

TOOLS of the TRADE

ATX Tax Programs

At the center of the family of tax offerings for individual and business tax preparers, there's



ATX™ MAX®. Within the MAX group of offerings there's MAX; MAX for Business; Total Tax Office, which includes Kleinrock's most complete tax research library, Document Manager, and Trial Balance Programs; and Total Tax & Accounting Office, which adds accounting solutions to the Total Tax package. The MAX program includes all the forms and states and has line-by-line integration with 1040 reference sources.

There's unlimited e-filing with the program, and the research package includes Kleinrock's 1040 and CCH 1040 Express Answers. While fully professional, the program is very easy to

use. You can view demos of all the packages online and request an evaluation kit. While checking the ATX demos at the site, preview the ATX Scan&Fill software with Document Manager. With these you can scan W-2s and 1099s, exporting the numbers directly into your return. Print and store PDF versions of the final return with the program's Document Manager.

www.atxinc.com

LaCie CurrenKey USB Flash Drives

Be sure to keep the archived copies of your clients' records on CDs back at the office, but when you're out on the road collecting information, take a handful of LaCie CurrenKey coin drives along with your laptop. There's a 4GB (bronze) drive and an 8GB with silver finish. The 4GB is less than \$20, and both have shock-proof, durable die-cast metal housings. They



have USB 2.0 retractable connectors that open and retract with a twist, and both are backwards-compatible with USB 1.1. The high-speed transfer rates are up to 480MBits per second, and the drives are compatible with Windows 2000, XP, and Vista, as well as Mac OS X v. 10.3.5 or higher. The coins are a little under 1.5 inches wide and about a third of an inch thick. Each drive comes with a USB extension cable. CurrenKey drives were designed for LaCie by 5.5 Designers.

www.lacie.com

TurboTax for Home and Business

The TurboTax® products include six offerings, from the Free online simple tax program to the Business program that's desktop only. Check the TurboTax Product Comparison Guide on the website for the specific

features of each version. Some of the new and improved features discussed here aren't in all versions. The interview process has been streamlined to skip questions that don't



apply so you can finish your return in less than one hour. A new Audit Support Center offers step-by-step guidance on everything you need to know in the event you are contacted by the IRS. There's a comprehensive explanation of the return that compares this year with last year, including a summary of how your numbers compare to the U.S. average. An improved Dual Refund Monitor constantly displays and updates the Federal and State Refund Monitors as the Federal is completed. Importing W-2s and 1099s from more than 100,000 companies has been improved, and you can import data from Quicken and QuickBooks. The Audit Risk Meter identifies common audit triggers and provides actionable guidance to reduce audit risk. There's a Deduction Maximizers

TECH FORUM

A Blue and White January

By Michael Castelluccio, Editor

AS THE CALENDAR NUMBERS TUMBLE and we approach the end of the first full decade of the century, it might not be a bad time to look up and see how computing is faring in the upper atmospheres.

Some say the phenomenon of cloud computing has only been with us for two or three years. Others say it's as old as the Internet itself. It depends on how you define it.

America's tech encyclopedia, Wikipedia, begins with the assumption that the "cloud" in cloud computing, metaphorically, is the Internet. Cloud computing, then, according to the editors, is "a style of computing in which IT-related capabilities are provided as a service allowing users to access technology-enabled services from the Internet ('in the cloud') without knowledge of, expertise with, or control over the technology infrastructure that supports them." This is the SaaS (Software as a Service) dimension. The wiki editors then quote an article from *IEEE Computing* to outline the architecture. "Cloud Computing is a paradigm in which information is permanently stored in servers on the Internet and cached temporarily on clients that include desktops, entertainment centers, tablet computers, notebooks, and handhelds." This is computing power offered as a utility.

If a group or company scatters data centers around the world and makes their grid available for a monthly fee, you have computing that's just like gas or electricity available from a grid. In fact, some include grid computing in their definition of cloud computing, while others say the cloud is one step above this kind of service.

One step above because the distributed computing available to Skype users or SETI volunteers searching for alien signals isn't located along a pattern of nodes in a grid structure. The centers are everywhere in the cloud, and the locations change. The service then creates "one machine"—a worldwide computer. When you plug in a radio, it draws from but doesn't become part

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Center in all but the Free and Basic versions. The Center has more than 350 deductions along with ItsDeductible®, the "blue book" for charitable donations. The Business version includes customized interview forms for S Corporations (1120S), C Corporations (1120), partnerships/LLCs (1065), and estates and trusts (1041).

