Year-End Frequently Asked Questions

Document #:	3120	Product:	CenterPoint® Accounting

The following topic covers the most common questions the Red Wing Software support team receives during year-end.

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General Information

Q. What is the year-end procedure in CenterPoint Accounting?

A. There are no month-end or year-end procedures. You can continue entering transactions and running reports as you've been doing all year, just be sure to use the correct dates. Transactions in prior years can also be edited, deleted, etc., at any time as long as the period is not locked. Year-to-date reports are managed by the date span selected in the report selection screen.

Q: Is there a way for me to lock a year or period so that the transactions in that period(s) can no longer be edited or deleted?

A: Yes, after a period or year is complete and financial reports have been printed, the period or year can be locked. To lock a period or year, select **File > Administration > Lock Periods**. Select whether you want to **Lock Periods for All Companies** or **Lock Periods by Company** and then select the company to lock. Select the **period** to lock and click **OK**. The selected period and all prior periods will be locked. If you selected to Lock Periods by Company, repeat for all companies you wish to lock. This menu selection can also be used to unlock a locked period.

Q. How can I get the latest version of CenterPoint installed on my computer?

A. To download the latest version of CenterPoint:

- Select **Help > Online Updates > Check for CenterPoint Updates**.

  or

- Log in to the Red Wing Software website at **www.redwingsoftware.com**. From the **Welcome, (Your Name)** menu, select **My Account Home**, select the **Downloads** tab, under your product, select **Downloads,** and then select the latest **CenterPoint** update. Click the download file and follow the on-screen instructions.

Q. Do I need to back up my data at the end of the year?

A. We recommend that you back up your data at year-end; in fact you should perform regular backups throughout the year. We recommend that you perform more than one backup of your database. Develop a backup rotation system. It is a good idea to store a year-end backup each year. Select **File** > **Backup** > **Backup Database** to easily back up your databases. Refer to the Backup and Restore topic for more information.

Q. I have some customers, vendors and accounts that are no longer used. Can I remove them?

A. Customers, vendors and accounts used in a transaction cannot be deleted, but can be deactivated. Deactivating an item on a list provides a way to hide the item from the list WITHOUT altering past transactions to the item. Lists throughout CenterPoint include a filter option that can be used to show only active items. The active status allows you to manage the lists. To inactivate an item, right-click on the item in the Setup list, for example, in **Setup** > **Accounts** > **Accounts**, right-click on the account to be deactivated and select **Activate/Deactivate**. From the Available Companies list on the left side of the screen, select the companies the item should be deactivated for and then use the green arrow to move the companies to the right side of the screen. Select the **Deactivate** button to inactivate the item for all selected companies.

Q. How do I compare last year's data to this year's data?

A. There are several ways financial data can be compared, but the easiest option is to use the comparative financial statements. For Income Statements, we have a 3 Year Comparison, a 5 Year Comparison, and a Current vs Year-to-date report that can all be used for data comparison. These are accessible from **Reports** > **Reports** > **Financial Statements**. Similarly, for Balance Sheets, we have a 5 Year Comparison and a Current vs. Prior Period report available.

Q. I have some account adjustments from my accountant. How do I enter them?

A. Processes > General Journal Entries is the easiest way to record adjusting entries that involve multiple accounts. The general journal grid uses a debit/credit format. Select the account in the **Account** column. Enter the value in the **Debit** column or **Credit** column. Always enter a positive number. Entering the value in the Debit column or Credit column determines the adjustment to the account. Optional details can be entered on each line. If the detail you wish to enter is not available, right-click and select **Add/Remove Columns**. Select the **item** and click **OK** to display the column in the grid. Continue on the next line to select an **Account**. Enter the value in the **Debit** column or **Credit** column. Total debits MUST equal total credits to save the transaction. Click **Save**.



PLEASE NOTE: General Journals using accounts in the account categories of Accounts Payable, Accounts Receivable, and Payroll Liabilities will create invoice transactions in CenterPoint. Selecting an Accounts Payable, Accounts Receivable, or Payroll Liabilities account requires assigning a vendor/customer name and an offset account. These account categories store sub-ledger balances based on the vendor/customer name. We recommend entering separate general journals for an Accounts Payable, Accounts Receivable, or Payroll Liabilities account.

