

Tax research, then put the answer to work

October 2026

instead.com

Q Search

 X

PRIMARY LAW ^ - Internal Revenue Code REGULATIONS ^ - Treasury Regulations COURTS ^ - Federal Court Opinions - Tax Court Opinions - Tax Court Rules of Practice - Tax Court Orders STATE COURTS ^ - Alabama - Alaska - Arizona - Arkansas - California - Connecticut - Delaware - District of Columbia - Florida - Georgia - Hawaii - Idaho - Illinois - Iowa - Kansas - Kentucky - Louisiana - Maine - Maryland	Open a source to begin Choose a collection from the panel on the left, or return to a source you were recently reviewing Recently opened Clear Kwong v. Commissioner 65 T.C. 959 IRC § 1014 Internal Revenue Code · Basis of property acquired from a decedent "Miss Elizabeth" D. Leckie Scholarship Fund v. Commissioner 87 T.C. No. 16
	 Sources you can trust 156,948 documents across 124 source types Ask instead for clarification Highlight anything and chat with the source Bookmark them for later Save any source and pick up right where you left off

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CONTENTS

01	Why tax research in Instead is better	3
02	Five questions to ask any research tool	4
03	What research tools are out there	5
04	Sources and work, tool by tool	6
05	What is Instead Sources	7
06	How it works within the product	8
07	From research to revenue	15
08	The full library	16
09	Sources for this paper	18

INTRODUCTION

Every tax question comes from a client, and the answer has to go back to that client’s plan, estimate or return.

Most research tools stop at the answer, and someone carries it by hand into the work. This paper sets out what to ask of any research tool, looks at the tools on the market, and then shows how research works inside Instead, from the library to the client’s plan.

For	Firm owners, tax partners and the reviewers who sign off on the work
Covers	Research tools compared, Instead Sources, and turning research into billable work

Why tax research in Instead is better

Research only matters once it reaches the client’s work.

A tax question comes from a client’s plan, an estimate or a return, and the answer has to go back there.

Most research tools stop at the answer. A research library gives you the authority and leaves the reading to you. An AI research tool writes a fast, cited answer, and then someone carries it by hand into the tax plan, the estimate or the return, in another product.

Instead puts research inside the tax engine. The agent searches a curated library you can see in full, cites every answer, and works in the same workspace as the client’s documents, plans and returns. So an answer becomes actionable work, such as a tax plan, an estimate, or a change worked through the return.

THREE REASONS

Into the work	The answer goes into the client’s tax plan, estimate or return, so nothing is retyped
Across clients	Ask which of your clients a case or rule touches, and get the answer client by client
In plain sight	156,948 documents across 124 source types, listed in Source Explorer

Each of these comes from the same design choice. Research sits next to the client, in the product where the work is done, so the reviewer sees the research and the work together.

Every agent answer shown in this paper is a draft for professional review.

Five questions to ask any research tool

Start with the work, then the sources.

Does the answer reach the work?

Can you take it straight into the client's tax plan, an estimate or the return, without carrying it into another product?

Can I research across many clients?

Can one question run across your client base at once, so you see which clients a case or a rule touches?

Can you see the library?

Is the full list of sources visible before you rely on an answer?

Can you open the source?

Can you read the authority behind the answer, and ask about a passage in it?

Do you control the web?

Can you keep answers to the authoritative library, and add the open web only when you want it?

Test any tool on your own hardest question and on a normal one.

The answer goes into the client's work,
not into another product.

What research tools are out there

General AI models, legacy research libraries and newer AI research tools.

General AI models

ChatGPT, Claude, Gemini and similar assistants write well and can search the web. They are not built on a curated tax library you can browse, and they do not know your clients or their returns.

Legacy research libraries

CCH AnswerConnect (Wolters Kluwer), Checkpoint (Thomson Reuters) and Bloomberg Tax hold deep editorial content, but they are libraries you search and read yourself. They have no AI research agent of their own (Thomson Reuters sells its AI, CoCounsel, as a separate product), and the library is usually a separate cost from your tax software.

Newer AI research tools

Blue J, CoCounsel Tax, Marble and TaxGPT answer with citations, and some draft memos. Blue J, CoCounsel Tax and TaxGPT cannot turn the research into deliverable tax work on the return, so the answer never ends up there. You need separate tools to prepare and file, and research is a separate cost outside your tax prep and filing product. Marble also advertises preparing returns for review, sold as its own subscription.

