

TaxInterestTM Netting

Global Interest Netting Software

THE COMPLETE SOLUTION FOR PERFORMING GLOBAL INTEREST NETTING

IRS net rate netting can save and recover substantial amounts of interest for you or your client. However, the identification of overlapping interest periods and the application of rate equalization can be an extensive process. TaxInterest Netting is the new solution to handle these calculations comprehensively and accurately.

What Is Interest Netting?

- Beginning in 1986, Congress increased the interest rate applicable to corporate tax underpayments compared to the rate payable to the same corporate taxpayer for interest on tax overpayments
- This rate differential meant that a corporation could owe interest even when it had no net tax liability because of overpayments and underpayments that existed during the same time
- In 1998, congress stepped in and enacted IRC Sec. 6621(d) to solve the net interest problem the new rates had created. This new act benefits the corporate taxpayer by allowing the elimination of the interest rate differential on underpayment and overpayment of federal taxes
- This net rate netting can apply to taxes such as income, employment, excise, etc.
- TaxInterest Netting software gives you the tool to handle overlapping interest rates and perform net rate netting

Complete Offsetting and Equalization

- Handle overlapping interest rates per IRS code and procedures
- Accurate calculations of global interest netting benefit per Section 6621(d)
- Identify overlapping periods, amounts and rates
- Compute interest rate equalization
- Identify remaining available balances for potential future netting
- Compute underpayment or overpayment interest on any remaining amounts
- Determine interest accruals on 6603 deposits
- Identify possible offsetting benefits

Intuitive Entry of Transcript Detail

- User-friendly interface accepts and organizes IRS transcript data and state tax information
- Transaction code events allow for interest suspension periods and restricted interest computations
- Flexible interface gives you unmatched capability for “what-if” netting scenarios to determine the best benefit
- GATT interest and large corporate (Hot) interest
- Netting benefit totals and detail are a click-away
- Create custom rate tables as needed for sales tax, estate tax, lookback, excise, and more
- Interest rates and methods for all calculations are built in and automatically updated each quarter

Reports Provide Unrivaled Detail for Individual and Netting Calculations

- Netting reports are widely recognized by the IRS
- Interest Summary - parallels the content of IRS 490 report
- Interest Detail - shows netting detail unavailable elsewhere
- Used Positions - for current netting calculation
- Available Positions - shows future netting possibilities
- Netted Positions
- Adjustment Summary - Detail is available in expanded format within Excel and more

TAXINTEREST NETTING IS USED BY BIG FOUR ACCOUNTING FIRMS AND LEADING PROVIDERS OF COMPLEX TAX RESOLUTION SERVICES.

Module List: Double-click to add or open modules

| Module Name/Description | Taxpayer ID | Tax Year | Form | Availability (Def/Ovp) |
|--|-------------|----------|------|------------------------|
| <input type="checkbox"/> Acme Corp -1990-1120 | 1990/112 | 1120 | | Available/Available |
| <input checked="" type="checkbox"/> Acme Corp -1991-1120 | 1991/12 | 1120 | | Available/Available |
| <input type="checkbox"/> Acme Corp -1992-1120 | 1992/112 | 1120 | | Available/Available |
| <input checked="" type="checkbox"/> Acme Corp -1993-1120 | 1993/12 | 1120 | | Available/Available |
| <input checked="" type="checkbox"/> Acme Corp -1994-1120 | 1994/12 | 1120 | | Available/Available |
| <input checked="" type="checkbox"/> Acme Corp -1995-1120 Amended | 1995/12 | 1120 | | Available/Available |
| <input checked="" type="checkbox"/> Acme Corp -1996-1120 | 1996/12 | 1120 | | Open/Open |
| <input checked="" type="checkbox"/> Acme Corp -1997-1120 Amended | 1997/12 | 1120 | | Open/Available |
| <input checked="" type="checkbox"/> Acme Corp -1998-1120 Amended | 1998/12 | 1120 | | Open/Open |
| <input type="checkbox"/> Acme Corp -1999-1120 Amended | 1999/112 | 1120 | | Open/Open |

Netting Results: Double-click for netting summary

| Tax Year | Form | Before | After | Def Interest Diff | Ovp Interest Diff | Total Difference |
|---------------|------|-----------------------|-----------------------|-----------------------|---------------------|-----------------------|
| 1991/12 | 1120 | (406.45) | (406.45) | 0.00 | 0.00 | 0.00 |
| 1993/12 | 1120 | 0.09 | 0.01 | (0.03) | (0.05) | (0.08) |
| 1994/12 | 1120 | (509.59) | (509.58) | 0.00 | 0.01 | 0.01 |
| 1995/12 | 1120 | (20.59) | (20.56) | 0.00 | 0.03 | 0.03 |
| 1996/12 | 1120 | (0.02) | (1,426,831.51) | (1,152,202.06) | (274,629.43) | (1,426,831.49) |
| 1997/12 | 1120 | 0.00 | (29,103.83) | (23,502.07) | (5,601.76) | (29,103.83) |
| 1998/12 | 1120 | (0.03) | (559,815.12) | (519,135.12) | (40,679.97) | (559,815.09) |
| 2000/12 | 1120 | (4,420,553.48) | (4,420,553.48) | 0.00 | 0.00 | 0.00 |
| Totals | | (4,421,490.07) | (6,437,240.52) | (1,694,839.28) | (320,911.17) | (2,015,750.45) |

Netting Benefit: (2,015,750.45)

Discover why tax professionals are making TaxInterest Netting software the new standard in global interest netting software. Call or complete the form below and return today for more information!

All products are backed by a one year money-back guarantee and unlimited product support for the first year.

Name: _____

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