

2018.01000

Release Notes

December 09, 2018



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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 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 2018 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 2018.01000

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### CCH<sup>®</sup> ProSystem fx<sup>®</sup> and CCH<sup>®</sup> Global fx Tax

#### 2-Step Verification (Multi-Factor Authentication)

As indicated in previous CCH Software News emails, 2-Step Verification will be enabled by default with this release. Firms who wish to opt out must disable the feature. We strongly discourage the disabling of 2-Step Verification.

##### Notes:

- 2-Step Verification applies to our web-based SSO products, such as Software Delivery Manager and Electronic Filing Status.
- 2-Step Verification may be enabled or disabled at the firm level only and not on a user-by-user basis.

For more information, see our Knowledge Base article entitled [What is 2-Step Verification for the SSO login window in CCH Global fx or CCH ProSystem fx applications?](#)

#### Single Sign-On Login Changes

- We will be removing the "Remember User ID" check box on the Login screen. Upon the first log in after the deployment of release 2018.01000, we will populate the User ID and issue a pop-up dialog box notifying the end-user that this feature is being removed if they had previously been using the "Remember User ID" option. The end-user should do whatever they need to do to retain their User ID for future use if they don't already know what it is. The User ID will no longer pre-populate on any subsequent log ins as the end-user will have to key in their User ID manually. Should the end-user have any issue getting their User ID, they will need to contact their organization's IT Admin to get this information.
- Our web-hosted SSO has a three number minimum associated with the reuse of passwords. With the 2018.01000 release, the minimum number for the reuse of passwords will change to five.
- Changes are being made to how many times a user's password may be changed within a 24 hour period. We will only allow a password to be changed once within 24 hours. This is only applicable when the user opts to change their password. It is not applicable to the "Forgot Password" option, nor is it applicable to the IT Admin since they both use the temporary password logic which requires the end-user to change upon log in.

#### All Return Types

You can now prepare 2018 returns.

#### Extender Legislation

We are monitoring Extender Legislation pending in Congress, and will provide updates as legislation proceeds.

#### Tax Reform Changes

The passage of the Tax Cuts and Jobs Act (TCJA) delivered the most expansive change in tax preparation in over 30 years, impacting all systems and states, including electronic filing.

For changes included in release 2018.01000, refer to [Product Enhancements](#) for each return type.

We will continue to communicate the highlights of additional significant changes as they are made available on future releases.

The following forms will be available on a future release:

Form	System	Note
Form 461, Limitation on Business Losses	1040, 1041, 990	N/A
Form 8990, Limitation on Business Interest Expense IRC 163(j)	All applicable systems	N/A
Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)	All applicable systems	N/A
Form 8994, Employer Credit for Paid Family and Medical Leave	All applicable systems	N/A
Form 1065, Schedule B-2, Election Out of the Centralized Partnership Audit Regime	1065	N/A
Form 8979, Partnership Representative Revocation, Designation, and Resignation	1065	N/A
Section 199A	All applicable systems	<ul style="list-style-type: none"> <li>■ A new set of worksheets will be available for the Qualified Business Income Deduction.</li> <li>■ New worksheets to compute this QBI deduction for applicable schedules, new fields to include/exclude business entities from QB status, new fields per asset to include/exclude assets from UBIA, new fields for ADS assets to alter the life.</li> </ul>
Form 5471, Multiple new schedules will be available on future releases	All applicable systems	N/A
Form 8865, Multiple new schedules will be available on future releases	All applicable systems	N/A

Form	System	Note
Form 965	All applicable systems	<ul style="list-style-type: none"> <li>■ E-filable.</li> <li>■ Payments will be allowed separately from return payments.</li> <li>■ Multiple new schedules will be available on future releases.</li> </ul>

## Usability

Elections - Added Federal Elections to the Review menu.

- Allows you to quickly review all federal elections in the return.
- Currently available as a Toolbar button.

Added Lists and Notes and Extra Report to the Review menu.