Where Instead is different

Research lives in the tax engine, next to the client's documents, plan and return, and cited tax research is included. One question can be researched across many clients. The library is listed in full in Source Explorer. Web search is a switch you control.

Research, the return and the client in one product, with the library in plain sight.

Sources and work, tool by tool

	Where answers come from	Full source list visible	Web search on or off	Research into the return	Research across many clients	Research cost
Blue J	Curated library with Tax Notes and IBFD content	By category only	Not advertised	No, research and writing only	No, one client file at a time	Separate subscription
CoCounsel Tax	Checkpoint content from Thomson Reuters	Not published	Not advertised	No, prep is a separate product	Not advertised	Separate product
Marble	Its own Tax Library	Yes, a public Tax Library	Not advertised	Prepares returns for review	Not advertised	Separate subscription
TaxGPT	Cited research with client and memo tools	Not published	Not advertised	No, works inside your existing tax software	Not advertised	Separate subscription
General AI models	General training and the web	No	Yes	No	No	Separate subscription
Instead	156,948 documents, 124 source types	Yes, in Source Explorer	Yes, a switch in the chat	Yes, same workspace as the return	Yes, one question across your clients	Included

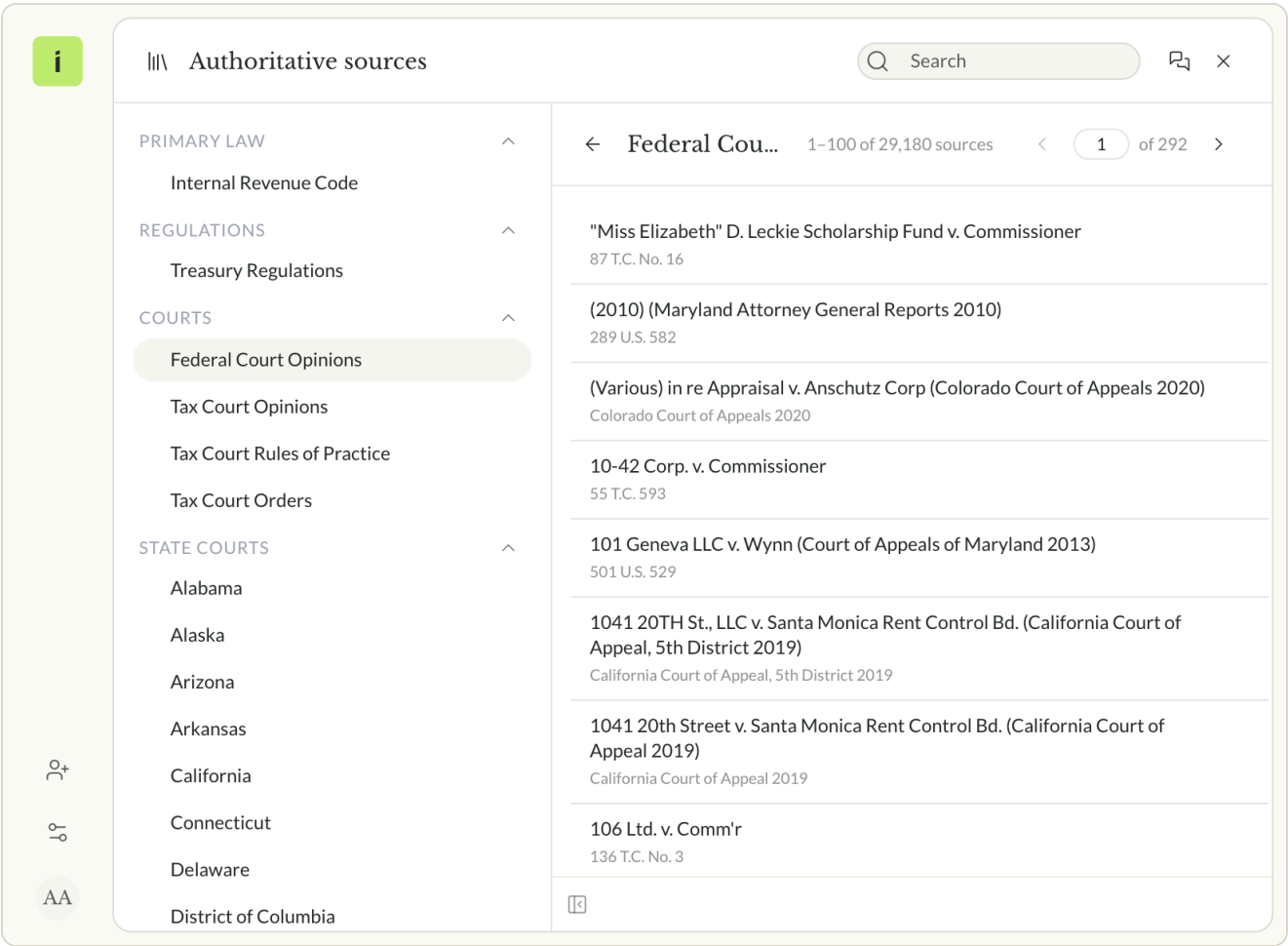
What is Instead Sources

156,948 documents across 124 source types, listed in Source Explorer.

The agent searches a curated library first, and Source Explorer lists it in full. It holds the Internal Revenue Code and Treasury Regulations, federal court opinions, Tax Court opinions, the Tax Court Rules of Practice, Tax Court orders, state court decisions, IRS guidance, legislative and treaty materials, and state and city administrative rules.

Pick up the sources you opened recently, search by citation, and bookmark the ones you rely on. The full list is at the end of this paper. New sources are added every day.

Figure 1 The library, listed in Source Explorer. Browse it like a library, by collection, here the federal court opinions, or search it by citation.



How it works within the product

Ask in the client's thread, check the source, put the answer to work.

Here are four example questions from four areas of tax, asked in Instead.

Example 1, estates and basis. "What basis does an heir take in property inherited from a decedent under IRC § 1014?"

Asked in a client's thread, the agent answers that the heir generally takes the property's fair market value on the date of death, stepped up or down. It then covers the alternate valuation date under § 2032, special-use value under § 2032A, income in respect of a decedent under § 691 (no step-up), appreciated gifts to the decedent within one year of death, and the § 1014(f) consistent basis rule.

