2016.05000

Release Notes

November 5, 2017

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)

Highlights for Release 2016.05000

CCH® ProSystem *fx*® and CCH® Global *fx* Tax Updates

Partnership, Corporation, and S Corporation

Updated versions of Form FAE 170, Franchise, Excise Tax Return and Form FAE 174, Franchise and Excise Financial Institution and Captive Real Estate Investment Trust Tax Return are now available for fiscal year filers. These versions are available for electronic filing in Corporation and S Corporation.

Partnership electronic filing will be available on our next 2016 release.

Corporation and S Corporation

New Jersey Corporation Business Tax Return

The following forms and schedules are available on this release. These forms are approved for paper and efiling on this release.

- 2016 New Jersey Corporation Form CBT-100
- 2016 S Corporation Form CBT-100-S
- Associated schedules for Corporations with 2016 fiscal years ending after June 30, 2017

CCH® ProSystem *fx*® Tax (Only) Updates

Pro Forma

2016 Pro Forma for all return types is available for processing.

Before creating your Pro Forma files, we recommend you review the Pro Forma processing options configured in the Office Manager > Configure Applications > Tax Preparation > Pro Forma and Organizer dialog. Also review any custom Pro Forma options that you want to set within Production Processing > Process Pro Forma > Customize Pro Forma.

Organizers

Individual and Fiduciary Organizers are available for processing.

CCH® Global *fx* Tax (Only) Updates

Pro Forma

2016 Pro Forma for all return types is available for processing.

Before creating your Pro Forma files, we recommend you review the Pro Forma processing options configured in the Office Manager > Configure Applications > Tax Preparation > Pro Forma dialog.

CCH® ProSystem *fx*® and CCH® Global *fx* Electronic Filing Updates

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

Corporation

- New Jersey CBT-100, Year Ending after 6/30/17
- Tennessee FAE 170 and FAE 174, Year Ending after 6/1/2017

S Corporation

- New Jersey CBT-100S, Year Ending after 6/30/17
- Tennessee FAE 170 and FAE 174 Year Ending after 6/1/2017

Product Updates

Individual (1040) Product Updates

Return to Table of Contents.

Michigan MBT

Form 4582. The interest rate for days after 6/30/2017 reflects a rate change to 4.7%, up from 4.5%.

North Carolina

When a claim of right deduction is the only itemized deduction present, Schedule S will pick up the appropriate amount as of Release 2016.04030.

Rhode Island

Form 1040. The late filing penalty for Rhode Island will be limited to 25% of the tax due.

Partnership (1065) Product Updates

Return to Table of Contents.

Utah

Form TC-65:

- Line 10 (Late Payment interest) will calculate from 4/16/2017 instead of 4/16/2016.
- Line 7 will correctly calculate interest at 3% instead of 2%.

Corporation (1120) Product Updates

Return to Table of Contents.

Federal

Total expenditures for purposes of the 90% test may be overridden on Other Returns > 1120-H > 3-Deductions Connected to Production of Exempt Function Income > Line 3 (Interview Form H-1, Box 101).

Consolidation

A consolidated adjustment to interest income is shown as a subtraction on Line 2b of Form 8926.

California Combined

Sec. 382 NOL carryovers will display the correct carryover amounts.

Massachusetts

Schedule EDIP. Line 7 has changed from a percentage to an amount field. This change was per request from MA DOR.

Massachusetts Combined

Schedule U-MST will fill out the number of months on Line 34 for financial institutions the same as for business corporations.

New Jersey

2016 New Jersey Corporation Forms CBT-100 for corporations with 2016 fiscal years ending after June 30, 2017 are released. All forms contain the "Approval Pending" watermark and should not be filed under any circumstances. Please note that an electronic filing mandate applies to all CBT forms.

Utah

Forms TC20 and TC-20MC. Line 10 Interest will calculate using 3% instead of 2%.

Utah Combined

Utah Consolidated Schedule M will include companies listed on Page 2 and subsequent pages in the electronic file.

S Corporation (1120S) Product Updates

Return to Table of Contents.

Electronic Filing - 8910

A disqualifying diagnostic is issued if the "business / investment use percentage is greater than 100%" is overridden on Line 5 of the form.

Massachusetts

Schedule EDIP. Line 7 has changed from a percentage to an amount field. This change was done per request from MA DOR.

Schedule A. Lines 12a, 15, and 22 pull from input on Worksheet Massachusetts Corporation Balance Sheet > Assets > Investment in Subsidiaries and Intercompany receivables and Massachusetts Corporation Balance Sheet >Liabilities > Intercompany payables (Interview Form MA3, Boxes 35, 36, and 52) when the return is not part of a QSSS.

Tennessee

New forms are available for the FAE 170 and FAE 174 for filers whose tax year ends on 06/01/2017 or later.

Fiduciary (1041) Product Updates

Return to Table of Contents.

Connecticut

CT 1041. Late payment penalty will only calculate at 10% of the tax liability instead of the greater of 10% of the tax liability and $50.00.

Illinois

When Payments/Penalties > Penalties > Federal Late Payment Penalty and Interest > Extended due date (Federal Interview Form T-5, Box 34) is present, the interest and penalties for Illinois will be calculated from due date to extension date.

Estate and Gift (706/709) Product Updates

Return to Table of Contents.

Connecticut

In the interrelated calculation of the Connecticut estate tax marital deduction, current year gifts are reduced by the Connecticut gift tax marital deduction.

Minnesota

Final Minnesota Form M706 is available for dates of death in 2017.

Exempt Organization (990) Product Updates

Return to Table of Contents.

Federal

The excess distribution carryovers to 2017 on Form 990-PF, Part XIII will be correct when section 170 election has been taken on Line 7.

The Section 6652 late filing penalty for Form 999-PF will use the Gross Receipts to determine when the $100 a day (versus $20 a day) penalty rate applies.

Electronic Filing - 8868

When bank account information has been included for auto-debit and the Confirm Options has been selected but the Direct Debit option has been left blank the extension payment will no longer be auto-debited.

Illinois

The extended due date for 501 Trusts and Corporations who used the default organization type code on Unrelated Business Tax > Form 990T > General Information (Interview Form T-1, Box 40) is the 15th day of the 12th month after the end of the tax year.

Employee Benefit Plan (5500) Product Updates

Return to Table of Contents.

Federal

The "My PAA Confirmation number from the PBGC premium filing for this plan year" is included in the electronic file when Schedule I, Line 5c is answered "Yes," preventing reject code B-727.