## Link to Forms Status

We added a new link directly to the Forms Status page on our Support site which will provide quicker access and eliminate the need to call Support. Currently, if you do not know where to go for the latest approval status for a federal form or state form, you must access the link to the Form Status system by first accessing the Help menu. With the release of 2018.01000, you can now get to the Forms Status system with one click on the menu bar from anywhere in the application.

## DataScan Plus

You can now create queries and scan 2018 returns. System defined keywords and scans for 2018 will be available on an upcoming release.

## CCH<sup>®</sup> ProSystem fx<sup>®</sup> Tax

### Forgot Password

- The first login will display the new password screen and require you to either confirm the email address is correct (if entered in Configure Staff) or enter a cell phone number.
- This is a one time requirement.
- If you have forgotten your password, you may use either the security questions or a temporary code sent to your email address or cell phone.
- After entering the correct verification code, you are required to enter a new password.

## CCH<sup>®</sup> Global fx Tax

### Organizer

Global fx Organizer is now available for processing 1040 Organizers.

## CCH<sup>®</sup> ProSystem fx<sup>®</sup> Tax Notebook and CCH<sup>®</sup> ProSystem fx<sup>®</sup> Tax Notebook Toolkit

Tax Notebook Toolkit is now available for 2018 processing and for creating Tax Notebooks.

To ensure that your clients have the most secure interface with their online organizer and sensitive tax data, 2-Step Verification will be enabled by default. Firms may choose to disable this feature in the Firm Options in the Toolkit. We strongly discourage the disabling of 2-Step Verification.

## CCH<sup>®</sup> My1040Data

My1040Data Toolkit is now available for 2018 processing and for creating My1040Data organizers.

To ensure that your clients have the most secure interface with their online organizer and sensitive tax data, 2-Step Verification will be enabled by default. Firms may choose to disable this feature in the Firm Options in the Toolkit. We strongly discourage the disabling of 2-Step Verification.

As early as January, users of the My1040Data electronic organizer will have the opportunity to link with more than 300 of the largest brokerage houses, financial institutions and payroll companies. Via integration with third-parties, clients can electronically retrieve and attach annual tax documents directly within My1040Data.

# Tax Product Enhancements in Release 2018.01000

Click one of the links below to read about the tax application enhancements included with Release 2018.01000.

## Worksheet View

- [Individual \(1040\) Product Enhancements - Worksheet View](#)
- [Partnership \(1065\) Product Enhancements - Worksheet View](#)
- [Corporation \(1120\) Product Enhancements - Worksheet View](#)
- [S Corporation \(1120S\) Product Enhancements - Worksheet View](#)
- [Fiduciary \(1041\) Product Enhancements - Worksheet View](#)
- [Estate and Gift \(706/709\) Product Enhancements - Worksheet View](#)
- [Exempt Organization \(990\) Product Enhancements - Worksheet View](#)
- [Employee Benefit Plan \(5500\) Product Enhancements - Worksheet View](#)

## Interview View

- [Individual \(1040\) Product Enhancements - Interview View](#)
- [Partnership \(1065\) Product Enhancements - Interview View](#)
- [Corporation \(1120\) Product Enhancements - Interview View](#)
- [S Corporation \(1120S\) Product Enhancements - Interview View](#)
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# Tax Product Enhancements 2018.01000 - Worksheet View

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## Individual (1040) Product Enhancements - Worksheet View

Return to [Table of Contents](#).

### Federal

#### Tax Reform Changes to Existing Forms

##### Form 1040

- Updated Standard deduction.
- Removed Personal exemptions.

##### Schedule A

- Limited State and local taxes (Line 5).
- Removed Miscellaneous deductions.
- Changed Charitable contributions rate for cash to 60%.
- Removed Itemized deductions worksheet for phaseout.

Corresponding changes were made to Form 1040NR, Form 1116, and Tax Equalization.

##### Schedule C

- Business meals and entertainment are more strictly limited.
- Removed Entertainment from Travel, Meals and Entertainment text on Schedule, C, Line 24.