Figure 2 Example 1, estates and basis. Asked in a client's thread.

The screenshot displays the 'Instead' interface for a client named Caleb R. Lindqvist. On the left, a sidebar shows 'TAX DOCS' with a 'Document grid' containing files like '2026', 'Fixed assets', 'Lindqvist - Current State Snapshot.md', and 'Lindqvist - Tax Strategies Table.xlsx'. Below this, 'CLIENT THREADS' lists various topics, with 'Heir's Basis in Inherited Property' highlighted. The main area shows a thread titled 'What basis does an heir take in property inherited from a decedent under IRC § 1014?'. The response includes a reasoning section and two numbered points: '1. The general rule' and '2. Alternatives to date-of-death value'. The first point details the 'Fair market value at date of death' and 'Step up or step down'. The second point covers 'Alternate valuation date (§ 2032)' and 'Special-use valuation (§ 2032A)'. At the bottom, a 'Tax Plan Review' section is partially visible, showing a progress indicator '3 of 4 done'.

What basis does an heir take in property inherited from a decedent under IRC § 1014?

I'll research the authoritative sources on this.

Reasoning ▾

Under IRC § 1014, an heir generally takes a basis in inherited property equal to its fair market value on the decedent's date of death. This is the familiar "stepped-up" (or stepped-down) basis rule.

1. The general rule

Fair market value at date of death

The basis of property acquired from a decedent is its fair market value at the date of the decedent's death, if the property is not sold, exchanged, or otherwise disposed of before death by the person who acquired it. The purpose of § 1014 is to give inherited property a basis equal to the value placed on it for federal estate tax purposes. 1 2

Step up or step down

Because the basis resets to date-of-death value regardless of the decedent's original cost, this eliminates (or creates) gain that accrued during the decedent's life. Appreciated property gets a step up; depreciated property steps down. Any pre-death appreciation escapes income tax in the heir's hands.

2. Alternatives to date-of-death value

Alternate valuation date (§ 2032)

If the executor elects the alternate valuation date under § 2032, basis is the property's value at that applicable valuation date (generally six months after death) rather than the date of death. 1

Special-use valuation (§ 2032A)

☐ Tax Plan Review 3 of 4 done ▾

☒ Caleb R. Lindqvist 1040

Ask a follow up...

How it works within the product

Example 2, penalties on a joint return. “What did the Tax Court hold in *Kwong v. Commissioner* about the fraud penalty on a joint return, and does it still apply?”

