

2016.02050
Release Notes

February 12, 2017



Contact and Support Information	2
Information in Tax Year 2016 Release Notes	2
Highlights for Release 2016.02050	3
Tax Updates	3
Electronic Filing Updates	3
Product Updates	5
Individual (1040) Product Updates	5
Partnership (1065) Product Updates	6
Corporation (1120) Product Updates	7
S Corporation (1120S) Product Updates	8
Fiduciary (1041) Product Updates	9
Estate and Gift (706/709) Product Updates	10
Exempt Organization (990) Product Updates	11

Contact and Support Information

Product and account information can be accessed by visiting Customer Support online at Support.CCH.com. In addition to product and account information, the Customer Support site offers answers to our most frequently asked questions, forms release status, Knowledge Base articles, training videos, and operating systems compatibility. Access to these features is available 24/7.

The following Web site provides important information about the features and updates included in all CCH® ProSystem fx® Tax releases: [Release Notes](#)

Visit the [Application Status](#) Web page to view the current status of our CCH applications. The Application Status Web page is updated every 15 minutes.

Go to [Contact Us](#) to find information on topics such as Sales and Billing, as well as options to Open a Support Case or Chat with a Representative if you need assistance.

Information in Tax Year 2016 Release Notes

Tax Release Notes inform you of the enhancements and updates that have been made to Tax products and systems with the current release.

Updates provided in the Release Notes include the following:

- Contact and Support information
- Updates to the Tax technology (electronic filing updates, Pro Forma/Roll Forward, Organizer, technology enhancements)
- Updates made to Tax products (form additions and updates, diagnostic updates, changes caused by regulatory updates)

Tax Updates

Extension Worksheet

We have added the extension letter/filing instruction option to the Extension worksheet for the following return types:

- Partnership
- Corporation
- S Corporation
- Exempt Organization

This is in addition to the current location in the Letters and Filing Instructions worksheet. The new location allows you to quickly select and verify this setting without navigating back to the Letters and Filing Instructions worksheet.

Electronic Filing Updates

Approved Products Available on this Release

The following federal and state products are approved and available on this release:

Partnership

Alabama	Maine	Tennessee Extension
Alabama Composite	Nebraska	Tennessee INC 250
Connecticut	North Carolina	Tennessee INC 251 Extension
Connecticut Extension	North Carolina Extension	Vermont
District of Columbia	South Carolina	
Delaware	Tennessee	
Georgia	Tennessee Estimates	

Corporation

Connecticut	New York CT-300	Tennessee Estimates
Connecticut Estimates	North Carolina	Tennessee Extension
Delaware	North Carolina Extension	Utah Consolidated
Georgia	Oregon Consolidated	Vermont Extension
Georgia Consolidated	South Carolina	Wisconsin Combined
Maine	South Carolina Consolidated	
Maine Consolidated	Tennessee	

S Corporation

Alabama	Maine	Tennessee
Alabama Composite	Montana	Tennessee Estimates
Connecticut	New York CT-300	Tennessee Extension

Connecticut Extension
Delaware
Georgia

North Carolina
North Carolina Extension
South Carolina

Vermont Extension

Fiduciary

South Carolina

Batch Electronic Filing of Extensions

Individual

Pennsylvania

Partnership

Massachusetts, Texas

Corporation

New York City, Texas

S Corporation

New York City, Texas

Product Updates

Individual (1040) Product Updates

Return to [Table of Contents](#).

Federal

Filing Status Comparison. An entry for itemized receipts on Itemized Deductions > State and Local Sales Tax Information (Interview Form A-2, Box 131) splits for the filing status comparison calculation.

Iowa

Form 4562A will produce when there are federal and Iowa Section 179 differences.

Maine Electronic Filing

When the Worksheet for Pension Income Deduction, Line 7, for Taxpayer and Spouse total does not equal Schedule 1, Line 2d, disqualifying electronic filing Diagnostic 42754 will be issued.

Oregon

Form OR-40, Lines 16 and 17, and Forms OR-40-N and OR-40-P, Lines 37 and 38, show itemized deductions and Oregon tax payments included respectively when itemized deductions are comprised exclusively of Oregon tax payments.

Schedules OR-ASC and OR-ASC-NP limit:

- The Oregon 529 College Savings Plan contributions subtraction amount in aggregate with the Oregon ABLE account contributions subtraction amount to \$4,620 for jointly filed returns (\$2,310 for all other filing statuses).
- The Oregon ABLE account contributions subtraction amount in aggregate with the Oregon 529 College Savings Plan contributions subtraction amount to \$4,620 for jointly filed returns (\$2,310 for all other filing statuses).