If your general journal adjustment includes one or more of these type accounts, omit them from the main general journal and select Retained Earnings equity account as your final account in the main general journal. Click the Difference button in the lower right to balance the main general journal. The amount posted to Retained Earnings will equal the net amount of the Accounts Payable, Accounts Receivable, and Payroll Liabilities accounts that were part of the overall general journal.

Enter a separate general journal for each Accounts Payable, Accounts Receivable, or Payroll Liabilities account. After selecting the account, you will be prompted to select the offset account. Select the same Retained Earnings equity account used in the main general journal. You will also need to select a vendor/customer name to associate to the Accounts Payable, Accounts Receivable, or Payroll Liabilities account. If the Name field does not appear in your general journal grid, right-click in the grid and select Add/Remove Columns. Select Name and click OK. Select the vendor /customer name in the grid and in the general journal "Name" field at the top of the screen. The general journals will have only one row filled in the grid but will post a balanced transaction between the selected account and Retained Earnings. The invoices created can be cleared using the normal process of paying payables or receiving receivables.

Q. I want my Retained Earnings account to represent my net profit for the current year only. How do I begin with zero in the Retained Earnings account in January?

A. A journal entry can be done to move the balance as of December 2023 to a different owner equity account. You will want to enter the journal entry after you have completed ALL transactions in 2023. The journal entry can be entered after entering transactions for 2024. To find the balance of the **Retained Earnings** account, select **Setup > Accounts > Accounts > Balances** tab. Select the **Company**. Expand **Equity**. Select the period **December 2023**.

Note the balance for Retained Earnings. Select **Processes > General Journal Entries**. Select **January 1, 2024,** in the **Date** field. The journal entry grid uses a Debit / Credit format. Select the **Retained Earnings** account in the **Account** column. Enter the value in the **Debit** column if Retained Earnings is a positive value in December 2023. Enter the value in the **Credit** column if Retained Earnings is a negative value in December 2023. Always enter the value as a positive number. Continue on the next

line to select the **Owner Equity** account that stores the prior profit/loss for this company. Enter the value in the opposite column used for R**etained Earnings**. Total debits MUST equal total credits to save the transaction. Click the **Save** button to save the transaction. When you begin posting transactions in January 2024, Retained Earnings will represent the net profit/loss for 2024.

Q. How can I see a list of my depreciable asset balances that are summarized on the Balance Sheet?

A. Select **Reports > Reports > Financial Statements > Account Balances > Fixed Asset Balances**. The Fixed Asset Balances report includes asset details and the values of each item.

Q. What if I don't remember if I recorded depreciation and accrued interest every month during the year?

A. The transaction screens for depreciation, accrued interest, distributions, and current portion of long-term debt show a list of transactions that can be reviewed. Select **Processes** > **Periodic** > and then select **Depreciation Transactions**, **Accrued Interest Transactions**, **Apply Distributions**, or **Adjust Current Portion Long Term Debt** to review the transactions.

1099 Information

Q: Are there any important changes to the 1099 process for 2023?

A: Yes, there are two noteworthy changes to the 1099 process for 2023:

1. On February 21, 2023, the IRS and the Department of the Treasury changed the Federal eFile threshold for 2023 from 250 to 10. Click here for more information. For specific 1099 series information, click here.
2. **All** of your 1099 copies will be printed on plain paper, including the Copy A (often called the "red copy") and your 1096. CenterPoint/Aatrix received IRS approval to print all copies of the 1099 on plain paper. Click here to view the 1099 Approval Letter.

   Perforated paper and envelopes can be purchased from Computer Forms, Inc. at https://redwing.computerforms.biz/c/tax_forms, by calling 800-458-0158, or by clicking the **Order Checks and Forms** icon on the Red Wing Software website. All orders are 25% off until December 31, 2023 (use promotion code RWCFITD when ordering).

Q: Why are my Recipient Last Name, Recipient First Name, and Recipient Middle Name columns blank on my 1099 grid in Aatrix for names (individuals) entered in CenterPoint with a SSN or ITIN?