The agent answers that *Kwong*, 65 T.C. 959 (1976), held that the spouse who committed the fraud is liable for the fraud penalty on the entire joint deficiency, while the innocent spouse owes no fraud penalty. The rule still applies, now under § 6663 at 75 percent rather than § 6653(b) at 50 percent.

Example 3, exempt organizations. What does 87 T.C. No. 16 hold?

Search Source Explorer by citation, “87 T.C. No. 16”, and it opens “Miss Elizabeth” D. Leckie Scholarship Fund v. Commissioner. The opinion concerns a private foundation’s status as an operating foundation under section 4942(j)(3).

Example 4, investment income. “Is Caleb’s K-1 income from the restaurant partnership, where he is a 4% limited partner, subject to the 3.8% net investment income tax for 2025?”

Asked in the client’s thread, the agent answers yes in almost every realistic case. A limited partner is presumed not to materially participate, only three of the seven participation tests are open to a limited partner, and the tax applies to the extent his modified adjusted gross income passes the \$200,000 threshold for a single filer. The answer names the one way out. An interest that carries management rights may not be a limited partner interest for section 469.

How it works within the product

Open the source, ask the source

Each answer sits beside its sources. Hover a citation to see the passage the answer relies on, and click it to open the source. Highlight any line and ask about it, and the agent answers from that source. A reviewer can read what the agent read before anything goes in the file.

Figure 3 Open the source, ask the source. Highlight any line and ask about it.

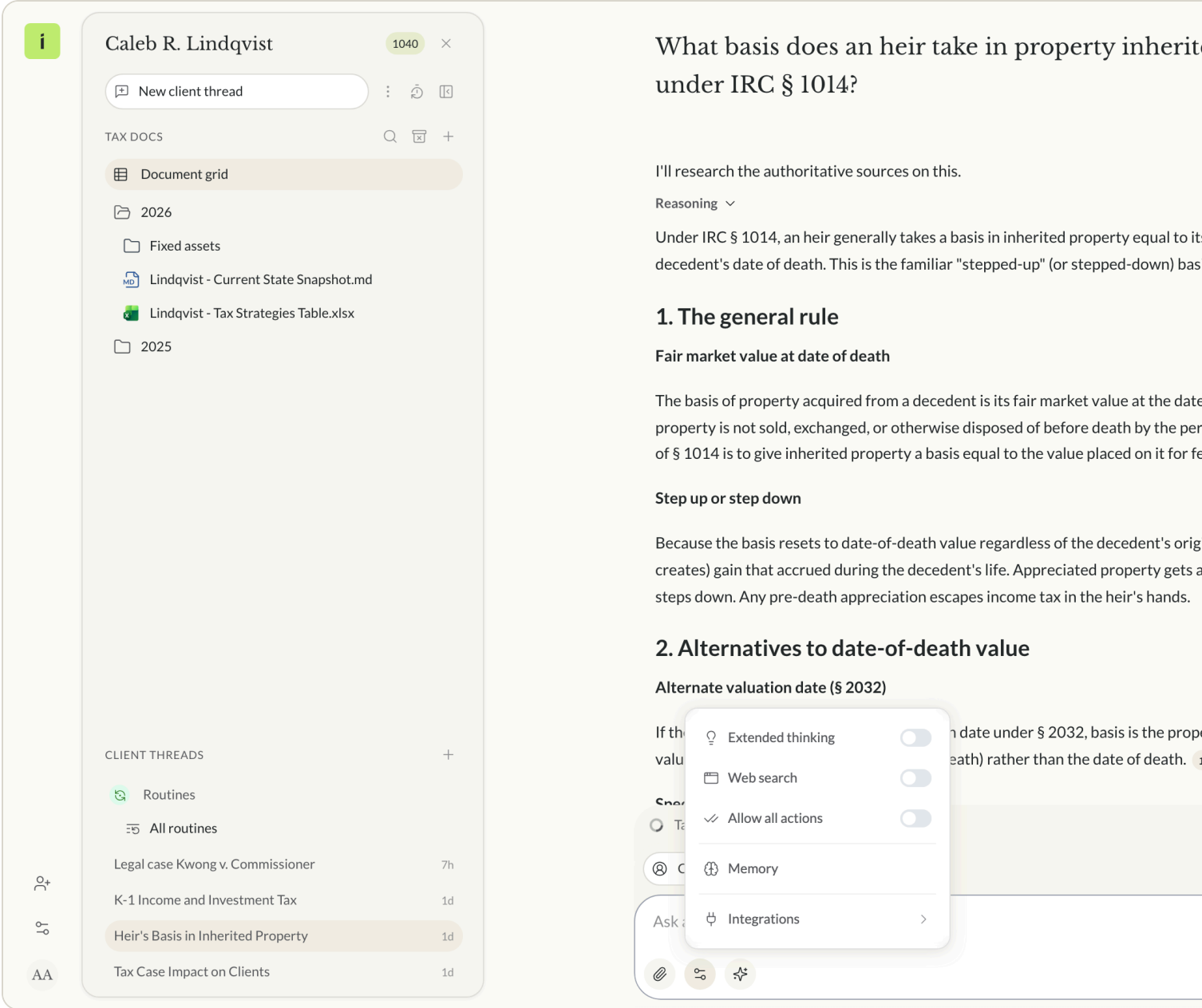
The screenshot displays the Courtlistener web application. On the left is a sidebar with a green 'i' icon, a close button, a document icon, and a search icon. The main content area shows the title 'Kwong v. Commissioner' with a 'Court Opinion' tag. Below the title, it lists '65 T.C. 959 (February 11, 1976)', 'Docket No.: 2947-75', and 'Judge: Drennen'. The 'SUMMARY' section contains two paragraphs. The first paragraph describes the case facts. The second paragraph contains a highlighted sentence: 'the husband was liable for the entire fraud addition.' A tooltip with 'Ask Instead' and a document icon is visible over this sentence. Below the summary is the 'ATTORNEYS' section, listing 'For petitioners: Henry W. Howard' and 'For respondent: John Gigounas'. The 'OPINION' section shows 'Drennen, Judge:'. At the bottom, the 'courtlistener.com' logo is on the left, and 'Related sources (3)' is on the right.

