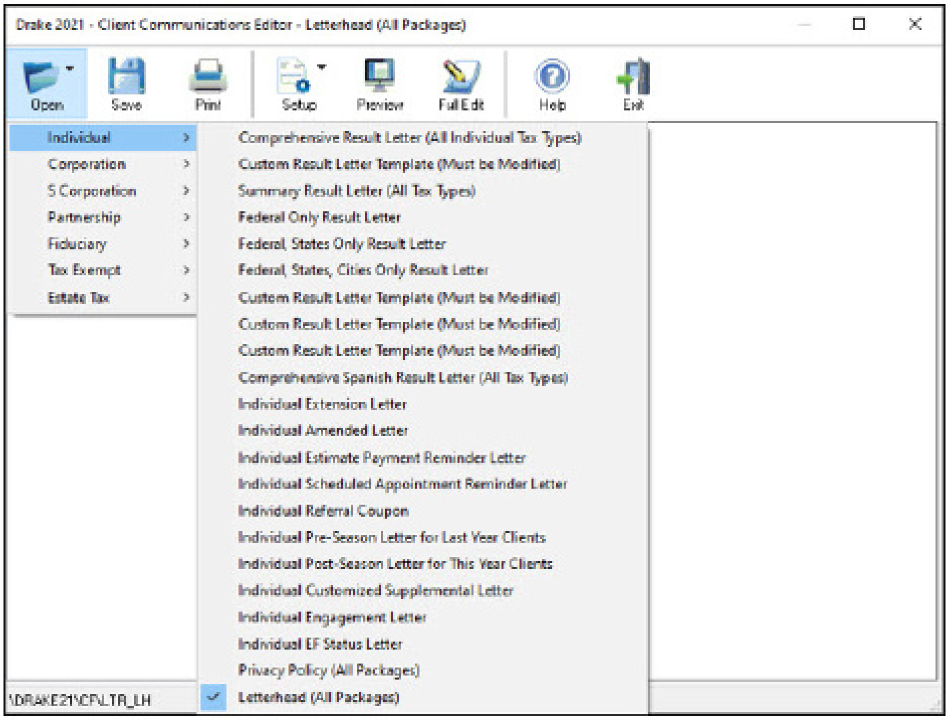
Letters

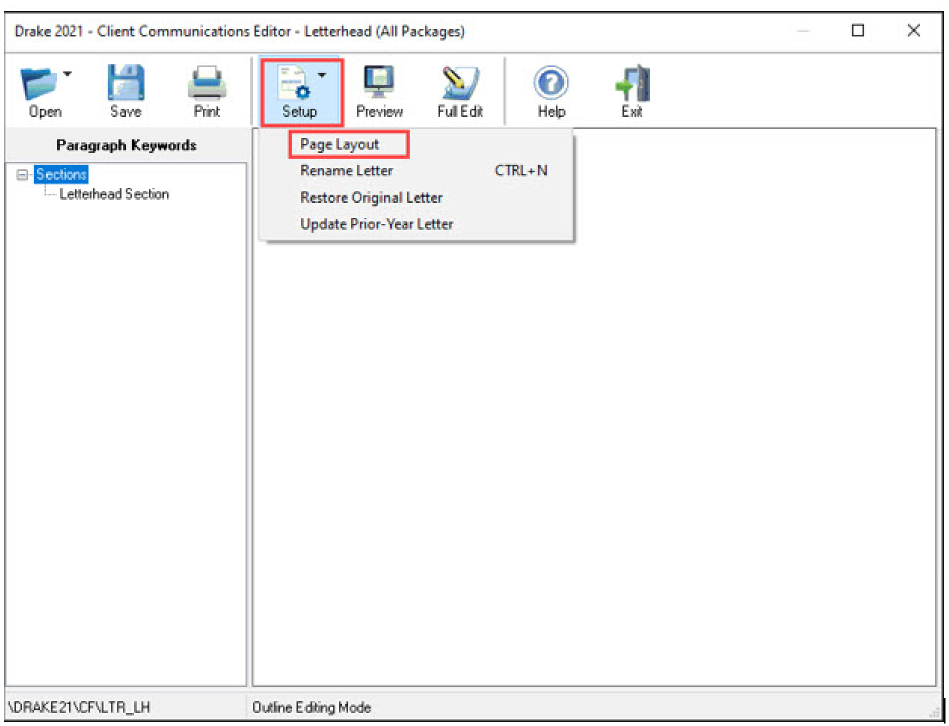
Access the Client Communication Editor to edit letters generated by Drake Tax, many of them based on data from the tax return and the clients' filing, payment, or refund preferences. There are also engagement letters, extension letters, letters with amended returns, payment reminders, appointment reminders, preseason and postseason letters, cover letters—all of these can be edited and customized in the letters program. Access letters setup from the **Home** window of Drake under **Setup > Communications Editor.**

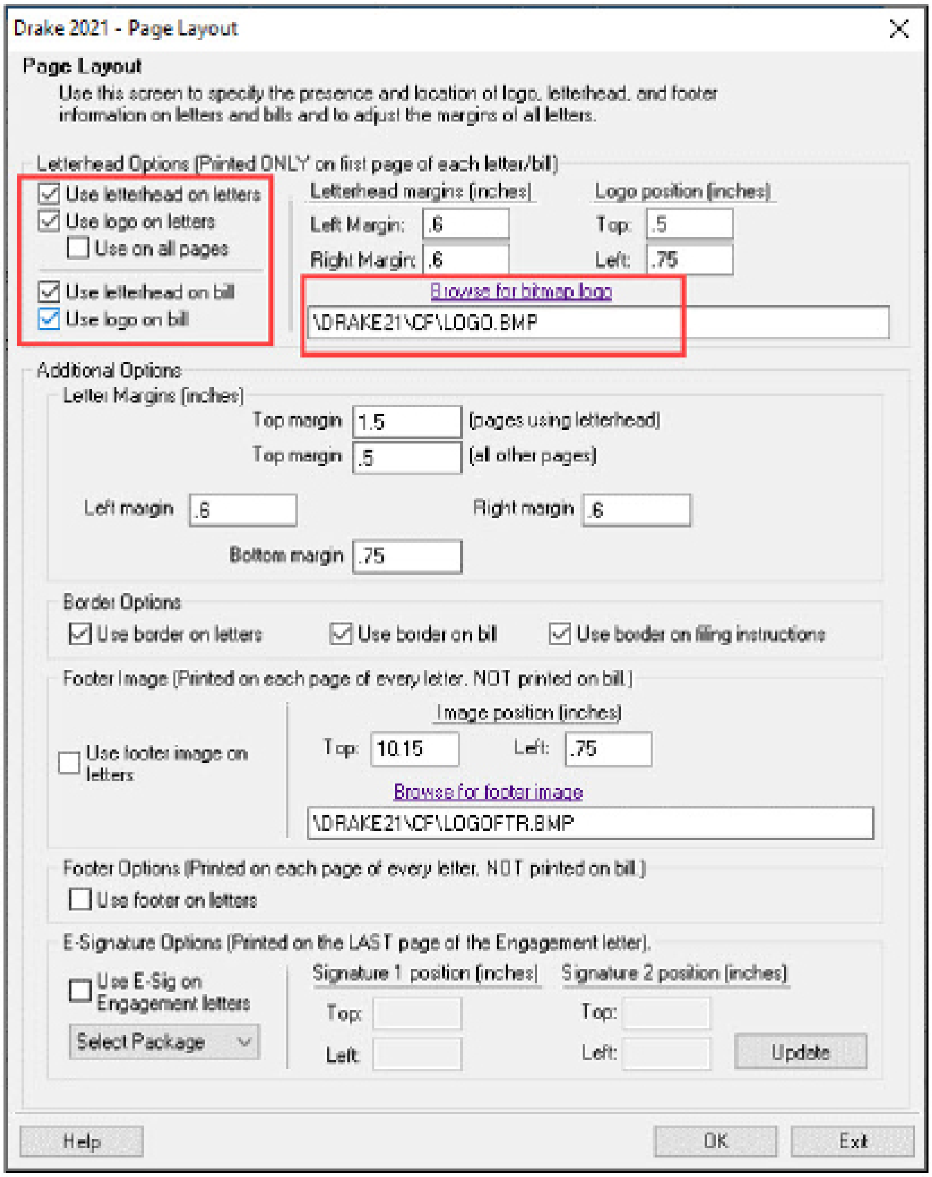


Letterhead

Customize the look of Drake-generated letters and client bills with **Letterhead, Margins, and Border Setup**. Use this setup screen to specify the presence and location of logo and letterhead information on the letters, and to adjust margins. Access **Letterhead, Margins, and Border Setup** from the Setup Assistant or go to **Setup > Communications Editor > Setup.**



