

2016.04000
Release Notes

June 25, 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. 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 website 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

Individual

Form 114, Report of Foreign Bank and Financial Accounts, for prior-year return filings, including electronic filing, is now available.

Product Updates

Individual (1040) Product Updates

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Federal

Form 1116 AMT. Line 18 is adjusted by the capital gains tax adjustment associated with capital gains/qualified dividend subject to 15% capital gains tax when the tax in the return is calculated on Form 8615.

District of Columbia

On Form D-40 for every \$2,500, and any fractions thereof, that the taxpayer is over the \$150,000 AGI threshold, the exemption is reduced by 2 percent.

Montana

MT2 will include the federal explanation of changes as a supporting statement on amended returns.

Pennsylvania

Estimate vouchers print with government copy when paper or electronically filed.

South Carolina

SC Form 1040. Line P-4 calculates correctly for taxpayers over age 65.

Partnership (1065) Product Updates

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Federal

Schedule K-1 Transmittal letter vertical spacing between header and addressee reduced to parallel vertical spacing on return transmittal letter.

The credit rate for sales of electricity from wind, closed loop biomass, geothermal, and solar facilities is 2.4 cents per kilowatt hour for 2017, up from 2.3 cents in 2016. The credit rate for qualified refined coal produced and sold in 2017 is \$6.909 dollars per ton, up from \$6.81 per ton in 2016.

The due date of Form 8804 for partnerships that maintain their records outside the U.S. and Puerto Rico will be reflected as the 15th day of the 6th month following the close of the partnership's tax year.

Alabama

Alabama Schedule K-1, Line I and Schedule PTE-CK1, Column F for guaranteed payments will reflect override entries.

Alabama Schedule K-1, Line W will display special allocation amounts when entered.

Colorado

Form 1065 K-1, Equivalent has been updated to include a Marijuana Business Deduction when entered.

Connecticut

Form CT 1065, Line 11, Late Payment Interest statement will no longer display the amount twice.

Illinois

Reconciliation of IL-1065 to Schedule K-1-P will be available in all views.

Nebraska Electronic Filing

The following disqualifying diagnostics are updated:

- **40296.** No longer issues when Schedule A, Line 17 matches the amounts on the supporting statement.
- **40332.** No longer issues for the Schedule I when the product of Lines 1 and 2 is equal to Line 3.
- **40337.** No longer issues when Schedule I, Line 13 matches the amounts from the supporting statement.
- **40338.** No longer issues when zero is present for an amount.
- **49484.** Now issues when Schedule II is not printing and Schedule K-1N is present in the return.

New York

Regardless of residency, partners' IT-204-IP will be included in the government copy when the "Not print IT-204-IP in the government copy of the return on nonresident partners in returns with no NY source income" option is selected on New York > General Information > Printing Options (Interview Form NY2, Box 36).

The IT-204-CP will be suppressed for partners when code 6 is entered on New York > General Information > Printing Options > Suppress partners IT-204-CP code (Interview Form NY2, Box 34).

Ohio

Form 4708 K-1 will pick up overrides entered for ending capital.

The year field at the top of Form IT K-1 prints "2016" in a 52/53 week return with a tax year beginning in 2015.

Ohio - Ohio Cities

The following cities have moved to RITA:

AB01	Aberdeen
KI06	Kirkersville
LE03	Leetonia
MI07	Midvale

Wisconsin

Transmittal letter and filing instructions for Form PW-1 will no longer credit the refund to estimated tax unless the amount is present on Line 13.

Corporation (1120) Product Updates

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Federal

The credit rate for sales of electricity from wind, closed loop biomass, geothermal, and solar facilities is 2.4 cents per kilowatt hour for 2017, up from 2.3 cents in 2016. The credit rate for qualified refined coal produced and sold in 2017 is \$6.909 dollars per ton, up from \$6.81 per ton in 2016.

Connecticut Combined

Combined Unitary return. Entries for eliminations and adjustments will both be included in the combined group total if entered for the same line on Forms CT-1120CU-NI and CT-1120CU-MTB.

Form CT-1120CU, Page 1. Line 11 (Total amount due) will be blank when Line 5 (Overpayment) is greater than Line 9 (Tax due) + Line 10 (Total Penalty and Interest).

Ohio - Ohio Cities

The following cities have moved to RITA:

AB01	Aberdeen
KI06	Kirkersville
LE03	Leetonia
MI07	Midvale

Rhode Island Combined

Eliminations and adjustments will no longer be doubled in combined returns.

The income from subsidiary returns will be included at the combined return level when the apportionment at the subsidiary level equals 0%.

Vermont Combined

The consolidated return will reflect the single apportionment method for a retail company.

Virginia Consolidated

Virginia's NOL adjustments entered on a lower level return will no longer double on the consolidated return's Schedule 500ADJ.

S Corporation (1120S) Product Updates

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Federal

The credit rate for sales of electricity from wind, closed loop biomass, geothermal, and solar facilities is 2.4 cents per kilowatt hour for 2017, up from 2.3 cents in 2016. The credit rate for qualified refined coal produced and sold in 2017 is \$6.909 dollars per ton, up from \$6.81 per ton in 2016.

Arkansas

All K-1 footnotes will print with the Arkansas K-1.

Late interest and penalties for the AR1100CT will calculate from the return due date.

Colorado

Form 1120S, K-1 Equivalent and the DR108/DR108FY will reflect the same amount for the "CO Total Sourced Income" line.

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.

Ohio - Ohio Cities

The following cities have moved to RITA:

AB01	Aberdeen
KI06	Kirkersville
LE03	Leetonia
MI07	Midvale

Rhode Island Electronic Filing

RI-1120S returns that include tax credits pass schema validation for electronic filing.

Fiduciary (1041) Product Updates

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Alabama

Capital loss carryovers will no longer be included in Line 8 on the Alabama Schedule K-1 in a final year return.

Georgia

Georgia Amended return letters and filing instructions will reflect paper filing even if electronic filing is selected.

Pennsylvania

Schedule J is no longer produced if the non-Pennsylvania income from trust/estate is coded as "S" on Income > Fiduciary Passthrough > General > FS field (Interview Form O-1, Box 34 or IRS K-1 (1041), Box 30).

Estate and Gift (706/709) Product Updates

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Connecticut

The following preliminary Connecticut forms are available for dates of death in 2017:

- Form CT-706 NT
- Form CT-706/709
- Form CT-706/709 EXT

Exempt Organization (990) Product Updates

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Minnesota

Entries made on the Minnesota > Annual Report > Annual Report Information are now included on Lines 6 and 7 of the Charitable Organization Annual Report and produce the appropriate statements for explanations.