How it works within the product

The web on your terms

Sometimes you want the latest news on a case or a state notice. Sometimes you want the answer to stay inside primary authority. Web search is a switch in the chat settings. Leave it off and the agent works from the authoritative library. Turn it on when you want the open web too.

Figure 4 The web on your terms. Web search is a switch in the chat settings.

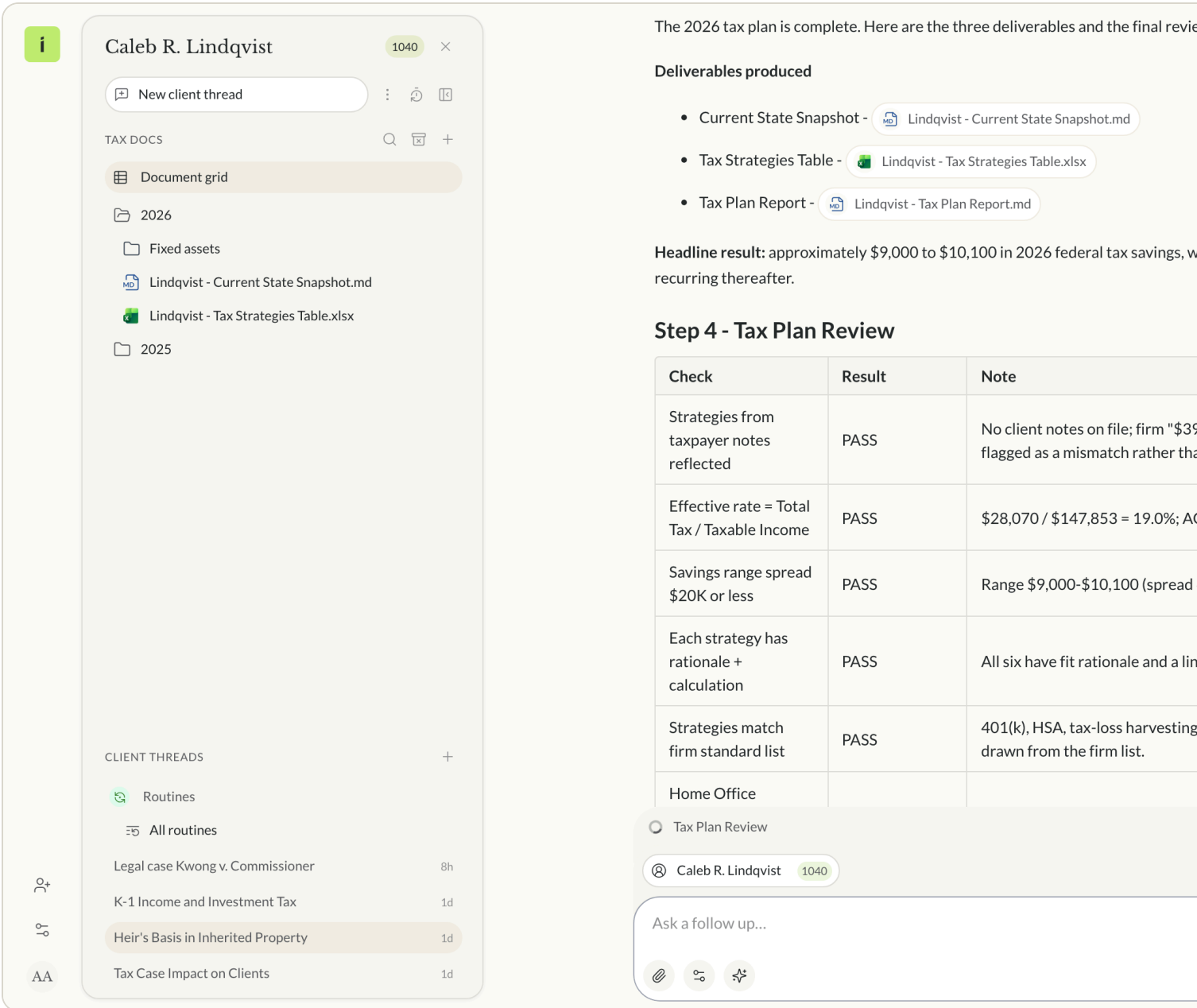


How it works within the product

Into the client’s tax plan

Ask the § 1014 question in the client’s own thread, then start the client’s tax plan from there. The workflow carries the § 1014 analysis into the plan and saves its files to the client’s documents, asking before it edits a file. The reviewer sees the research and the work together.

Figure 5 Into the client’s tax plan. The workflow carries the § 1014 analysis into the plan, asking before it edits a file.



How it works within the product

Research across many clients

Asked which of four client households Kwong v. Commissioner touches, the agent first sets out what the case turns on: a joint return, a community property state, a fraud penalty, and fraud attributable to one spouse only. Then it opens each couple’s file to check those facts.

Figure 6 Research across many clients. Asked which of four clients Kwong v. Commissioner touches.

instead

Workflows

& d

X

All clients

Achterlund, Priya & Desmond

1040

Oberhollen, Ingrid & Matthias

1040

Vasquelle, Rosalind & Teodor

1040

Wendmark, Bastian & Clio

1040

+ Add new client

THREADS

Routines