##### Schedule D

- Updated Capital gains thresholds on the Schedule D worksheet, Line 15 and Line 24.
- Where appropriate, corresponding changes were made to Form 1116, Tax Equalization, and the Tentative Credit for Prior Year Minimum Tax.

##### Schedule 8812

- Removed Part I, Filers Who Have Certain Child Dependent(s) with an Individual Taxpayer Identification Number (ITIN).
- Schedule 8812 is no longer produced for dependents for whom the credit is claimed and that also have an ITIN.
- Schedule 8812 is no longer produced for dependents for whom the credit is claimed with an “applied for” ITIN or that have a W-7 in the return.
- Limited the additional child tax credit to \$1,400 per eligible child.
- Where appropriate, Tax Equalization follows suit.



## Form 1116

- Added new income baskets, Section 951A & Foreign branch.
- Recharacterized overall domestic losses. The taxpayer may elect to recharacterize an amount greater than 50%, up to 100%.
- On the Itemized deduction worksheet:
  - ◆ Removed deductions subject to 2% limit.
  - ◆ Removed phaseout calculation.
- Where appropriate, Tax Equalization follows suit.

## Form 2106

Form 2106 no longer allows entertainment expenses subject to the 50% limit to be deducted. For this reason, 50% entertainment expenses were moved to a new box and made “State Use.”

## Form 2555

- Updated maximum foreign income exclusion.
- Updated housing limits.
- Where appropriate, Tax Equalization follows suit.

## Form 3903

Only military moving expenses are deductible.

## Form 8615

- Estate and trust tax rates are used.
- The import feature is only used by states, as federal no longer references family income.

## NOL

Current year

- Removed adjustment for DPAD deduction.

Carryover worksheet


- Removed adjustment for miscellaneous itemized deductions subject to 2% of AGI limit.
- Removed adjustment for itemized deduction phaseout.
- Removed adjustment for DPAD deduction.

## Section 933

- Removed adjustment for personal exemptions.
- Removed adjustment for miscellaneous deduction subject to 2% of AGI.
- Adjustment for DPAD deduction will be removed.

## Form 965

- e-fileable.
- Payments will be integrated with return payments.

 **Note:** All federal changes are being made with deconforming states in mind, designating existing federal input as “State Only” for continued use.

## Section 199A

A new set of government worksheets will be available for the Qualified Business Income Deduction.

No worksheets have been released by the IRS, so we are proceeding with implementing a version designed internally. This includes new worksheets to compute this QBI deduction for applicable schedules, new fields to include/exclude business entities from QB status, new fields per asset to include/exclude assets from UBIA, and new fields for ADS assets to alter the life.

- Income > Sch C - Business > Qualified Business Income
- Income > Sch E, P 1 - Rent and Royalty > Qualified Business Income
- Income > Sch E, P 2 - Fiduciary Passthrough (K-1 1041) > Qualified Business Income
- Income > Sch E, P 2 - Partnership Passthrough (K-1 1065) > Qualified Business Income
- Income > Sch E, P 2 - Large Partnership Passthrough (K-1 1065-B) > Qualified Business Income
- Income > Sch E, P 2 - S Corporation Passthrough (K-1 1120S) > Qualified Business Income
- Deductions > Qualified Business Income
- Income > Sch F / 4835 - Farm > Qualified Business Income