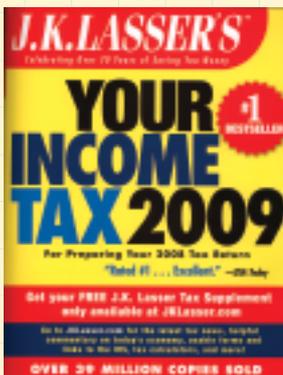
<http://turbotax.intuit.com>

Lasser's 2009

This year's oversized *J.K. Lasser's™ Your Income Tax 2009* is 816 pages, and it ranges from a review of "Tax News for 2008" in its opening pages to a very useful glossary of terms near the end of the volume. The tax guide explains and highlights the midyear changes and multiple tax bills introduced this season. What's new on 2008

returns includes a zero tax rate on capital gains and qualified dividends for taxpayers in the 10% or 15% tax bracket; a new first-time homebuyer credit of up to \$7,500 for those who purchased a home after April 9, 2008, and whose income is below set limits—the credit must be repaid to the federal government (without interest) ratably over 15 years, in most cases; and an additional standard deduction of up to \$500 (\$1,000 on joint returns) for real estate taxes of homeowners who don't itemize their deductions. Additionally, the basic IRA contribution has been increased to \$5,000, those 50 or older by year end can add another \$1,000, and surviving spouses who sell their home within two years of the other spouse's death qualify for a \$500,000 home sale exclusion for gain.

Along with the usual wealth of tax prep information, this year's guide includes six tax breaks to help those who lost their job. The Lasser support network includes the JKLasser.com website (a subscription-based Web service) and the free e-mail newsletter. The paperback guide is available for \$18.95.



of the power grid.

There are also arguments over what fits in the box that defines cloud computing, so, at this point, maybe we should just assume the definition is wobbly and move on to look at some of the examples of cloud computing.

Amazon.com is an acknowledged pioneer in cloud computing, beginning in 2002 with the offerings of its Amazon Web Services. Paid for as you would pay any other utility, the Web Services are a collection of remote computing services you access over the Internet. They include the Elastic Compute Cloud (virtual private servers), Flexible Payment Service (an interface for micropayments), Simple Storage Service, SimpleDB, and others.

Google, another leader, offers applications online for businesses and individuals hosted on their worldwide network of server farms. Google's SaaS business apps include messaging, collaboration, and security for on-premise e-mail. There are also the Google Docs programs that provide sophisticated word processing, presentation, and spreadsheet functions. These programs are free and reachable from anywhere you can connect to the cloud—your docs are out there, too, with no need to hang a clacking collection of thumb drives around your neck whenever you're away from your PC. In April 2008, Google announced the Google App Engine, which is a platform for building and hosting Web applications on Google Web Servers—in the clouds, of course. With the incredible size and reach of the Google server farms, there are no periods of downtime, neither for maintenance nor for updates. That's something you can't say about in-house networks.

Another cloud computing company with a less recognizable name, Salesforce.com, offers an "easy-to-use Web-based CRM solution for sales, service, marketing, and call center operations that streamlines customer relationship management and boosts customer satisfaction." One of the most successful cloud companies, Salesforce will celebrate its tenth anniversary this year with more than a million subscribers around the world.

Over the last three years, IBM has dedicated 200 researchers to and invested more than \$100 million in its Blue Cloud program. Blue Cloud is based on the company's Almaden Research Center cloud infrastructure. In a recent press release, the company explained its reasons for moving to the cloud: "IBM's cloud computing strategy was inspired by feedback from the business world's broadest IT customer base indicating a growing desire to utilize data, applications and services from any device and from any location based

on open standards. IBM has a four-pronged strategy to capture the cloud computing opportunity by: 1) delivering its own cloud services portfolio; 2) helping ISVs design, build, deliver and market cloud services; 3) helping clients integrate cloud services into their business; and 4) providing cloud computing environments to businesses."

At the end of October, Microsoft announced Microsoft Azure, an OS (operating system) for the cloud, and the company promised simple versions of its Word, Excel, PowerPoint, and OneNote to be made available online.

RECESSION CLOUDS

It's ironic that the scorched economic landscape hasn't darkened the skies for the computing environment above. Rather, the heat has powered rapid growth in cloud networks, both private and corporate. At a time when capital for new IT investments is difficult to obtain, cloud computing is the kind of outsourcing that can both save money and increase capacity. In an *IT World* online article, Gartner claims this kind of outsourcing will accelerate, and the analysts "predict it will also become standard for large companies to build their own highly automated private cloud networks in which all resources can be managed from a single point and assigned to applications or services as needed." The sky is opening.