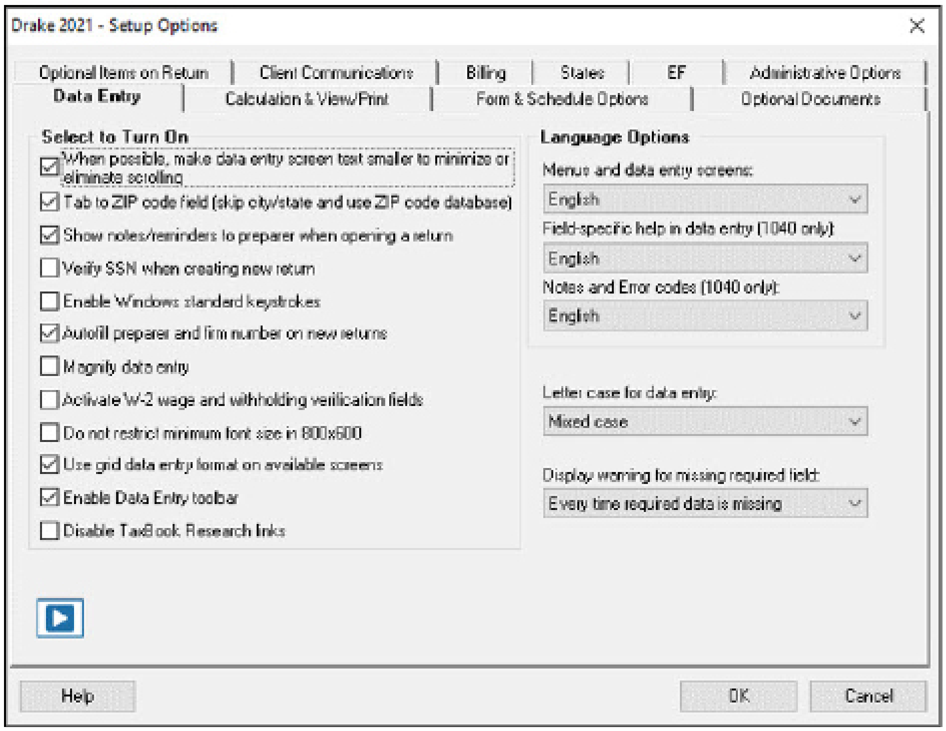



Drake 2021 - Page Layout
Page Layout
Use this screen to specify the presence and location of logo, letterhead, and footer information on letters and bills and to adjust the margins of all letters.
Letterhead Options (Printed ONLY on first page of each letter/bill)
Use letterhead on letters
Use logo on letters
Use on all pages
Use letterhead on bill
Use logo on bill
Letterhead margins (inches)
Left Margin: .6
Right Margin: .6
Logo position (inches)
Top: .5
Left: .75
Browse for bitmap logo
\DRAKE21\CF\LOGO.BMP
Additional Options
Letter Margins (inches)
Top margin 1.5 (pages using letterhead)
Top margin .5 (all other pages)
Left margin .6
Right margin .6
Bottom margin .75
Border Options
Use border on letters
Use border on bill
Use border on filing instructions
Footer Image (Printed on each page of every letter. NOT printed on bill.)
Use footer image on letters
Image position (inches)
Top: 10.15
Left: .75
Browse for footer image
\DRAKE21\CF\LOGOFTR.BMP
Footer Options (Printed on each page of every letter. NOT printed on bill.)
Use footer on letters
E-Signature Options (Printed on the LAST page of the Engagement letter).
Use E-Sig on Engagement letters
Select Package
Signature 1 position (inches)
Top:
Left:
Signature 2 position (inches)
Top:
Left:
Update
Help
OK
Exit

Options

When installed, the most common preferences are set as defaults in Drake. Use options setup to view or change the defaults for the various options available. The options are categorized and displayed on different tabs in options setup. Access **Setup Option**s from the Drake **Home** window under **Setup > Options**.

The following tables describe the functionality of setup options on the respective tabs



Data Entry Options

Option	Description
When possible, make data entry screen text smaller to minimize or eliminate scrolling	Automatically size the text on screens to minimize or eliminate scrolling.
Tab to ZIP code field (skip city/ state and use ZIP code database)	Press the Tab key while entering an address in data entry to bypass the **City** and **State** fields and go directly to the **ZIP** field. **City** and **State** fields are completed automatically based on the ZIP code entered.
Show notes/reminders to preparer when opening a return	Show all notes and reminders from the **NOTE** and **PAD** screens every time you open a client file that contains notes or reminders.
Verify SSN when creating new return	Require double entry of SSN or EIN, helping eliminate erroneous entries.

Option	Description
Enable Windows standard keystrokes	Ctrl+X = cut; Ctrl+C = copy; Ctrl+V = paste; Shift+Ctrl+X = autofill amended screen; Shift+Ctrl+C = calculate return; Shift+Ctrl+V = view return
Autofill preparer and firm number on new returns	Automatically enter the firm number and preparer number where required on data entry screens.
Magnify data entry	Enlarge the active field for easier reading.
Activate W-2 wage and withholding verification fields	To ensure accuracy of data entry, require wage and withholding amounts be entered twice on the **W2** screen and of federal and state distributions and federal withholding amounts at the bottom of screen **1099**.
Do not restrict minimum font size in 800x600	This is a sizing option for computers using an 800x600 resolution. If this option is selected, the program will not attempt a font substitution to retain readability. Text on screens will shrink to fit as needed.
Use grid data entry format on available screens	Type information into a spreadsheet environment for applicable screens, which can result in faster data entry.
Enable Data Entry toolbar	Mark the check box to activate the data entry screen toolbar; clear the check box to disable the data entry screen toolbar.
Disable TaxBook Research links	Mark the check box to hide all TaxBook icons on data entry screens. Marking this box will not disable TheTaxBook WebLibrary button on the **Home** window toolbar.
Language Options (1040 package only)	Choose between English and Spanish for menus, data entry screens, field help text, and error codes (EF Messages).
Letter case for data entry	Choose between all uppercase letters and mixed case.
Display warning for missing required field	Choose to receive a warning: whenever a required field is empty; once per data entry session; or not at all.

Calculation & View/Print Options

Option	Description
Auto-calculate tax return when exiting data entry	Returns are automatically calculated every time you exit the return.
Display client fee on Calculation screen	Allow the fees charged for return preparation to appear on the **Calculation Results** window.
Print only one overflow statement per page	Each overflow statement is printed on a separate piece of paper.