A: The 1099 export to Aatrix tax forms for individuals was updated to export as First, Middle, Last instead of Full Name with CenterPoint version 18.8. This is due to Internal Revenue Service 1099 filing specification changes for filing year 2023. Please download and install the version 18.8 update before processing and filing your 2023 1099 tax forms to automatically fill in the required Recipient Last Name, First Name, and Middle Name in the Aatrix grid. Note: The final version of the 2023 1099 forms will be in the Aatrix 4th quarter update, which typically is available in the December 20th time frame.

Q. Where do I enter the employer identification number (EIN) that is required when running Federal tax forms?

A. Select **Setup** > **Companies**. Edit each company and go to the **Additional Detail** tab to verify/enter the **Federal Tax Id**.

Q. I do not see the 1099 form I need on my User-Defined Reports list. **How can I display the correct 1099 form in the list?**

A. All 1099 tax form types that you are required to print need to be added to the list. Select **Setup** > **User-defined/Tax Reports**. Click the **Tax Reports** button. Select a **1099 form** and click **OK**. The form is added to the list. Select the form and click the **Detail** tab. Click the **Account Assignment** tab to review accounts/account categories assigned to the 1099 form. After all accounts/account categories are assigned to the 1099 form, click **Save**.

Q. My 1099 statement is missing a vendor, how can I be sure the vendor receives a 1099?

A. There are three factors to check.

1. The vendor that requires a 1099 must have the **Issue 1099 for this Vendor** check box selected in **Setup > Vendors**. Select the vendor and click **Edit**. Select the **Issue 1099 for this Vendor** check box.
2. In order for the payment to be included on the 1099, the account used to pay the vendor must be assigned to the 1099 User-Defined report. Select **Setup** > **User-defined/Tax Reports**. Select the **1099** form. Select the **Account**

Assignment tab. On the left side, select the appropriate **1099** row. On the right side of the screen, right-click and select **Expand All**. Select the **account** or **account category**. Click **Assign**. Click **Save**.

3. The total amount paid to the vendor must exceed the minimum amount for the 1099.

Q: My 1099 statement is missing a payment for a vendor, how can I correct the 1099?

A: To verify what account the payment for a vendor was entered to and verify that the vendor is marked as a 1099 vendor:

1. Select **Reporting Tools** > **Transaction Search**.
2. In the **Transaction Name** box, select the **vendor** and in the **Date Selection** select the appropriate date range.
3. Click **Search**.
4. Right-click the **payment/purchase** in question and select Edit to view the transaction. Right-click on the vendor and then click **Edit**. Verify that the **Issue 1099 for this Vendor** check box is selected and then click **Save**. Take note of the Account(s) entered on the transaction and then click **Close**.
5. In order for the vendor to receive a 1099, the total amount paid to the vendor must exceed the minimum amount for the 1099 and the account used to pay the vendor in step 4 must be assigned to the 1099 User-Defined report. Select **Setup** > **User-defined/Tax Reports**. Select the **1099** form. Select the **Account Assignment** tab. On the left side, select the appropriate **1099** row. On the right side of the screen, right-click and select **Expand All**. Select the **account** or **account category**. Click **Assign**. Click **Save**.

Q: Which report can I use to verify accounts used to pay 1099 vendors?

A: Select **Reports** > **Reports** > **Transaction Reports** > **Purchases & Accounts Payable** > **Purchases by Vendor & Account**. Under Report Selections, select the appropriate **Transaction Date**. Click the down-arrow in the **Vendor** box, click the down-arrow in the **Click Here to Filter List** box, select **1099 Vendor**, and then click **OK**. Click **Preview** or **Print**.

Q: Which report can I use to verify the accounts assigned to the rows of the 1099?

A: Select **Reports** > **Reports** > **Setup Lists** > **General** > **User Defined Report Account Assignments**. Click the down-arrow in the **Report** box, move the **1099** user-defned report under Selected, and then click **OK**. Click **Preview** or **Print**.