All routines

Weekly Lost Client AR Review4w

Tax Case Kwong v. Commissioner4h

Legal Case Impact Analysis4h

Tax Case Kwong v. Commissioner4h

Checking and Updating Allowed Doma...6h

Rainwater CPA

AA AA JH +2

A case came up: Kwong v. Commissioner, 65 T.C. 959. W does it touch: the Oberhollens, the Achterlunds, the Vaso Wendmarks? Check their files.

I'll first understand what Kwong v. Commissioner addresses, then check each client's

Reasoning

I have the case and all four clients identified. Kwong v. Commissioner centers on a spe check each family's files for the relevant facts rather than assume. Let me understand then look at each client.

Kwong v. Commissioner, 65 T.C. 959 (1976) addresses: joint filers in a community pro there was a fraudulent underpayment attributable to one spouse alone, the innocent fraud penalty under §6653(b) as to her own liability, but the fraud-committing spouse addition on the entire deficiency for which they are jointly and severally liable. The re return, community property state, fraud/fraud penalty by one spouse, and innocent-s

Let me check each couple's files for these markers.

Reasoning

Each family has exactly one real document: a 2025 Client Organizer Summary. Let me Kwong markers (joint return, community property state, fraud/one-spouse underpay

Reasoning

Direct reads need workspace context. Let me use workspace-scoped paths via the fir

Reasoning

Direct firm-level reads only return summaries and these aren't resolving by path. Let summaries, which is the right firm-level approach for reading client documents.