Option	Description
Go directly to form when accessing View or data entry mode	Go from a data entry screen to the corresponding form in View mode when you go to View/Print mode. When the **Data Entry** button is clicked in View/Print mode, the program returns to the last used data entry screen.
Audible notification of calculation error messages	When calculating a return, the program produces a “beep” to indicate an EF Message.
Mask SSN, EFIN, PTIN on Client and Preparer Sets	Masks taxpayer’s, preparer’s, and ERO’s identification number on printed sets. Use caution when masking SSNs and providing payment vouchers from Client and Preparer Sets. When choosing this option, be aware that the SSN will not be printed on the payment voucher or on the estimated tax payment voucher in either the “Client” or “Preparer” sets. If a voucher is sent to the IRS or a state tax agency without the taxpayer’s SSN, the taxing authority will be unable to process the payment. Ensure the correct version of the voucher is used; these can be found in the “Federal” and “State” sets.
Turn off auto-balance of the balance sheet	Forces Schedule L to be balanced for both the beginning- and end-of-year amounts. The program adjusts the capital account on Schedule L by the difference between the total assets and the total liabilities and capital before the adjustment.
Layout for depreciation schedule	Select **Portrait** to produce the depreciation schedule vertically using 8.5 x 11 paper; select **Landscape** to produce it horizontally.
Pause option for calculation	Choose the circumstances under which the **Calculation Results** window appears, allowing a review of calculation results before proceeding to View/Print mode.
Number of days to store print files	Select to store print files from 1 to 9 days or to have them removed once the return is selected for e-file. If a return is needed after the print file is removed, recalculate the return to re-create the print file.
Print sort options for Interest/Dividends	Choose how items entered on the **INT** and **DIV** screens are sorted when printed on Schedule B: alphabetically ascending/descending, numerically ascending/descending, or not at all.

Form & Schedule Options

Option	Description
Print Schedule A only when required	Produce Schedule A only when taxpayer qualifies to itemize.
Print Schedule B only when required	Produce Schedule B only when taxpayer has enough interest income to require filing Schedule B.
Print Form 4562 only when required	Produce Form 4562, Depreciation and Amortization, only when the tax return requires it.
Print Form 6251 only when required	Produce Form 6251, Alternative Minimum Tax, only when the tax return requires it.
Next-year depreciation schedule	Produce a depreciation schedule for next year in addition to the one for this year.
W-2/1099 forms	Produce and display in View/Print mode all W-2 and 1099-R forms with the return.
Print two W-2/1099-Rs per page	If return has more than one W-2 or 1099-R form, print two per page.
Carryover worksheet	Produce any carryover worksheets associated with the return.
Print page 2 of Schedule K-1...	Produce page 2 of Schedule K-1 for Form 1040 and applicable K-1 codes for Forms 1120-S and 1065.
Print ES vouchers...	Prints ES vouchers only when screen **ES** exists.
Always show reason for no EIC	Generate Return Note explaining reason taxpayer not getting EIC.
Always show tax computation worksheet	Generate Tax Computation Worksheet showing how the program calculates the tax on line 16 of the 1040 return
Print shareholder's/partner's adjusted basis worksheet	Make this selection to automatically print a partner's or shareholder's adjusted basis worksheet.
1040-SR suppress	Choose to have Form 1040 generated and Form 1040-SR suppressed globally when the taxpayer would be eligible to use the 1040-SR.
Form 8879 bank account options	Select option for printing bank account information on Form 8879.
Select to Turn On	Produce lists of these items (W-2, W-2G, 1099-M, 1099-NEC, 1099-R, federal withholding summaries, dividends, interest, K-1s) when the selected number in the drop list is exceeded.

Optional Documents

Option	Description
Folder coversheet	Generate a folder cover sheet on which the taxpayers' names and the name, address, and phone number of the preparer's firm are printed.
Prior year(s) comparison form	Produce a comparison sheet containing data from the current-year and prior-year returns.
Return summary	Produce a return summary with every return prepared.
Bill summary	Produce a summary of the taxpayer's bill with each return.
Labels	Print a sheet of "mail to" addresses on compatible labels.
Envelope Sheet (address drop lists)	Choose the size of the envelope on which to print the addresses of the taxpayer, the IRS Service Center, the state tax department, the city tax office, for Forms K-1, and the preparer's firm address.
Do not print taxpayer envelope sheet with organizer	By default, the program produces the envelope coversheet addressed to the taxpayer when organizers are generated. Select this box to keep this coversheet from being included with organizers; any selection from the **Taxpayer address** drop list is still included when the return is printed.
Do not print firm envelope sheet with organizer	By default, the program produces the envelope coversheet addressed to your firm when organizers are generated. Select this box to keep this coversheet from being included with organizers; any selection from the **Firm address** drop list is still included when the return is printed.
Estimated payment coversheet	Print coversheet with Nelco ENV500 envelope dimensions to the address for estimated payments for 1040 and 1041 returns with quarterly taxes.
Order Nelco compatible presentation products	Click this link to go to the NELCO website to order such Drake Tax-compatible products as envelopes, IRS forms, and checks.

Optional Items on Return

Option	Description
Date on return	Mark this box to have the current date printed on the return. To change the date printed on the return (or the due date on letters and filing instructions), enter the desired date on the **PRNT** screen (accessible from the **Miscellaneous** tab of the **Data Entry Menu**).
Print dates for taxpayer and spouse signatures (excludes 1040)	Select this option to print the signature dates for taxpayer and spouse signatures on the return (excluding 1040).
Taxpayer phone number	Select this option to print the taxpayer's phone number entered on screen **1**.
Taxpayer email address	Select this option to print the taxpayer's email address entered on screen **1**.
Preparer	Select an ERO or an individual preparer to act as the taxpayer's third-party designee.
Interest and Penalty Calculation	Calculate penalties and interest on returns filed after the due date based on interest rates entered.

Client Communications

Option	Description
Letter Selection (all packages)	Select the client results letter templates to be used for each package. The selected template will be generated with each return in that package.
Report Options:	
Include privacy letter with returns	Select this option to print the privacy disclosure letter with every return.
Include engagement letter with returns	Select this option to generate engagement letters for all packages when the return is calculated. At the end of the letter template are spaces for client and preparer signatures. Engagement letters can also be produced prior to completion of the return using **Tools > Letters > Letters.**
Include customized supplemental letter with returns	Print a customized letter that can be used for various purposes.
Include K-1 letter with returns	Print the cover letter for individual K-1s (1065, 1120S, and 1041 packages).
K-1 Letterhead	Choose to include the entity's information or your firm's information and logo in the letterhead of the K-1 letter, or select to use neither.

Option	Description
Additional Letter Options:	
Federal	A drop list provides options to always print federal filing instructions (a sheet of detailed federal filing information), never print filing instructions, or print filing instructions only for paper-filed returns. The federal filing instructions include the date to file, the form to be filed, mailing address to file the form, and any tax payment due. The federal instructions are listed as "Filing Instructions" in View/Print mode. Federal filing instructions are printed by default; make a global selection here or make a change for a single return from the **COMM** screen, available from the **Miscellaneous** tab of the **Data Entry Menu.**
State	Produce a sheet of detailed state filing information that includes the date to file, the form to be filed, mailing address to file the form, and any tax payment due. The instructions are listed as "ST Instructions" ("ST" refers to the state abbreviation; for example, "OH Instructions" for Ohio instructions). State filing instructions are printed by default; make a global change here or make a change for a single return from the **COMM** screen, available from the **Miscellaneous** tab of the D**ata Entry Menu.**
Print filing instructions for Forms 8878 and 8879	Produce filing instructions for Form 8879, IRS e-file Signature Authorization or Form 8878, IRS e-file Signature Authorization for Form 4868 or Form 2350.
Use paper-filing information	Produce paper-file paragraphs in the federal and state letters and filing instructions.
Referral Coupons (3 per sheet)	Offer client a discount for referring another client (individual (1040) package only). Enter the number of sheets per return and the coupon amount. To customize the wording of your coupons, from the **Home** window menu bar, go to S**etup > Communications Editor**, click **Open**, select **Individual**, then scroll down to **Individual Referral Coupon.**
Do not print referral coupons with organizer	The program produces referral coupons when organizers are generated if a number is entered in the **Sheets per return** box. Select the **Do not print referral coupons with organizer** box to keep the coupons from being included with organizers.

