A New Year, a New Look
Editor’s Outlook

It is hard to believe that another year has come and gone and 2008 is upon us. Let me take this opportunity to wish all of you a happy, healthy, and prosperous 2008.

In the spirit of new beginnings, I am also proud to introduce a newly redesigned Computerized Investing. Our goal was to continue providing you with unbiased reviews and analysis of Web sites and software devoted to investment analysis, tracking, and research, while doing so in an easier-to-read and more colorful format. I hope you, the reader, enjoy our new look. However, I don’t want to make any assumptions, so I am asking for your comments and constructive criticism. Feel free to E-mail your comments to ci@aaii.com.

I also want to mention that none of this would have been possible without the extraordinary work of AAII’s former graphics designer, Marika Bonaguidi. I want to thank her for all of her work and wish her all the best in her future endeavors.

Head-to-Head Tax Software Review

I have many friends in the accounting profession, and the New Year also marks the beginning of a sort of hibernation among CPAs. Long hours are spent in offices and cubicles, and sleep is rare. This is because tax season is closer than some of us would like.

One of the trends shaping tax preparation over the last several years is the ability to file your taxes on-line. For many of us, on-line filing is an excellent way to speed receipt of tax refunds, while also creating a “paper trail” that tends to be more reliable than the U.S. Postal Service.

Coupled with on-line filing are on-line and software-based tax preparation services, which walk you through the tax preparation process and allow you to file your federal and/or state tax returns on-line, all for a nominal fee.

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Cara Scatizzitakes on the two heavyweights among individual tax preparation software today—H&R Block’s TaxCut Premium and TurboTax Premier from Intuit. The article, which begins on page 1, is based on her experience preparing hypothetical tax returns for different scenarios.

Unfortunately, her work was somewhat undermined by the U.S. Congress and their last-minute compromise on the alternative minimum tax (AMT). As the bite of the AMT has been felt by more and more taxpayers each year, Congress has taken to passing yearly “patches” to minimize the AMT’s impact. However, Congress didn’t pass the 2007 patch until December 20, 2007—after the IRS had printed out the 2007 tax forms. The resulting law change forced the IRS to reprint the tax forms, delaying their release.

While Cara was not able to make full use of the programs at this time, she was able to examine the majority of features they offer to arrive at her final analysis. While it is difficult to argue with the fact that on-line filing and tax preparation software have made the process much easier for many people, for others there is no replacing their CPA. Your life situation and investment portfolio may make your tax situation too complex for these programs, which are designed for mass appeal.