Reasoning

The system reminder is right to flag this. Let me verify coverage before drawing any c document per family (the 2025 organizer summary) plus shared workflow templates Oberhollen summary surfaced a key Kwong marker (an IRS exam with a potential fra

Ask me a follow up...

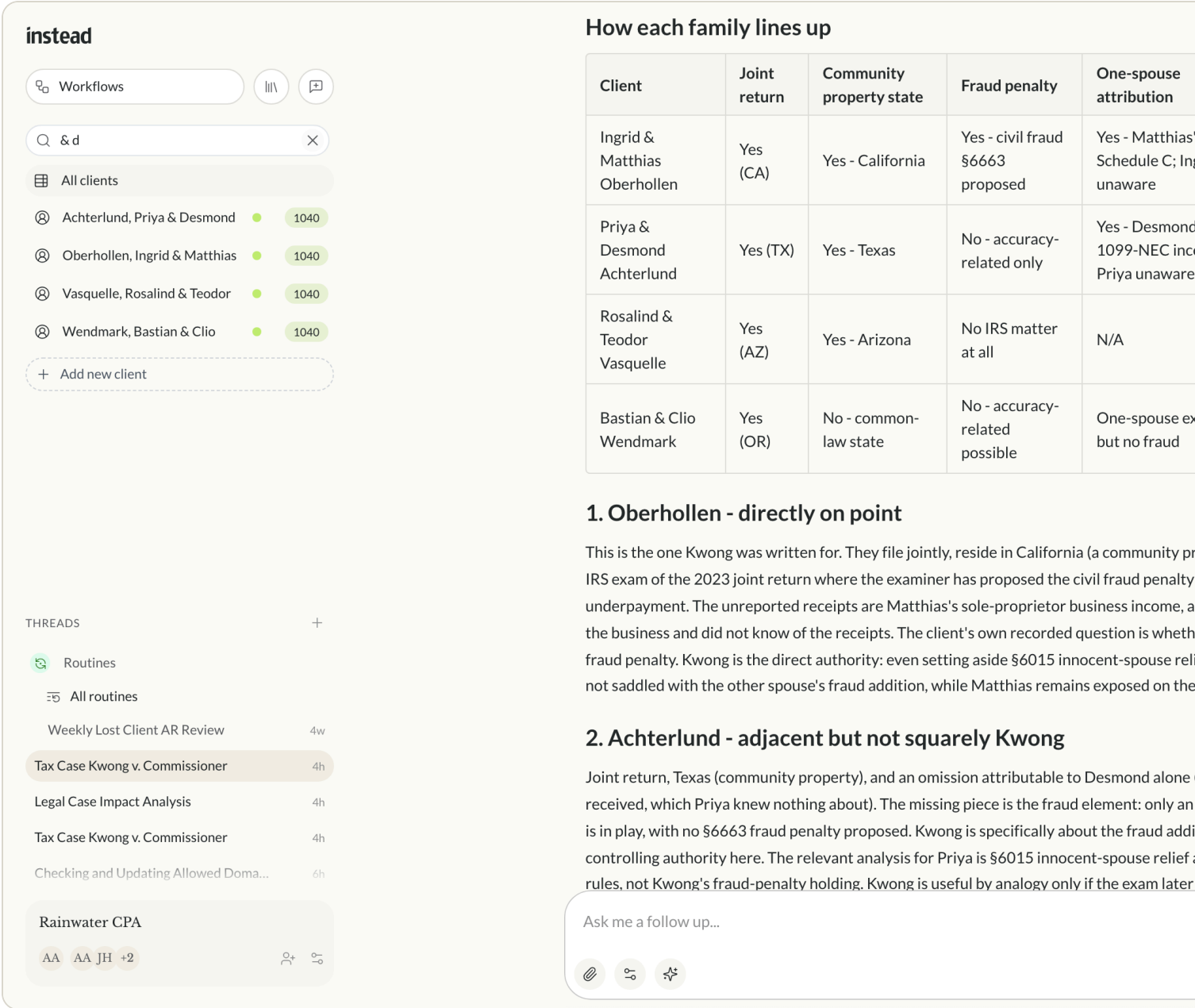
Research, then put the answer to work

13

How it works within the product

Then it reports back client by client. The Oberhollens file jointly in California and face a proposed fraud penalty on one spouse’s unreported income, so the case is directly on point. The Achterlunds come close, but no fraud penalty has been proposed. The Vasquelles have no IRS matter, and the Wendmarks live in Oregon, which is not a community property state.