## New Forms

- The postcard form replaces Form 1040, 1040A, 1040EZ:
  - ◆ Form 1040 Sch. 1 Additional Income and Adjustments to Income
  - ◆ Form 1040 Sch. 2 Tax
  - ◆ Form 1040 Sch. 3 Non-refundable Credits
  - ◆ Form 1040 Sch. 4 Other Taxes
  - ◆ Form 1040 Sch. 5 Other Payments and Refundable Credits
  - ◆ Form 1040 Sch. 6 Foreign Address and Third Party Designee
  - ◆ Tax Projector and Tax Equalization follow the new postcard format
- Form 8838-P, Consent to Extend Time to Assess Tax Per Gain Deferral Method
- Form 8990, Limitation on Business Interest Expense IRC 163(j)
- Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)
  - ◆ Taxes > 8992 - U.S. Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)
- Form 8994, Employer Credit for Paid Family and Medical Leave
  - ◆ Income > Sch C - Business > Form 8994 - Employer Credit for Paid Family and Medical Leave
  - ◆ Income > Sch E, p 2 - Fiduciary Passthrough (K-1 1041) > Form 8994 - Employer Credit for Paid Family and Medical Leave
  - ◆ Income > Sch E, p 2 - Partnership Passthrough (K-1 1065) > Form 8994 - Employer Credit for Paid Family and Medical Leave
  - ◆ Income > Sch E, p 2 - Large Partnership Passthrough (K-1 1065-B) > Form 8994 - Employer Credit for Paid Family and Medical Leave
  - ◆ Income > Sch E, p 2 - S Corporation Passthrough (K-1 1120S) > Form 8994 - Employer Credit for Paid Family and Medical Leave
  - ◆ Income > Sch F / 4835 - Farm > Form 8994 - Employer Credit for Paid Family and Medical Leave

- Form 461, Limitation on Business Losses
  - ◆ Income > 461 - Limitation on Business Losses

## New Schedules for Existing Forms

- Form 5471 Sch. E Income, War Profits, and Excess Profits Taxes Paid or Accrued
- Form 5471 Sch. H Current Earnings and Profits
- Form 5471 Sch. I-1 Information for Global Intangible Low-Taxed Income
- Form 5471 Sch. P Transfer of Property to a Foreign Corporation
- Form 8865 Sch. G Statement of Application for the Gain Deferral Method Under Section 721 (c)
- Form 8865 Sch. H Transactions Between controlled Foreign Partnership and Partners or Other Related persons
- Form 965 Sch. A U.S. Shareholder's Section 965(a) Inclusion Amount
- Form 965 Sch. B Deferred Foreign Income Corporation's Earnings and Profits
- Form 965 Sch. C U.S. Shareholder's Aggregate Foreign Earnings and Profits Deficit
- Form 965 Sch. D U.S. Shareholder's Aggregate Foreign Cash Position
- Form 965 Sch. E U.S. Shareholder's Aggregate Foreign Cash Position Detail
- Form 965 Sch. F Foreign Taxes Deemed Paid by Domestic Corporation for U.S. Shareholder Tax
- Form 965 Sch. G Foreign Taxes Deemed Paid by Domestic Corporation (for U.S. Shareholder Tax Year Ending in 2017)
- Form 965 Sch. H Disallowance of Foreign Tax Credit and Amounts Reported on Forms 1116 and 1118
- Form 965-A, Individual Report of Net 965 Tax Liability
- Form 965 Inclusion of Deferred Foreign Income Upon Transition to Participate Exemption System

## Obsolete Forms

- Form 1040A - U.S. Individual Income Tax Return
- Form 1040EZ - Income Tax Return for Single and Joint Filers with No Dependents
- Form 2106-EZ - Unreimbursed Employee Business Expenses

## Enhancements

### Interest and Dividend Summary

- Added new columns for:
  - ◆ Market discount
  - ◆ Section 199A dividends
  - ◆ Unrecaptured Section 1250 gain
  - ◆ Section 1202 gain
  - ◆ Collectibles
  - ◆ Investment expense

## Organizer

Added a question for “Did you sell or exchange Bitcoin or other cryptocurrencies or engage in any sales or exchanges denominated in Bitcoin or other cryptocurrencies?”

## Tax Projector

Added the bracket tax rate to the Summary page so you can see the rate for each year.

## Form 2555

Added an option to reduce Form 1040 other income by camp housing.

- 2555, Foreign Earned Income Exclusion > Value of Meals and Lodging Included In Income > Include amount excludable as a reduction to Form 1040, Schedule 1, Line 21.