In a recent IDC survey, the Massachusetts-based analysts found that, in spite of the precipitous economic downturn, companies expect their use of cloud computing to grow. In three years, the companies surveyed expected their cloud-based storage and their collaborative apps to double, with strong growth also in IT management apps, business apps, and server capacity. (See www.idc.com/research/cloud_computing/index.jsp.)

It's not that this kind of computing has sneaked up on us. In 1961, John McCarthy predicted that "computing may someday be organized as a public utility." What was needed to make the "one machine" happen was speed. Or as Google's CEO Eric Schmidt explained back in 1993, "When the network becomes as fast as the processor, the computer hollows out and spreads across the network."

Nicholas Carr has written a book on cloud computing titled *The Big Switch: Rewiring the World, from Edison to Google*. It's a great place to start to get the big picture. And you can download it immediately from Amazon. Just point your wireless Kindle to their cloud. **SF**

See our online version of this article for a cloud vendor list.

Cloud Computing Vendors

3PAR	www.3par.com	Virtualized thin storage.
3Tera	www.3tera.com	Remote grid hosting and cloud applications.
AgathonGroup	www.agathongroup.com	High-performance grid hosting and custom software.
Amazon	http://aws.amazon.com/ec2	Amazon Web Services, Elastic Compute Cloud 2.
Appistry	www.appistry.com	Provider of cloud application platforms, delivers highly scalable and reliable solutions.
Aptana	www.apтана.com/cloud	Aptana Cloud is architected to complement Cloud infrastructure providers like Amazon, Google, and Joyent.
AT&T	www.att.com	Synaptic Hosting – “managed networking, security and storage for businesses.”
Cassatt	www.cassatt.com	Internal Clouds—internal Utility Computing architecture.
Cloudworks	www.cloudworks.com	Small and midmarket—access to desktop, files, and software from anywhere with an Internet connection.
CohesiveFT	www.cohesiveft.com	“Elastic Server On-Demand—enabling customers to build and manage applications for virtualized infrastructure and cloud computing.”
Cordys	www.theprocessfactory.com	Process Factory lets anyone create MashApps business processes from the Cloud.
Desktoptwo	www.desktoptwo.com	Sun partner offering “Cloud desktop.”
Elastra	www.elastra.com	“Elastic computing that offers to design, deploy & manage database and application infrastructure in the Cloud in minutes.”
GigaSpaces	www.gigaspace.com	“Cost effective on-demand scalability for clouds and grids.”
Google	www.google.com	Google apps, including Gmail, Calendar, Talk, Docs, Sites, storage and more.
Hosting.com	www.hosting.com	Cloud Nine Hosting Solutions
Hyperic	www.hyperic.com	Monitoring and performance management for Web applications.
IBM	www.ibm.com	More than a dozen Blue Cloud Computing Centers provide cloud services and will help build private clouds for enterprises.
Joyent	www.joyent.com	“Enables teams to communicate and collaborate with e-mail, calendaring, contacts, file sharing, and other shared applications.”
Keynote Kite	http://kite.keynote.com	SaaS and KITE (Keynote Internet Testing Environment), its product for testing and analyzing the performance of Web applications across the Internet cloud.
LongJump	www.longjump.com	Platform as a Service, an on-demand platform for creating and delivering business applications
Nirvanix	www.nirvanix.com	Offers companies with more than 5TBs of data a scalable storage and delivery platform.
Salesforce	www.salesforce.com	Leader in customer relationship management (CRM) and cloud computing.
SIMtone	www.simtone.net	“Universal, end-to-end cloud-computing platform.”
SOASTA	www.soasta.com	“On-demand Web testing solution built to be resident in the Cloud.”
Sun Microsystems	www.sun.com	Office applications and Sun Grid project.
Terremark	http://theenterprisecloud.com	“‘Enterprise Cloud’ services let you control a resource pool of processing, storage and networking and allow you to deploy server capacity on demand.”
VMware	www.vmware.com	A leader and a pioneer, VMware offers a variety of cloud datacenter and desktop products.
Yahoo	www.yahoo.com	E-mail, Zimbra Open Source messaging, and PaaS (platform as a service) for writing new cloud apps.