Pennsylvania

Depreciation recapture from the sale of a home will no longer be reported on Schedule D, Line 1.

Pennsylvania - Pennsylvania Cities

Transmittal letter and filing instructions pull estimate address Line 1 when entered in Office Manager using generic P01-P99 codes.

Partnership (1065) Product Updates

Return to [Table of Contents](#).

Federal

Drill-down navigation from Form 8903 to input and reconciliation has been added.

California

Form 588. The business name will be one character shorter to prevent wrapping to the next entry. Entries will not be skipped.

Delaware

Form 1065 K-1. The attention line has been reinstated to be a government form entry so text can be varied between partners.

New Jersey

Form NJ1065, Page 2, Line 22c. Column B now equals Line 22c, Column A, multiplied by the apportionment factor on Line 16b, unless a substitute allocation method has been selected.

South Carolina

Diagnostic 24310 has been updated for current specifications and file numbers no longer have to begin with a "72."

Corporation (1120) Product Updates

Return to [Table of Contents](#).

Federal

Drill-down navigation from Form 990 to input and reconciliation has been added.

The Federal transmittal letter and Filing Instructions reflect the following:

- Correct extended due dates for short year returns with a tax year end date of 06/30/2016.
- Correct fax number for filing Form 2553 with the Ogden Service Center.
- Correct due date per the IRS instructions for Form 2553.

Rhode Island

The Net Operating Loss (NOL) on Form RI-1120C, Schedule B, Line 1a, is limited to the lesser of the Rhode Island or Federal NOL.

Texas

Fiscal Form 05-102. Affiliates will display the principal office and place when using the automated feature for Texas Affiliates Combined Reports.

S Corporation (1120S) Product Updates

Return to [Table of Contents](#).

Federal

Drill-down navigation from Form 8903 to input and reconciliation has been added.

Alabama

Schedule PTECK-1. Column E is calculated from Schedule K-1, Line G, plus only positive amounts on Lines H, J, K, L, and M.

Illinois Electronic Filing

The entity physical address will only come from the taxpayer address or the General> Electronic Filing> Filing Security Information federal worksheet (Interview Form EF-4).

Oklahoma

The letters have been updated when filing a combined franchise and income tax return.

Texas

The state depreciation detail reports will no longer print in the Accountant copy of the return.

Fiduciary (1041) Product Updates

Return to [Table of Contents](#).

Federal

Form 4952. When Schedule C is an oil and gas activity with no material participation, interest expenses will be included on Form 4952, Line 1.

Form 7004. When the option to print the IRS Mailing Address on Federal Extension is used, the address will match what is reflected in the letters/filing instructions.

Pro Forma. The amount of prior year tax that pro formas for Georgia will be less all credits on GA 501, Line 9c.

Arizona

Form 8879-F. The E-file Signature Authorization for Fiduciary returns will pull the name of the Electronic Return Originator to Part 4. This name will be pulled from Office Manager settings or Federal > Electronic Filing > Electronic Return Originator - Overrides > ERO contact name (Interview Form EF-2, Box 44). The user can also opt to use Paid preparer override information as the ERO. This will use the Paid Preparer name on Arizona Form 8879-F, Part 4.

Arizona Electronic Filing

Diagnostic 49947 is in response to a new business rule added for Tax year 2016. In previous tax years, Form 141AZ, Line 16 for Arizona taxable income was allowed to be negative for electronic and paper filing. The new instructions for Form 141AZ instruct the user to enter a zero if the amount is negative. If Line 16 is negative it will show as 0.

New York

Form IT-204-LL will print the date the business began.

New York Electronic Filing

Transmittals for zero balance due extension will reflect electronic filing information. The diagnostic showing approval for electronic filing will also issue.

Pennsylvania

Schedule E. Boxes on Lines 21 through 23 no longer remain checked if the net income loss amount changes from loss to income.

Estate and Gift (706/709) Product Updates

Return to [Table of Contents](#).

Federal

Form 709, Schedule A. If the last gift ends on the last line of a continuation sheet, it no longer creates a following blank continuation sheet.

Exempt Organization (990) Product Updates

Return to [Table of Contents](#).

Electronic Filing

Form 8879-EO will print the current date as the default for the ERO signature date.