Figure 7 Research across many clients. Then it reports back client by client.



From research to revenue

Billable work for the firm, savings and advice for the client.

Turn answers into deliverables you can bill

An answer about inherited basis becomes part of the client's tax plan. A point about investment income becomes an estimate. A case becomes a change worked through the return. Each is advisory work the firm can price.

Research once, reach many clients

When a case comes up or a rule changes, research it across your clients at once. Every client it reaches is a reason to call, for a planning meeting, an amended return, or advice before a deadline.

Give clients savings and advice they can act on

The client hears what a rule means for their return and their plan, with the source behind it, before filing rather than after a notice.

Keep the research and the return in one product

Cited tax research is included in Instead, so the firm does not carry answers from a research subscription into separate tax software.

The full library

156,948 documents across 124 source types, as listed in Source Explorer. New sources are added every day.

PRIMARY LAW

Internal Revenue Code

REGULATIONS

Treasury Regulations

COURTS

Federal Court Opinions

Tax Court Opinions

Tax Court Rules of Practice

Tax Court Orders

STATE COURTS

Alabama

Alaska

Arizona

Arkansas

California

Connecticut

Delaware

District of Columbia

Florida

Georgia

Hawaii

Idaho

Illinois

Iowa

Kansas

Kentucky

Louisiana

Maine

Maryland

Massachusetts

Michigan

Minnesota

Missouri

Montana

Nebraska

Nevada

New Hampshire

New Jersey

New Mexico

New York

Ohio

Oklahoma

Oregon

South Carolina

Pennsylvania

Tennessee

Texas

Utah

Vermont

Virginia

Washington

West Virginia

Wisconsin

Wyoming

IRS

Actions on Decision

Audit Technique Guides (ATGs)

Chief Counsel Notices

Field Attorney Advice

IRS FAQs

IRS Practice Units (LB&I)

IRS Publications

Internal Revenue Bulletin

Internal Revenue Manual

LB&I Directives

Program Manager Technical Advice

Written Determinations
(PLR/TAM/CCA)

Determination Letters

IRS Yearly Average Exchange Rates

The full library

LEGISLATIVE MATERIALS

Congressional Research Service
Reports

GAO Tax Reports
JCT Publications

TREATY MATERIALS

Tax Treaties
Model Treaties

Treasury Treaty Explanations

STATE ADMINISTRATIVE RULES

Alabama	Kentucky	Oklahoma
Alaska	Maryland	Oregon
Arizona	Massachusetts	Pennsylvania
Arkansas	Michigan	Rhode Island
California	Minnesota	South Carolina
Colorado	Mississippi	South Dakota
Connecticut	Missouri	Tennessee
Delaware	Montana	Texas
District of Columbia	Nebraska	Utah
Florida	Nevada	Vermont
Georgia	New Hampshire	Virginia
Hawaii	New Jersey	Washington
Idaho	New Mexico	West Virginia
Illinois	New York	Wisconsin
Iowa	North Carolina	Wyoming
Kansas	North Dakota	

CITY ADMINISTRATIVE RULES

Baltimore, MD	Kansas City, MO	Philadelphia, PA
Detroit, MI	New York City	Portland, OR
Eugene, OR	Newark, NJ	Yonkers, NY

OTHER FEDERAL SOURCES

Congressional Tax Committees - Senate Finance	OECD Pillar Two (GloBE Model Rules)
Congressional Tax Committees - Ways & Means	OECD Transfer Pricing Guidelines
	Tax Policy Center
	Tax Foundation

Sources for this paper

Instead, Source Explorer and chat settings, in the product, October 20, 2026

Blue J, how it works, pricing and home pages, read October 19 and 20, 2026

Thomson Reuters, CoCounsel Tax, Checkpoint, UltraTax CS and ONESOURCE pages, read October 19 and 20, 2026

Marble, home, Tax Library and pricing pages, read October 19 and 20, 2026

TaxGPT, home page, read October 19 and 20, 2026

OpenAI, Anthropic and Google Gemini product pages, read October 19 and 20, 2026

Anthropic, web search on all Claude plans, March 20, 2025

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Tax research in Instead

Ask any tax question in Instead, see every source behind the answer in a library of 156,948 documents across 124 source types, and take it into the client's tax plan.

Research, then put the answer to work

Start your trial at instead.com