

# Honest Feedback from Real Users of Fixed Assets Software



Fixed Assets

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## Different Fixed Asset Tools for Different Purposes

*You should be able to choose the right type of depreciation for a particular asset, and reporting should make this choice easy to communicate to a client.*

By Tom Johansmeyer

Fixed asset management involves looking at the same assets for different reasons. Whether you need to depreciate an asset for tax purposes (possibly with bonus depreciation) or calculate the book value of a business, fixed asset management software must allow you to look at the same asset in a number of different ways – all of them accurate based on their contexts. The solutions we feature this year provide a broad asset tracking feature, equipping practitioners to deliver a full range of tax and accounting services to clients with varied needs. Done properly, fixed asset management keeps your focus on the client.

**The Many Faces of an Asset.** Depreciation can have different meanings; the one you want depends on context with Alternative Minimum Tax, tax return preparation or book value. TaxWorks, for example, offers 60 ways to calculate depreciation. Fixed asset software should deliver the right view of an asset's depreciation via targeted reports for each of its potential applications. The calculations help you reach the correct answer, and reporting allows you to communicate it to your client. While some solutions could improve their reporting capabilities, users seem to agree that you will find a robust engine for depreciation calculations in almost any system, with accuracy being paramount.

**Integration Makes Asset Management Work.** For fixed asset management tools to be effective, they must integrate with the other accounting tools in the enterprise, such as tax preparation. The value of depreciation information comes from the data that can be applied to specific accounting tasks. Integrated tax and accounting solutions increase accuracy and streamline client service efforts as the depreciation calculations are sent to other systems (e.g., tax prep) automatically. For data to be useful, it must be available to the other systems on which practitioners rely. The newest generation of fixed asset management tools has made a point of ensuring that asset depreciation results are universally available and useful.

**Choosy Accountants Choose Wisely.** There is no simple answer to fixed asset depreciation, so you rely on software to help navigate the complexity and find the right value for each specific occasion. Fixed asset solutions should give you the right data for the task at hand, from determining salvage value to using the straight-line method for a two-year-old asset to be included in an LLC's tax return. Ultimately, a system should hit the trifecta of context, communication and integration. You should be able to choose the right type of depreciation for a particular task, and reporting should make this choice easy to communicate to a client. The solution needs to be integrated with other tax tools, allowing you to use the depreciation data.

## Includes GAAP Rates for 1031 Exchanges

*“During the conversion to Fixed Assets, we found differences in the depreciation calculations; in most cases Fixed Assets was correct.”*

**P**roSystem *fx* Fixed Assets is a complete, flexible asset tracking, management and reporting solution with a variety of easy-to-use customization options.

### Benefits and Features (of 2007 Fixed Asset Enhancement, to be Released Q4 2007)

- GAAP LKE – Recognition of gain/loss on dispositions. An option is now available on the Book Setup tab of the Client Properties dialog to use GAAP rules in the financial book for like-kind exchanges. The financial book gain/loss will be recognized as applicable.
- Compliant for Office 12 and Vista, 64-bit, Plante & Moran, PLLC, rolled out ProSystem *fx* Fixed Assets in September 2006.

#### What Users Say

“There was a core group of four individuals who worked on the initial setup, and were also responsible for the process and procedures,” says **Julie V. Hayes, CPA**. “Once those were agreed upon, we had one or two individuals from each location learn how to complete a conversion from our old fixed asset software to ProSystem *fx* Fixed Assets. The software interfaces with ProSystem *fx* Tax and works great, especially if you have depreciation that is reported on multiple forms within the tax return.”

“During the conversion to Fixed Assets, we found differences in the depreciation calculations; in most cases Fixed Assets was correct,” says **Sherry Threat**, technology manager of Rhea & Ivy, P.L.C. in Memphis, Tenn., an independent member firm of Moore Stephens North America, Ltd. The firm made the transition two years ago, taking advantage of the interface with other ProSystem *fx* software. “We save the Fixed Asset files into our CCH engagement binders; this assures us that all the work for that audit or tax return is in one location.”

### Summary

Save valuable time and ensure a smooth set-up of all tax return information by linking asset and depreciation detail directly with ProSystem *fx* Tax and Global *fx*.

CCH, a Wolters Kluwer Business  
CCHGroup.com  
800-739-9998



## Fixed Asset Calculations Correct and Accurate

*“If you have anything specialized where there is a complex asset – any variety of situations other than sliced white bread – CMI really shines.”*

**W**hether a small startup or large enterprise, CMI Fixed Assets (formerly known as THE SYSTEM) provides the consistency required in reporting, without overtaxing employees or the bottom line.