Billing Options

Option	Description
Select Bill Format:	
	Comprehensive Bill: Generates an itemized client bill (all packages).
	Summary Bill: Generates a summarized client bill (all packages).
	Classic Bill: Use the same format and features as prior years of Drake Tax.
Options for all billing formats:	
Show preparer fees withheld from bank product	Print the preparer fees withheld from the bank product amount on the bill.
• State sales tax rate • Local sales tax rate	Enter state and local sales tax rates to add to each bill as a decimal or a whole number. Numbers must be greater than "1." For example, "4.5" represents a sales tax rate of 4.5%. This percentage can be adjusted per firm or per return.
• Billing statement format	Choose to not produce a bill or select from among six formatting options, including: • Show only total amount; bill displays only a total, no itemized list of forms being billed for (affects Comprehensive and Classic bills only) • Show form list and total; displays itemized list but no price-per-form, only a total (affects Comprehensive and Classic bills only) • Show forms, form prices, and total; displays itemized list, price-per-form, and total (affects Comprehensive and Classic bills only) • Bill by time; bill based on time spent preparing return, multiplied by preparer's hourly rate as defined in **Setup > Preparers** • Move prep time charge to bottom of bill; a bill by time but with the total at the bottom • Show forms, number of forms, and charges per form; bill based on forms necessary to complete return by price entered in **Setup > Pricing** Drake Tax prepares a bill summary along with whatever option is selected here unless the **Bill summary** check box is cleared at **Setup > Options**, **Optional Documents** tab.

Option	Description
• **Header on bill**	• If “Show preparer’s name” is selected from the drop list, then the sentence, “Your [tax year] tax return was prepared by [return preparer’s name]” will be printed on the bill (affects Comprehensive and Classic bills only) • If “Show only tax year” is selected, the sentence, “[tax year] Tax Year Statement” is printed on the bill (affects Comprehensive and Classic bills only) • If “Professional services statement” is selected, then the sentence, “For professional services rendered in connection with the preparation of your [tax year] tax return,” is printed on the bill (affects Comprehensive and Classic bills only)
Options for Classic Bill only:	
• Print taxpayer’s phone number on the bill	Print the taxpayer’s phone number (entered on screen **1**) on the bill.
• Print taxpayer’s e-mail address on the bill	Print the taxpayer’s email address (entered on screen **1**) on the bill.
Custom Paragraph Options	
• Options	Choose to have a custom paragraph printed at the top of the customer’s bill or at the bottom.
• Paragraph Content	Write the custom paragraph you want added to the customer’s bill in the supplied text box.

e-File Options

Option	Description
Auto-generate taxpayer(s) PIN	Have the program assign a randomly generated PIN (1040 only).
Require 'Ready for EF' indicator on EF screen	Require the **Ready for EF** indicator on the **EF** screen to be marked before a return can be selected for e-File.
Lock client data file after EF acceptance	Generate a reminder that the return has been filed and accepted when you next open the file.
Print 9325 when eligible for EF	Print Form 9325, Acknowledgment and General Information for Taxpayers Who File Returns Electronically, for every eligible return.
Suppress federal EF	Prevent e-File of federal return.
Print EF status page	Generate the **EF Status** page for any return that is eligible for e-file.
Alert preparer when bank product is not included	Alert the preparer via an EF Message that a return does not include a bank product.
Activate imperfect return election in data entry	Activate the **Imperfect Return Election** check box on the **EF** screen in data entry.
Allow selection for EF from the 'Calculation Results' screen	Allow preparer to send the currently active return directly from the **Calculations Results** window to the e-file queue.
Allow EF from View/Print	e-File a return directly from View/Print mode by clicking the **e-File Taxpayer** icon on the View/Print mode toolbar. (All EF Messages must be cleared.) The file is transmitted, and a "P" or "B" "ack" (acknowledgment) is returned.
Enable prompting before automatic transmission of 'Check Print Records'	Allow the program to notify you before it transmits the Check Print records.
Email 9325 Notice to Taxpayer (automatic from Drake Processing Center)	Form 9325, Acknowledgment and General Information for Taxpayers Who File Returns Electronically, is automatically emailed to taxpayer when return is accepted. (Client's email address must be present on screen **1**.) Override this selection on the **EF** screen.
Require E-Signatures on all electronically signable forms (1040 only)	Require all preparers to take advantage of Drake Tax's e-Signature capabilities. Override this selection on the **EF** screen.
Disallow EF selection if Double-Check Review flag exists	Requires all DoubleCheck flags in View/Print mode be removed before the return can be marked ready for e-file and enter the queue.
Default ERO	Choose a preparer number, **Paid Preparer**, or **None** to indicate the ERO name that should appear on return documents. Override this selection on screen **1** and the **PREP** screen in data entry.

Option	Description
Combine EF steps (Select, Transmit, Post Acks)	Combine all e-file steps. From **EF > Transmit/Receive**, clicking **Send/Receive** transmits selected returns, picks up new acknowledgments, and processes acknowledgments in one step.
Upload Client Status Manager data to Drake for web-based reporting	Send Client Status Manager (CSM) data automatically to the Multi-Office Manager (MOM) during the EF process.
State EF	Suppress e-file of all state returns, or select states to suppress while other state returns remain eligible.
EF Selection Report Options	Customize EF selection reports by specifying which columns (such as SSN/EIN, client name, refund/balance due, etc.) should be included in the EF selection report.

Administrative Options

Option	Description
Use customized data entry selection menu	Make certain forms or screens accessible to any user other than those with administrative rights.
Customize user-defined data entry fields	Create option lists for the **Miscellaneous Codes** fields on screen **1** and the **Adjustments, Percentage**, and **Payments** fields on the **BILL** screen.
Use customized flagged fields on all returns	Select this box, click **Flag**, and select a package type. When the **Data Entry Menu** is opened, click the desired screen and click each field to flag. Click a field a second time to clear it. Right-click and select **Lock Field** to make the field inaccessible to preparers without admin rights, and click the field again or right-click and select **Unlock Field** to remove the lock. Press Esc to save your changes. **Note:** This option is available for federal packages only.
Apply current-year Admin flag settings when updating from prior year	Flags set globally during the prior year are set globally after updating data from **Last Year Data > Update from 2020 to 2021.**
Print all due diligence assistance documents	Produce due diligence documents generated from the **DD1** and **DD2** screens. (To generate these documents on a per-return basis, go to **PRNT** screen and select P**roduce DDASSIST documents**.)
Require due diligence assistance screens to be completed	Require that applicable fields on the **DD1** and **DD2** screens be completed before the return can be e-filed.
Enable logged in preparer's Personal Client Manager	Display the Personal Client Manager on the Drake **Home** window for the logged-in preparer (check box is marked by default).