Q. When is the 2023 filing deadline for 1099 forms?

A. The Internal Revenue Service filing deadline for 1099 forms can be located by using the Search feature on the Internal Revenue Service website at www.irs.gov. In the Search box on the IRS website, enter the specific form name, for example, 1099-MISC, 1099-NEC, etc., to locate the specific form instructions and deadlines.

Q: I've decided to eFile my 1099 forms and want more information about signing up to eFile and the eFile process, where can I get more information about eFiling?

A: You can obtain additional information about eFiling at https://partner.aatrix.com/redwingsoftware.

Q. What are the 2023 eFiling deadlines for 1099 Forms?

A. Efiling deadlines can be located from this link: https://efile.aatrix.com/pages/public/FilingDeadlinesPublic.aspx?v=ATX000

Q: I want to send my vendors' 1099 forms electronically to be viewed online with Aatrix. How do I set up my vendors to receive electronic copies?

A: Select **Setup** > **Vendors** > **General** tab, select the **Consent To Electronic 1099** check box, and then enter the vendor's **Email**. If this box is selected, a signed consent form must be on file. Additional charges apply for eFiling with Aatrix.

Q. Do I need to order 1099 forms, or can I print them on plain paper?

A. All of your 1099 copies will be printed on plain paper, including the Copy A (often called the "red copy") and your 1096. CenterPoint/Aatrix received IRS approval to print all copies of the 1099 on plain paper. Click here to view the 1099 Approval Letter.

Perforated paper and envelopes can be purchased from Computer Forms, Inc. at https://redwing.computerforms.biz/c/tax_forms, by calling 800-458-0158, or by clicking the **Order Checks and Forms** icon on the Red Wing Software website. All orders are 25% off until December 31, 2023 (use promotion code RWCFITD when ordering).

Note: If you choose to use the Complete 1099 eFiling Service through Aatrix, you do not need to print any 1099 forms.

Q. How do I print the 1099 forms?

A. Step-by-step instructions (documents and videos) are available in the Help on the website. Within CenterPoint, select **Help** > **CenterPoint Help**. Within the Help from the **Search** bar, enter **1099**, click  to view all topics. There are three steps to printing the tax forms:

1. Transferring Information from CenterPoint to Federal/State Tax Forms (Select **Reports** > **Reports** > **User-defined/Tax Reports** > select the appropriate **1099 Form**, verify all **Report Selections** on the right side of the screen, for example, Transaction Date, Company, etc., click **Print**, and then click **Print Tax Forms**.)
2. Review the transferred information using the Federal/State Tax Forms viewer and make any needed changes.
3. Print or eFile the forms.

Note: If you choose to eFile with Aatrix, you do not need to print any 1099 forms.

Q. Why does my 1099-MISC form display amounts in the wrong boxes?

A. Process your 1099-MISC again and verify that the **1099-MISC** form is selected, not the 1099-MISC (OLD) form.

Processing Federal/State Tax Forms

Q. I'm trying to process my Federal forms (W-2, 1099, etc.), but I keep getting the message "Would you like to register now, or evaluate?"

A. You will need to manually register your Federal/State Tax Forms (Aatrix) software.

1. Call Red Wing Software at 1-800-732-9464 and request an Aatrix Registration code.
2. Open **CenterPoint**
3. Select **Help > Product Registration > Federal/State Tax Forms Registration**.
4. In the **Aatrix Registration Key** box, enter the key you were given by Red Wing Software (do not enter the dashes).
5. Click **Submit**.
6. At the **Registration Successful** message, click **OK**.
7. Click **Close**.
8. Your Aatrix software is registered through the last day of the month of your Customer Care Plan anniversary date.

Q. Why am I getting a "forms update" message, and what do I need to do?

A. At least once a quarter, Aatrix updates the tax forms for the new quarter. You can either follow the prompts to do the mandatory update though the program, or you can log in to the Red Wing Software website at www.redwingsoftware.com, from the **Welcome (Your Name)** menu, select **My Account Home**, select the **Downloads** tab, under **CenterPoint Accounting**, select **Downloads**, download and install the **Federal/State Tax Forms (Aatrix)** update. If you don't have an internet connection, you can call the Red Wing Software Sales department at 800-732-9464, and we'll send the updates to you on a flash drive once a quarter for a minimal annual fee.