### Benefits and Features

- Fully customizable, CMI Fixed Assets can be set up and running within a matter of minutes, even in network situations.

#### What Users Say

“Our only true accountant was a consultant – and I understood virtually nothing about depreciation,” says **Stephanie Cassamas**, director of Operations at Infinity Rail, LLC, in Atlanta, Ga., an operating lessor focused on the equipment needs of shippers and smaller railroads. “CMI Fixed Assets is now my system; I run it, completely. We were using a package that was designed to do all of our lease accounting and track revenue – a one-stop package. However, no single part of what it promised was done well. “Each railcar is assigned a number. CMI gives us the flexibility to use that number to track capital improvements and everything that happens with that equipment. At the end of the quarter, I export our entire fleet file from CMI into my leasing software and print reports. That way I can roll up the data however I want to present it.”

“If you have anything specialized where there is a complex asset – any variety of situations other than sliced white bread – CMI really shines,” says **Jim Vandeventer**, a partner with Taylor, Duffy & Associates, PC in Phoenix, Ariz. “For example, I have one client on an Indian Reservation with very favorable depreciation rules, or contractors who routinely exchange older equipment for a new model machine. The trade of one depreciable asset for another involves extremely technical rules.”

### Summary

CMI staff spends many hours looking over tax laws, and evaluating new regulations and requirements to make sure the calculations are correct and accurate.

CMI Software  
www.thesystem.com  
800-678-3658



# Wizard Reports Insure SOX Compliance

*"We track all fixed assets as if each location were a separate business with six different books of depreciation."*

Sage FAS Fixed Assets delivers powerful fixed asset depreciation calculations for financial and tax reporting, asset inventory reconciliation, and customized reporting for a wide range of businesses. Products are simple to use and easily integrate with the General Ledger and other accounting systems.

### Benefits and Features

- Sage FAS integrates with General Ledger systems eliminating redundant data entry, increasing accuracy, saving time and reducing costs.
- Sage Software offers FAS Compliance Advisor, a wizard-based module designed to help Sage FAS customers produce 16 of the most commonly requested auditing reports to assist them in demonstrating their companies' compliance with Sarbanes-Oxley security requirements.

#### What Users Say

"**Linda Mioton** is assistant controller of Afco Industries, a manufacturer with three plants. "We track all fixed assets as if each location were a separate business with six different books of depreciation. Considering the way the file structure is set up, we enter data one time and it populates to all of the other books." Mioton finds tech support is extremely knowledgeable. "I had challenges transferring assets between companies due to 9/11 related changes. I brought the data to a training seminar; after the session, the instructor helped me set it up."

"FAS concentrates on fixed assets, where other packages are built around accounting, trying to do everything for everybody," says **Christine M. Miller**, a long-time FAS 100 user. As controller at Web Service Company, Inc. in Redondo Beach, Calif., Miller appreciates the software's flexibility. "I can run property tax reports, export into Excel spreadsheets and do quick research. We really only use tech support when we are upgrading for patches or tax changes for the tax books."

### Summary

Sage FAS provides powerful, easy-to-use fixed asset management solutions to meet the needs of companies of all sizes.

Sage

[www.fixedassetsoftware.com](http://www.fixedassetsoftware.com)

858-679-8555



# Conversion Capabilities Enable Productivity

*"We don't have to create a record in TaxWise for someone who may not become a client."*

The TaxWise Fixed Asset Manager is a powerful, easy-to-use program offering complete control of a clients' fixed asset data. Designed with a clear user interface, comprehensive functionality and automatic calculations, Fixed Asset Manager provides the tools and features that small- and medium-sized practices need for efficient asset management.

### Benefits and Features

- Track federal and state depreciation for tax, AMT and book.
- Transfer asset data back and forth with the tax program.
- Automatically calculate current and next year depreciation.

#### What Users Say

"The TaxWise conversion capabilities were instrumental to my decision," reports **Bella White**, president of B&R Tax & Accounting in Rio Rancho, N.M. "I didn't want to reinvent the wheel when we had to switch from another software." In addition to creating depreciation reports, White uses the Fixed Asset Manager to evaluate past tax returns in consultations with prospective clients, citing the time saved. "We don't have to create a record in TaxWise for someone who may not become a client." She has used many tax software packages over the years and says, "TaxWise is a lot of power for the dollar."

