

2016.03001-UPDATE

Release Notes

March 05, 2017



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## Contact and Support Information

Product and account information can be accessed by visiting Customer Support online at [support.cch.com](http://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)

## Highlights for Release 2016.03001-UPDATE - SEE PAGES 4, 6 AND 8

### Tax Updates

#### S Corporation

The Maine Schedule 1040C-ME, worksheet for Composite Filing of Maine Income Tax for Nonresident Owners, Line 2 has been corrected on this release. A rate of 0.0795 was being used in the calculation of tax on Line 2 instead of 0.0715.

### Electronic Filing Updates

#### Corporation and S Corporation

Options for New Hampshire electronic filing have been added to the General > Electronic Filing > State Electronic Filing Options worksheet.

#### Partnership and S Corporation

Massachusetts Form M-8453 CR, Nonresident Composite Return Tax Declaration for Electronic Filing, is available for processing.

# Product Updates

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## Individual (1040) Product Updates

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### Arizona

Arizona capital gain subtraction worksheet, Line 4 includes installment sale income classified as "1231" if that gain is also considered long-term capital.

### UPDATE - Delaware

If withholding is reported on Form 1099R, only the correct number of 1099R records are included in the electronic file.

### UPDATE - Illinois

Disqualifying diagnostic 46495 no longer issues when a foreign address and foreign phone number is present for the paid preparer.

### UPDATE - Kansas

For married filing jointly returns, Form KS 40, Line 8, tax updates on subsequent calculations, and the tax amount calculates as zero when taxable income falls below the exclusion threshold of \$12,500.

### Mississippi Electronic Filing

A PDF will no longer be auto-generated if the overrides for Credit for Tax Paid to Other States is used.

### New York Electronic Filing

The option to print signature forms during export appears when exporting Form IT-204-LL.

### Oregon

Additions and subtractions with zero amounts in the federal and Oregon columns due to limitation calculations do not carry to Schedule OR-ASC-NP.

Amount disallowed for subtraction Codes 324 (Oregon 529 College Savings Plan deposit) and 360 (ABLE account deposit) due to contribution limitations carry to the 2017 carryover report as they are subject to a four year carryover provision.

Amounts entered as current year credits for carryforward credit Codes 842 (Contribution of computers or scientific equipment for research), 848 (Lender's credit: energy conservation), and 851 (Alternative fuel vehicle fueling stations) are not included in the total credit on Schedules OR-ASC/OR-ASC-NP since current year credits are not awarded for these credit codes.

Carryforward credit Code 861 (residential energy credit) flows to Schedule OR-ASC or OR-ASC-NP with prior year amounts only.

Entries for inactive modification Codes 641, 643, and 647 no longer carry to Schedule OR-ASC/OR-ASC-NP.

Override entries for the special medical subtraction (subtraction Code 351) are limited to zero on married filing jointly returns when the taxpayer and spouse are under 64 years of age.

Prior year amounts entered for carryforward credit Code 847 (Employer scholarship) carry to Schedules OR-ASC/OR-ASC-NP.

PTE schedules include Section 1231 losses in Column C since they are treated as ordinary losses on non-passive entities.

The exemption credit on Forms OR-40-N and OR-40-P is multiplied by the Oregon percentage for single and married filing separately status returns.

The last four digits of the direct deposit/debit account number are referenced in the transmittal letters and filing instructions on the first calculation of a return.

# Partnership (1065) Product Updates

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## UPDATE - Arkansas

Form AR 1000CR has been updated for new print specifications required by the state.

## District of Columbia

The masking of the partner's and partnership's ID numbers on the K-1 Equivalent will work as expected in the K-1 Copy of the return.

## UPDATE - Florida

Schedule K-1 has been updated to present bonus depreciation additions and subtractions with the appropriate year references

## UPDATE - Idaho

Form ID K-1, Partner's Share of Idaho Adjustments, Credits, Line 7, has been updated to include "Payroll" factors.

## Michigan

Form 807, Page 1. The print positions have been updated for the preparer PTIN number and the authorize to discuss check box.

## Montana

Form ST-1 and Common State > Generic State Schedule K-1 Information > Generic Partner inputs will recognize the input of a different entity type for the partners and reflect this on Schedule III.

## UPDATE - Nebraska

Disqualifying diagnostics 49172, 49174, 49175, and 49176 no longer issue for Schedule II, Column (F) when there is a loss on Form 1065N, line 5.

## UPDATE - New Hampshire

Combined Business Enterprise Tax has been updated to .0072.

## North Carolina Electronic Filing

Form 8879-SO prints when North Carolina is exported.

The electronic version of Form D-403, Part 3, Section B, Line 12 has been updated for residents to no longer include the apportionment factor when apportionment data has not been entered.

## South Carolina Electronic Filing

The electronic filing status will now show on the electronic filing status report.

# Corporation (1120) Product Updates

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## Connecticut Combined

This release contains updates to Forms CT-1120CU, CT-1120CU-NI, CT-1120CU-MI, and CT-1120CU-MTB. It also contains state mandated print position changes to Form CT-1120.

Form CT 1120-CU:

- The form continues to be developed and tested.
- Electronic filing for the form is also being developed and will begin the approval process for Release 2016.03010/2016-3.0.1.

# S Corporation (1120S) Product Updates

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## UPDATE - Arkansas

Form AR 1000CR has been updated for new print specifications required by the state.

## Maine

Form 1040ME- C has been updated to use the current year tax rate of .00715.

## UPDATE - Nebraska

Disqualifying diagnostics 49682, 49683, 49685, and 49686 will no longer issue for Schedule II, Column (F) when there is a loss on Form 1120SN, line 5.

## North Dakota Electronic Filing

Disqualifying Diagnostics 49682, 49683, 49685, and 49686 will no longer issue for Schedule II, Column (F) when there is a loss on Form 1120SN, Line 5.

## UPDATED - South Carolina

The Form I-309 grid has been updated.

## West Virginia

The input worksheet for the Tax Return Questionnaire is accessible in the menu.