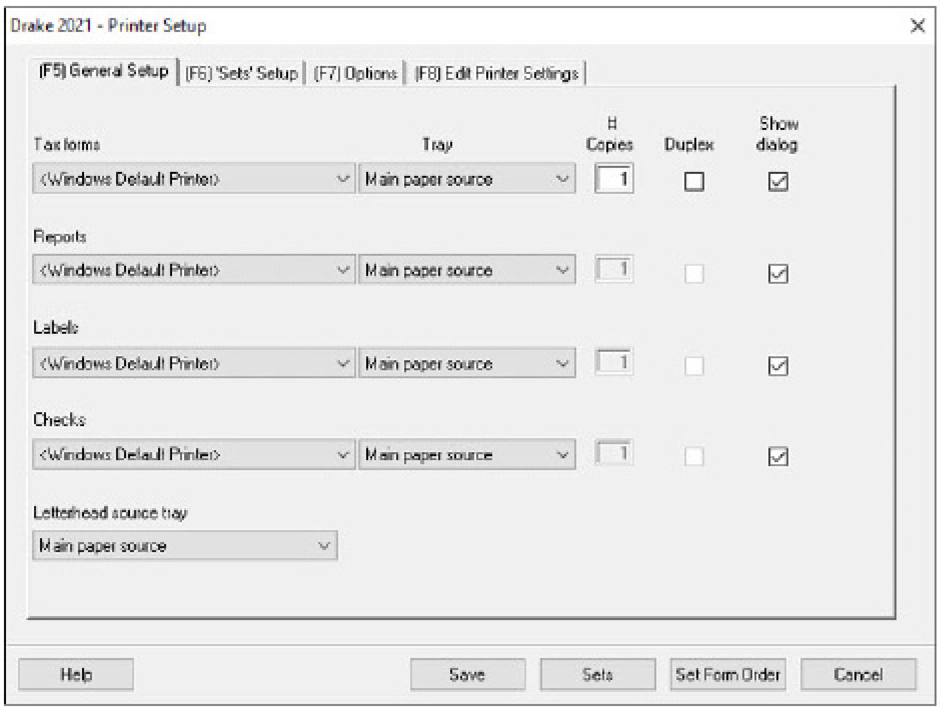
Option	Description
Bank Products - State laws regarding fees: Charge ALL taxpayers the same fees	Select this box to charge all clients the same supplementary fees (software, franchise/network, and additional fees), regardless of whether a bank product is included. For more information, click the Program Help link.
Drake PDF Printer Password Options	Choose to automatically password-protect any generated PDF documents. Passwords can be assigned to PDF documents that are sent through Drake Tax. The default password format is the first four characters of the client's name plus the last five digits of the client's ID. The **Default password** drop list includes other format options. These settings can be overridden during printing from the **Print Selection** dialog box.
Return Status Notification Programs	Use this option to receive return status notifications through ABCvoice. Select to generate 7216 consent forms for the customer to sign. Select to require contact information (phone number and email address on screen **1**, or on the **ABCV** screen, available from the **Miscellaneous** tab of the **Data Entry Menu**).
Include password protected returns in reports (ADMIN Only)	Mark the check box to have password protected returns be generated on reports, printable from the Report Manager. (This option can only be activated by a user with admin rights.)

Printers

Use **Printer Setup** to:

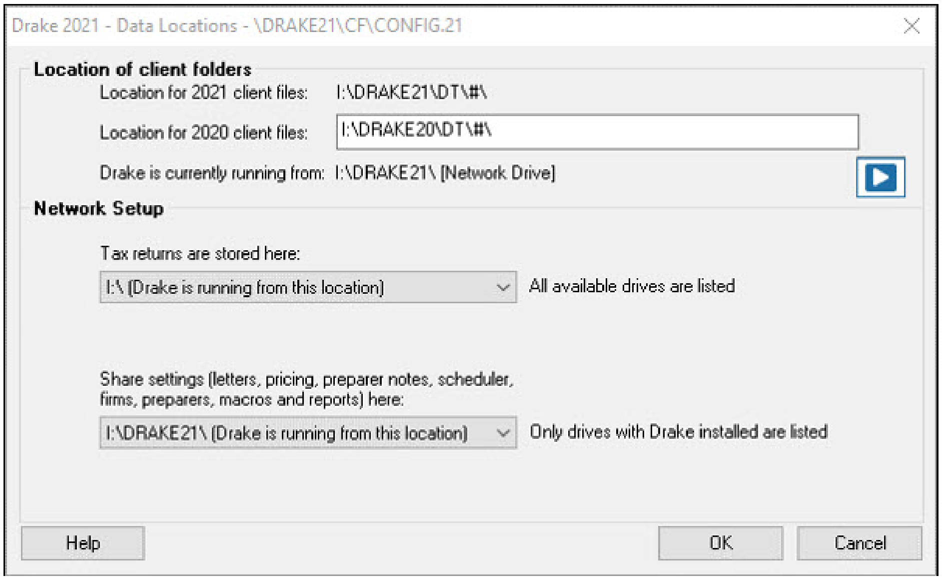
- Establish the printer to be used with Drake Tax
- Establish "sets"
- Set up advanced printing options not related to a specific printer

Access **Printer Setup** from the Setup Assistant or **Setup > Printing > Printer Setup.**



Data Locations

Drake Tax can be used on a single workstation or your choice of network configurations and users have the options of changing data location to conform to a particular network setup. To setup data paths, access the Data Locations screen, go to **Setup > Data Locations.**



Drake Software Tools

Updating Drake Software

Downloading regular updates is critical to ensure that your tax program is performing efficiently. The Update Manager obtains and installs files automatically. Updates include modifications to both the federal and state packages to reflect the most recent changes in the tax law.

You will have to download and install your updates before you can open and use Drake Tax. Rather than having to sit through the update process every morning when you log on to Drake Tax, you can set the Update Manager to automatically pick up your updates at a time of your choosing – such as when you are out of the office, even in the middle of the night. From the **Home** window menu bar of Drake Tax, go to **Tools > Update Manager**, and select the **Schedule software updates** option, choose an update time, and click **Exit**. The computer designated to receive updates must be left on, and an authorized user must remain logged in, for updates to be automatically downloaded and installed.

Scheduled Updates

The Update Manager can be set to obtain and install files automatically at a set time. To schedule your updates:

1. From the **Home** window toolbar, select **Tools > Update Manager.** The **Drake Update Manager** dialog box is displayed.
2. Choose the **Schedule software updates** option.
3. Choose a time from the option box: Click one of the numbers (hours, minutes, seconds, and **AM** or **PM**) and type in (or use the arrows) to set the time to accept new updates when they are transmitted by Drake Software.
4. From the alert window that is opened, click **OK**.
5. Click **Exit**.

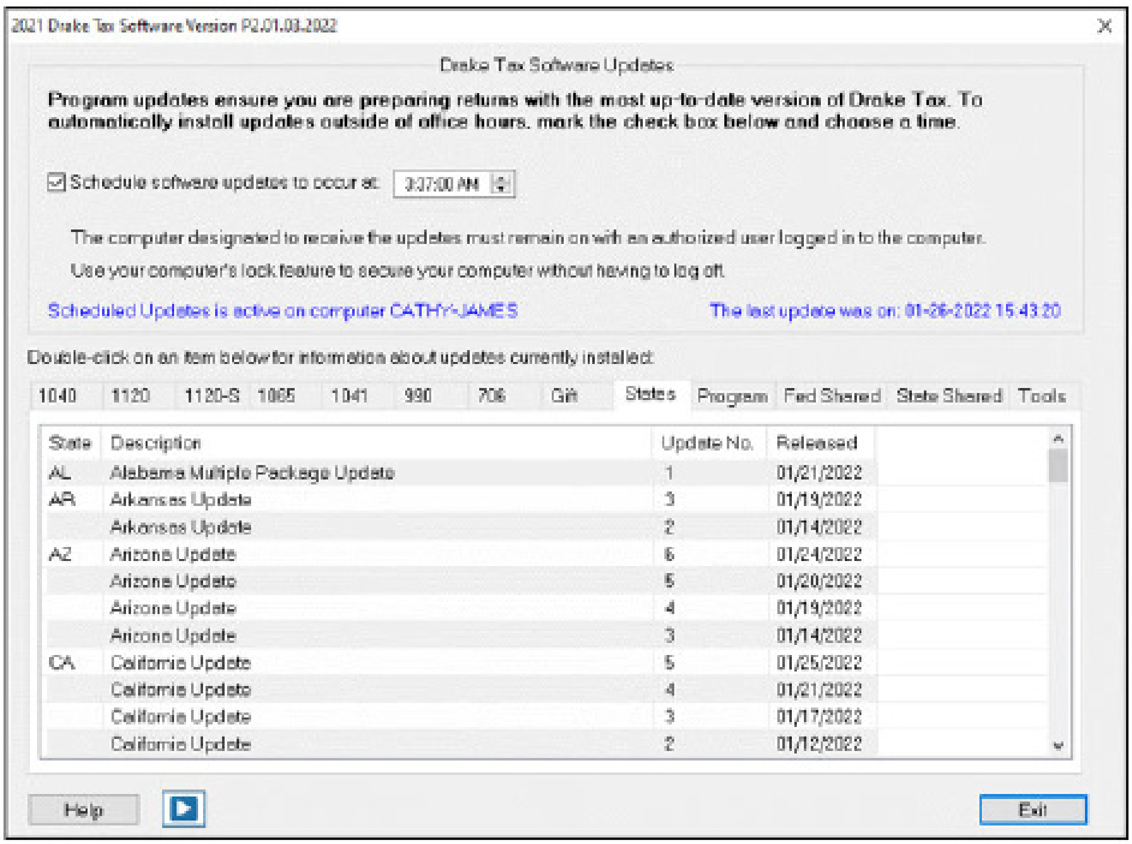
Manual Updates

If you want to download and install updates when you are logging in to the tax program:

1. From the **Home** window toolbar, select **Tools > Update Manager.** The Update Manager dialog box is displayed.
2. Make sure the **Schedule software updates** option check box is cleared.
3. From the alert window that is opened, click **OK**.
4. Click **Exit**.

NOTE: If you decide on manual updates, you will not able to use the tax program until the latest updates have been downloaded and installed.

To download and install updates as they come in, from the **Updates** section in the lower left of the Drake Tax **Home** window, click **Install Updates.**



View Release Notes

When updates are installed, the program creates an installation log of the updates. This log is displayed in the **Drake Update Manager** dialog box in tabbed format, by file name, release date, and number of the update. The tabs divide updates into categories, one for each package (1040, 1120, 1065, etc.), one for individual state updates, one for program updates, for updates shared across two or more federal packages, one for updates shared across two or more state packages, and one form updates to Drake tools. Click column headers to sort data in ascending or descending order. To view a release note, double-click the desired row in the **Drake Update Manager** dialog box. Notes are displayed in the Report Viewer, where you can print or export the notes as desired.

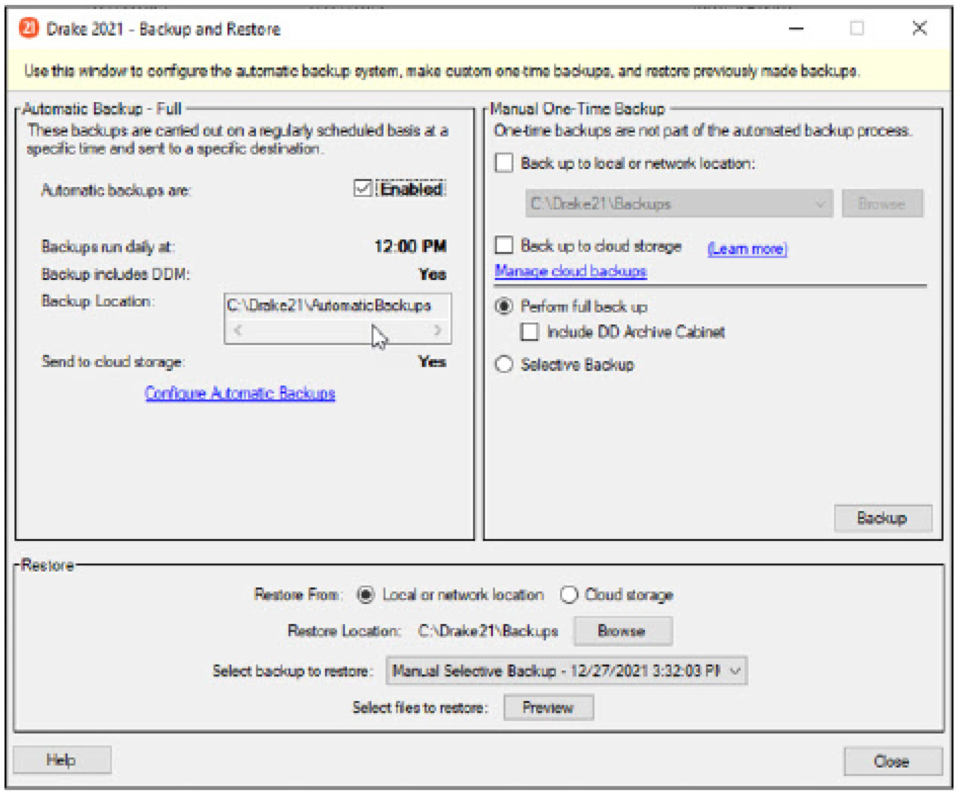
Notification of Updates

You will see, in the **Updates** section of the **Home** window, a notification that program updates are available and ready for download—even if the automatic update feature is activated. This notification appears if all of the following conditions are met:

- The program detects that the machine is connected to the Internet.
- You have security rights to install updates.
- You have permission to see the message regarding the updates ready for download. (You must be an administrator or have the **Display program update availability** drop box at **Setup > Options > Administrative Options** tab set to **All w/ Update Rights.**
- Your system needs the updates.