Q. How can I ensure I have a copy of my Federal & State tax forms to review for historical purposes or when moving to a different computer?

A: The Aatrix History File contains your historical Federal/State Tax Forms and it is necessary to back this file up on a regular basis so that if you purchase a new computer the history can easily be transferred to the new computer by restoring the backup. Red Wing Software suggests backing up your Aatrix History File on a quarterly basis.

If you are integrated with CenterPoint Payroll, please follow the instructions for backing up the Aatrix History File in the Other Information section of the Year-End Frequently Asked Questions topic.

If you are not integrated with CenterPoint Payroll, please follow the instructions below:

1. Select **File** > **Preferences** > **Reports** > Federal/State Tax Forms. Select the **Application** tab.
2. Next to the **Non-Default File Location** box, click the **elipsis button (...)**.
3. The Aatrix History File folder will have one or more sub-folders, each sub-folder contains files for a specific EIN number.Right-click on an **EIN number** you want to back up and select **Copy**.

4. Locate the destination the copy of the EIN Number should be backed up to (flash drive, USB drive, etc.), right-click and select **Paste** and wait for the copy to complete.

Other Information

Q: How can I get the Year-End Frequently Asked Questions document for another Red Wing Software program?

A. If you have Red Wing Software products that are not covered by this document, you may be able to find a document for your specific product by looking at our website. Log in to www.redwingsoftware.com. From the My Member Account page displayed, select **End of Year**. Under your product, select the appropriate end-of-year document.

Q. What hours of the day will I be able to contact Red Wing Software support?

A. We will be open our normal hours of operation, 8 am to 5 pm CST, Monday through Friday. Red Wing Software will be closed Monday, December 25, 2023, and Monday, January 1, 2024.

Red Wing Software Website

Q. I'm attempting to log in to the Red Wing Software website, but it does not recognize my Email and/or Password. What should I do?

A. Follow the instructions below for information about the Red Wing Software website.

To log in to the Red Wing Software website:

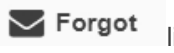
1. In your web browser, enter **www.redwingsoftware.com**, and press Enter.
2. In the upper-right of the Red Wing Software home page, click **Log in**.
3. Enter your **Email Address** and your **Password**.
4. Click **Log in**.

To register on the Red Wing Software website:

If you have not previously registered or logged in on the Red Wing Software website, please follow the steps below:

1. In your web browser, enter **www.redwingsoftware.com**, and press Enter.
2. In the upper-right of the Red Wing Software home page, click **Log in**.
3. Click **Register**.
4. In the **Account Number** box, enter your company **Account Number**. Your Account Number can be located in a few different places:
    a. From within CenterPoint by selecting **Help** > **About**.
    b. On the Support Certificate that you receive upon renewing Customer Care Membership.
    c. Red Wing Software sends customers a renewal form for Customer Care Membership. This renewal form contains your account number.
    d. Invoices you've received from Red Wing Software contain your account number.
    e. If others at your company have already registered, they can sign into their account and find your company's account number at www.redwingsoftware.com/home/myaccount.
5. Continue entering your **Title**, **First and Last Name**, **Email Address** (which is your login) and a **Password**.
6. Enter the displayed **Security Verification** code, and then click **Submit**.

To retrieve a forgotten password:

1. In your web browser, enter **www.redwingsoftware.com**, and press Enter.
2. In the upper-right of the Red Wing Software home page, click **Log in**.
3. Click the 

link.
4. Enter/verify your **Email Address**, click **Send**, and then click **Close**.
5. Wait until you receive an email that includes instructions to reset your password.
6. Click the link in the email that you received from Red Wing Software.
7. Enter the **Validation Code** which was included in the email. If you enter the code and it is not recognized, copy and paste the code from the email. The Validation Code expires in 24 hours.
8. Enter a **New Password** and then **Re-enter the New Password**.

9. Click **Submit**.
10. Click **OK**.

To log out of the Red Wing Software website:

1. At the top of the Red Wing Software home page, click **Welcome, (Your Name)**.
2. In the displayed menu, select **Log out**.

This documentation is for informational purposes only. For specific accounting guidance, please contact your accountant.