**Stan Sherman, CPA**, of Premiere Business & Consulting Services in New Philadelphia, Ohio, looks forward to improvements slated for the latest version of Fixed Asset Manager. "This year is a significant rewrite. They are adding two-way integration with the tax preparation software. That will give tax preparers a lot of advantages for reporting for their clients."

### Summary

TaxWise Fixed Asset Manager automatically calculates current year depreciation and next year depreciation using a wide range of depreciation methods. Complex transactions, such as trade-ins, like-kind exchanges and installment sales, are handled with ease.

CCH Small Firm Services

[www.taxwise.com](http://www.taxwise.com)

800-755-9473

TaxWise

# Asset Manager Creates Property Schedules

*“I ended up choosing TaxWorks because of its price and user friendly interface, as well as the program’s abilities in asset management.”*

With TaxWorks’ integrated Asset Manager, more than 60 methods calculate depreciation. Section 179 expenses and special depreciation allowance (bonus depreciation) calculations are also present.

## Benefits and Features

- The program enables group, partial and other complex disposition transactions.
- Prior depreciation calculations are available.

### What Users Say

“The tax program I was using sold out to another company, so I took a good look at all the packages,” says **Rudy A. Shaeffer**, a CPA in Manheim, Pa., who has used TaxWorks since 2003, says he was especially concerned with handling his clients who have many assets in various general ledger accounts. “Only the major players had asset managers. I ended up choosing TaxWorks because of its price and user-friendly interface, as well as the program’s abilities in asset management.” Shaeffer reports that TaxWorks’ technical support is quite responsive, and that the company “gives a nice array of various reports for your books – if anything, it has too many options.”

“We use TaxWorks’ Fixed Asset Manager a good deal during the year to create property schedules,” says **Darrell Thaw, CPA**, of St. Simons Island, Ga. “It’s an easy program to use and does a nice job.” His small firm, Thaw & Company, serves local Mom and Pop businesses and has used Asset Manager for a decade. “The first year was a little difficult, but since then, we’ve been clicking right along. Asset Manager interfaces with some other software products, such as ArkWorks, an archival program that we are using to become a paperless office. Also, Vista and TaxWorks previously did not get along well; however, TaxWorks is now taking care of this.”

## Summary

Asset Manager handles many complex disposition transactions, including like-kind exchanges, group sales and partial dispositions.

## TaxWorks

www.taxworks.com  
800-230-2322



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physician practice infrastructure, identifying inefficiencies, and implementing workflow processes and technologies that increase business performance and address government compliance issues.

## IRS Private Debt Collectors Celebrate One Year Mark

On Sept. 17, the Tax Fairness Coalition, a group representing collection agencies collecting on a contract from the IRS, marked the one-year anniversary of the IRS private debt collection initiative. To date, the pilot program has garnered \$24 million through 77,000 cases referred to the two private collectors currently collecting on behalf of the IRS.

Congress approved the IRS request to contract with private collectors in 2004 and the initiative began as a pilot last September. The program is scheduled to expand to 10-12 collection agencies in March 2008. However, the plan faces legislative hurdles with the U.S. House of Representatives considering a bill some time this year to repeal IRS authority to enter into contracts with private collectors.

According to *insideARM.com*, Coalition Spokesperson Dan Drummond says the program’s best allies may be in the Senate rather than the House. For example, Sen. Chuck Grassley (R-Iowa), a ranking member of the Senate Finance Committee, said in a May 2007 letter to Treasury Secretary Henry Paulson that he wants to see the program expanded: “The American people have a right to expect that those who have tax due and owing pay those taxes. Otherwise, it is only the honest who shoulder their fair burden.”



**Barry Robinson**

## Clifton Gunderson Names Robinson Chief Information Officer

Barry Robinson has been named Chief Information Officer at Clifton Gunderson LLP, the nation’s 14th largest public accounting and consulting firm. He will be responsible for Clifton Gunderson’s nationwide technology infrastructure and practice management systems.

“We are extremely pleased to welcome Barry at this critical point in the growth of the firm,” said David Bailey, Chief Operating Officer. “Our integration of technology into every aspect of our services makes security, reliability and performance more important than ever. I’m confident Barry has the leadership and experience to keep Clifton Gunderson on the leading edge.”

A graduate of the University of Waterloo in Waterloo, Canada, Robinson holds a bachelor’s degree in mathematics, with an emphasis on computer science and business administration. He has participated in numerous leadership development programs, including the nine-month SIM Regional Leadership Forum.

Prior to joining Clifton Gunderson, Robinson held a number of technology management positions in the real estate, consulting and professional services industries. He was named one of InfoWorld’s Top 25 CTOs of the Year for 2005. 