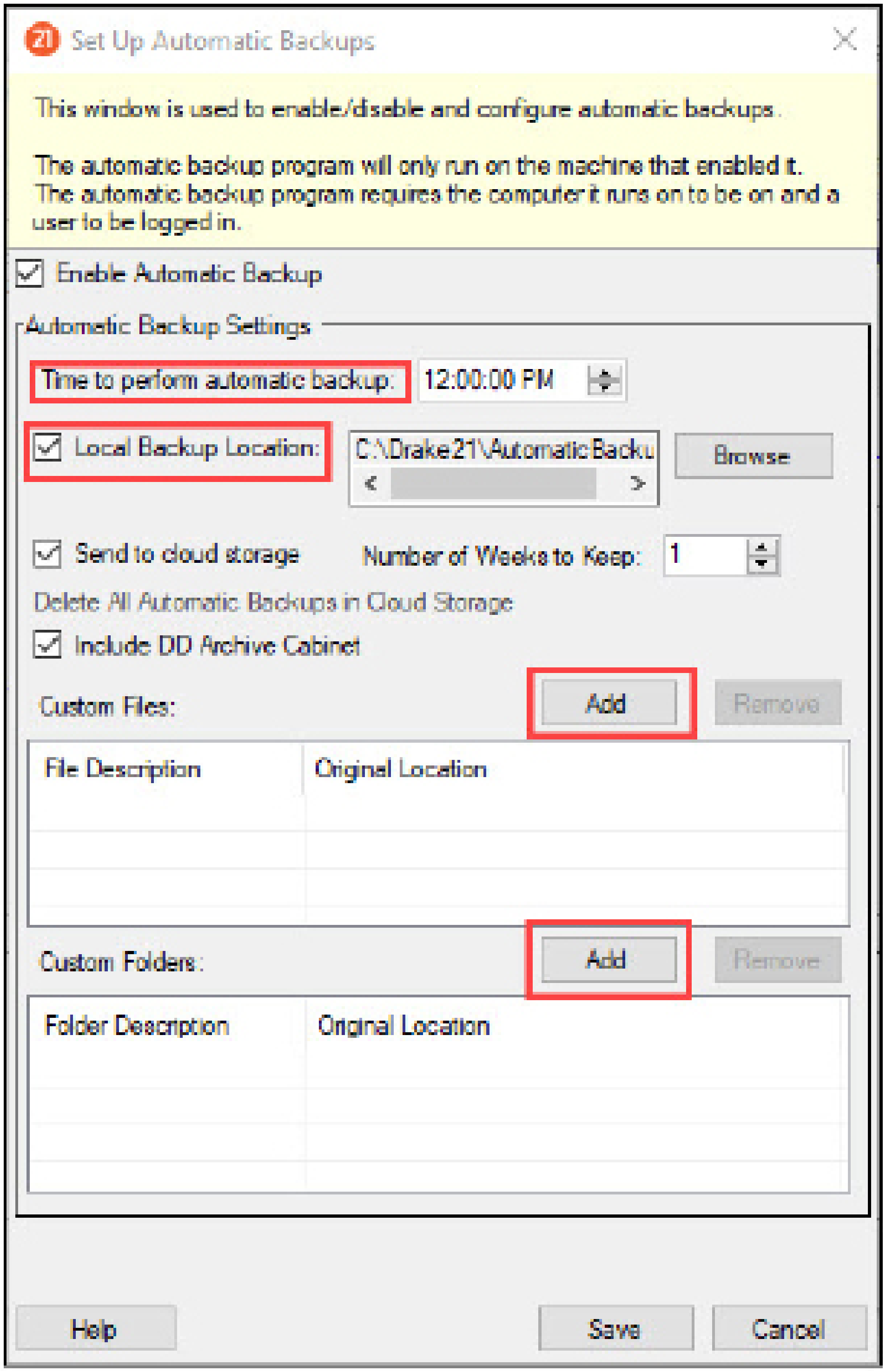
Backing up and Restoring Drake Files

Use the Backup and Restore tools to prevent loss of client data or to move client files to another machine. Files backed up to other locations can be used to restore lost data. If multiple machines are used for tax preparation in one office, files can be moved to other computers and uploaded to a single machine to create a master file. From the **Home** window toolbar, select **Tools>File Maintenance>Backup**



Automated Backup

Use the automated backup feature to have the program automatically back up your files at a specified time each day. Select the **Enabled** check box to turn on the automatic backup feature. Select **Configure Automatic Backups** to open the dialog box. Select a time and location for the backup. Your computer must be turned on at the time of the scheduled automatic backup.



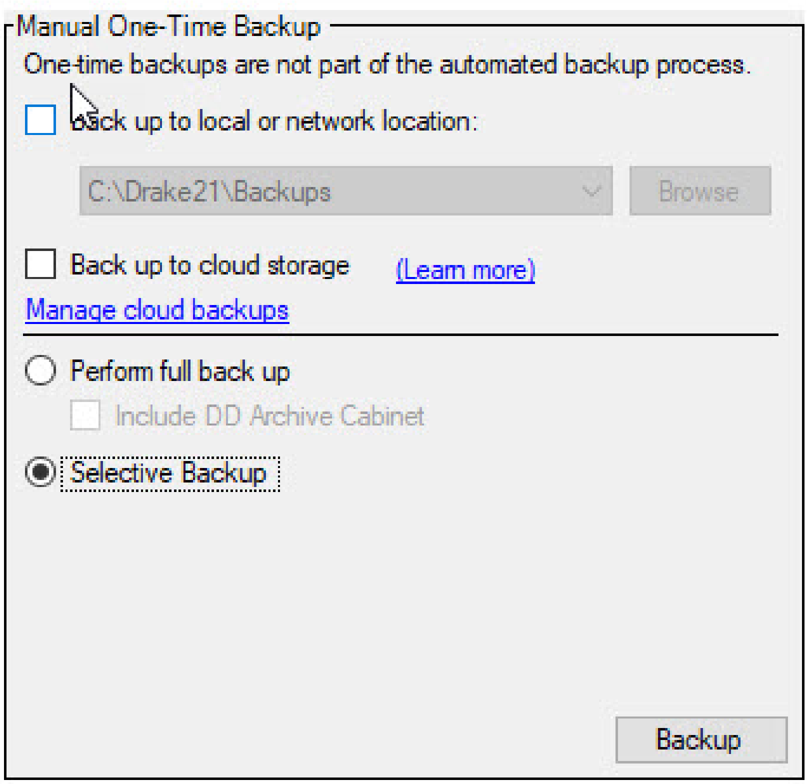
Manual Backup

You can choose to perform a full manual backup of all your Drake Tax files, including the files in the Archive cabinet of Drake Documents. Choose to back up to a local device, a separate network location, or off site through Drake Portals. To Perform a Manual One-Time Backup:

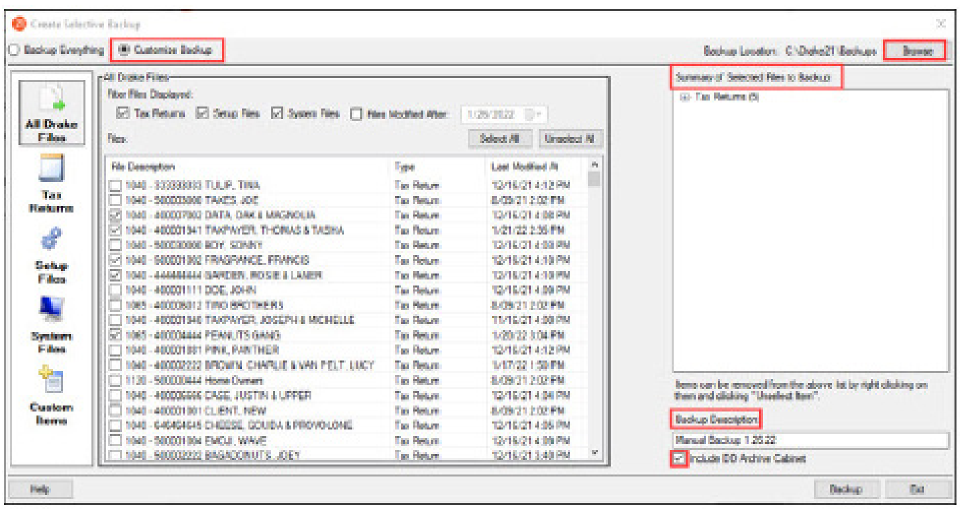
1. Mark the **Backup to local or network location** box and, if necessary, click **Browse** to select a location (such as a server or a "flash" drive) to back your files up to. To back up your files off site, click **Back up to Cloud Storage.**
2. Select **Perform full back up.**
3. (Optional) Select to include your Drake Documents Archive cabinet. (The Working Cabinet is backed up automatically with Drake Tax).
4. Click **Backup.**

Custom Backup

If you prefer to choose which files to include in the backup—including any non-Drake Tax files mark the **Backup to local or network location** check box and mark **Selective Backup**. When you click **Backup**, the program opens the **Create Selective Backup** dialog box.



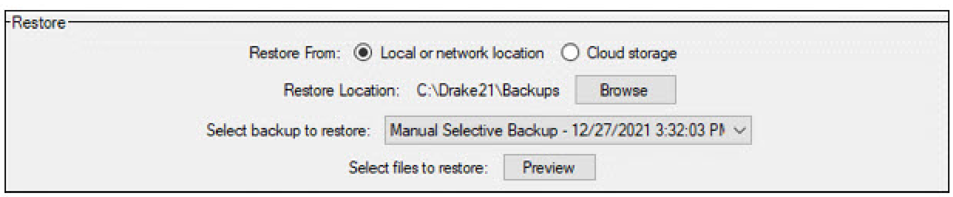
1. At the top left corner of the **Create Selective Backup** dialog box, select **Customize Backup.**
2. At the top right corner of the dialog box, click **Browse** to choose a backup location.
3. Click the icons on the left side of the dialog box and your files will be listed. (By default **All Drake Files** are listed.) The icon you click determines the filter check boxes that appear at the top of the list. Note the check marks in the **ID** column indicate the selected files that will be backed up. The selected files will be listed in the **Summary** pane on the right side of the dialog box.
4. (Optional) The **Custom Items** icon at the bottom left allows you to add non-Drake Tax files to your backup. In the **Customer Files and Folders** window, click **Add** on the **Custom Files to Include** line to include individual files, or click Add on the Customer Folders to Include line to add entire folders to the backup.
5. At the bottom right of the dialog box, enter a name for the backup in the **Backup Description** field.
6. To include Drake Documents files, mark the **Include DDM Archive Cabinet** check box. You can back up your files to a local or network location and to Drake Portals at the same time by marking both check boxes in Step 1. Next click **Backup.**



Restoring Your Data

To restore your data from another location, drive, or from Drake Portals:

1. From the menu bar of the **Home** window of Drake Tax, go to **Tools > File Maintenance > Restore,** to open the **Backup and Restore** dialog box.
2. At the bottom of the **Backup and Restore** dialog box, select the location to restore your files from—a local or network location or Drake Portals.
3. If from a local or network location, click **Browse** and find the backup you want to restore. Select the name of the backup you want to restore.
4. Click **Preview**. This opens the **Restore Items Form Backup** window, where you can choose to **Restore Everything** or choose **Custom Restore**.
5. For a custom restore, click the buttons on the left side of the window to find the files on your computer or network. The button you click determines the filter check boxes that appear at the top of the list. Select the items to be restored in the middle pane by placing a check mark in the box to the left side of the pane. (Note that selected files appear in the **Summary** pane to the right.) For non-Drake Tax files click **Custom Items** from the buttons on the left. When you're satisfied with your selections, click **Restore.**



Installing State Programs

State tax programs can be installed with the January release of Drake Tax from the Drake Support website Download Center. States can also be installed from within the software by going to the **Tools > Install State Programs** menu.

Use **Install State Programs** to install or repair state program files. This can be done by accessing the Internet, the latest CD, or any drive location that has the needed program files.

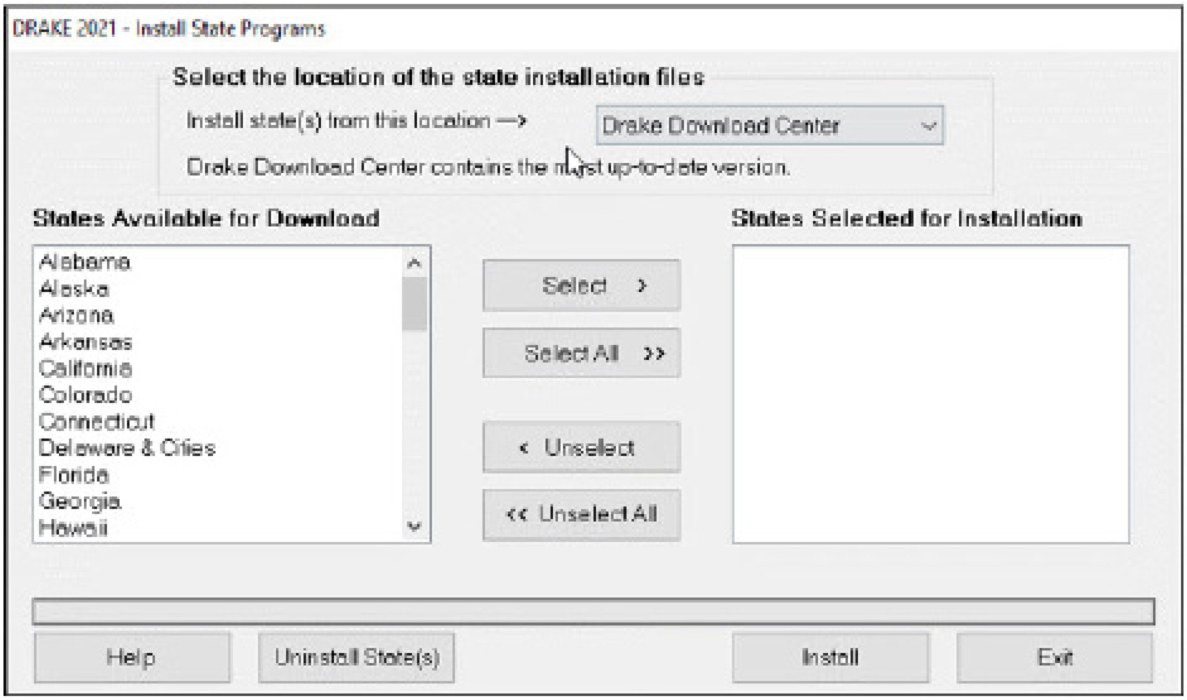
For networked offices sharing information, all users must close Drake before installing state programs.

To install state programs:

1. Go to **Tools > Install State Programs.**
2. First select to choose **Install state(s) from Drake Download Center.**

3. Select each state you want to install. Make your selection from the column on the left and click **Select** to move it over to the right. (From here you can also uninstall states). When you have all the states installed, you will receive updates for each and every state you have installed, so you might find that you only want to have the states you work with installed.

4. Once you have made your selections of the states you wish to install, click **Install.** (If you're here to uninstall states, you will make your selections from the list on the right and move them back to the list on the left. Then click **Uninstall States**).



Bio - Cathy James

Education Specialist

Drake Software

Cathy joined Drake Software in June 2021. Her background includes over 20 years of sales, practice management, and consulting experience in the dental market. In her role as Education Specialist, Cathy teaches the Drake Software Program at in person training classes and recorded webinars, video tutorials and webcasts.

Drake 101 - Program Settings & Tools

Course Fee: Free to register and view webinar. Drake customers pay $15.00 and non-Drake customers pay $19.00 for CPE - Pay only if you want to print a CPE certificate after the webinar.

Course Description: This is a basic course designed to assist Drake Tax users with the required and basic program setup and tools menu in Drake Tax. Upon completion of this course, the student will be able to:

- Successfully log in to Drake Tax with the "initial login."
- Explain how to complete the required settings.
- Demonstrate how to configure other basic setup items listed on the Setup menu.
- Discuss several features on the tools menu used in everyday practice.

How to Register: Sign in to DrakeETC.com and select **Webinars** from the menu on the left side of the web page. Select the webinar from the schedule displayed. Follow the prompts to register. Refer to the **FAQs** on the web page for detailed instructions and frequently asked questions.

CPE Facts:

Affiliation	Format	CPE/Field of Study	Course ID #	Sponsor ID #
NASBA	Internet-Based	**1** — Computer Software & Applications	N/A	103137
CTEC**	N/A	0- N/A	N/A	N/A
IRS	Online/Group	**1** — Federal Tax Law	FQTGU-T-00455-22-O	FQTGU
TX State Board of Accountancy	Internet-Based	**1** — Computer Software & Applications	100368	002921

*Individuals with othe rprofessional credentials should check with their state licensing board or accrediting organization to determine if this program meets their continuing education requirements.
**CTEC does not allow credit to be awarded for courses that cover tax software topics.

Course Level: Basic **Last Revision:** Winter 2022

Prerequisites: There are no required prerequisites other than a general knowledge of Drake Tax.

Course Policies: Drake Software will grant a full refund if a refund request is received within at least 72 hours prior to the start of the webcast. Registrants who are "no-shows" for the live webcast will not qualify for a refund. Refund requests will *not* be granted by phone and must be sent to *Education@DrakeSoftware.com*

IRS-APPROVED CONTINUING EDUCATION PROVIDER

Drake Software is an IRS qualified sponsor of continuing professional education.

Drake Software is registered with the Texas State Board of Public accountancy as a CPE sponsor. This registration does not constitute an endorsement by the Board as to the quality of our CPE program.

Drake Software is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: *www.learningmarket.org*

CTEC APPROVED EDUCATION PROVIDER

Drake Software has been approved by the California Tax Education Council to offer the 2021 Update School, CTEC #3038-CE-0255, which provides 4 hours of federal tax update credit and 0 hours of state credit, and 3038-CE-0257, which provides 1 hours of federal tax credit and 0 hours towards the annual continuing education requirement imposed by the State of California. A listing of additional requirements to register as a tax preparer may be obtained by contacting CTEC at P.O. Box 2890, Sacramento, CA 95812-2890, toll-free by phone at (877) 850-2832, or on the Internet at *www.ctec.org*