## Form 8886

Overflows to the form, rather than to a statement. This does not apply to Line 1c, which indicates a statement is needed.

## Form 8958

To allow for more flexibility in return preparation, input for Form 8958 was redesigned.

- 8958 - Tax Allocations by Individuals in Community Property States

## NOL

The carryover detail worksheet prints when the full NOL carryover to 2018 is absorbed in the current year.

## Gains and Losses

Duplicate input has been removed from the Gains and Losses worksheet.

## IRS 1099-MISC

Moved the “no 1099 received” field near the top of the form.

## States

### Tax Changes to Existing Forms

#### Connecticut

- Added input for 965 taxable income to Income/Deductions > Nonresident and Part-year Information. This amount will flow to 1040 NR\PY and to state Form 8960, Line 7. This change is for tax year 2017 only.
- Bonus depreciation will be added back on all assets placed in service after 9/27/17. This is calculated automatically. The overrides are on Income/Deductions worksheet > Additions section > Section 168(k) bonus depreciation fields.

#### Indiana

Resident is an automatic calc (the input overrides are below). Non-Resident uses input only.

- Indiana > Income / Deductions > 2 - Tax Add-Back > Line 5 - Section 965 deduction - IT-40PNR (overrides IT-40)
- Also reported on Indiana Schedule K-1:
  - ◆ Indiana > Other > 4 - Indiana Sch IN K-1 > Line 12 Grid - Code 139 for 965

## Kentucky

- Kentucky did not conform to 965 for tax year 2017. Repatriation income included in federal AGI is subtracted from Kentucky AGI on 2017 Kentucky Schedule M, Line 19.
- Does not adopt the increased expensing and depreciation provisions for capital improvements.
- The current graduated tax system, with rates ranging from 2% to 6%, is converted to a flat rate of 5% for all taxpayers effective for tax years beginning on or after January 1, 2018.
- The personal credit of \$10 per person is repealed.
- The only itemized deductions allowed are deductions for mortgage interest and charitable contributions. All other itemized deductions (medical insurance, medical expenses, local occupational taxes and property taxes paid, interest expense on investments, casualty and theft losses, and other miscellaneous deductions) are eliminated.
- Long-term care and health insurance premiums allowed previously as a deduction from Kentucky adjusted gross income are no longer allowed.
- Historically, Kentucky has permitted \$41,110 per person of pension income to be excluded from taxable income. For 2018, that exclusion is reduced to \$31,110 per person. Social Security continues to be fully exempted from Kentucky income tax.

## Ohio - Ohio Cities

New NOL carryover law is being applied to OHC. All cities will allow 50% of the NOL generated from 2017. Cities that implemented income tax after 1/1/2016 will allow 100% of the NOL generated in 2017.

## Oregon

- Individuals in Oregon must add back the federal deduction for repatriation income under Internal Revenue Code (IRC) §965. Taxpayers should use addition code 162 (“Capital loss with Oregon-only tax benefit” even though the description does not match) to add the deduction amount to their 2017 Oregon personal income tax return.
  - ◆ For input, CCH customers should use addition code 119 rather than code 162 on Oregon > Income / Deductions > Additions to file the repatriation add-back for tax year 2017.
- Decouples from federal 20 percent passthrough income tax deduction included under IRC Sec. 199A (QBID).
- 2018 Oregon Individual Income Tax Rates:
 

Not over \$3,450	5% of taxable income
Over \$3,450 but not over \$8,700	\$173 plus 7% of excess over \$3,450
Over \$8,700 but not over \$125,000	\$540 plus 9% of excess over \$8,700
Over \$125,000	\$11,007 plus 9.9% of excess over \$125,000
- Oregon will retain personal exemptions.
- Sole proprietorships may now claim the reduced rate (Schedule OR-PTE) for tax years beginning on or after January 1, 2018.
- The IRC §965 repatriation income deduction is added back with addition code 184.

## New Forms

### Alabama

- Schedule DS & HOF - Dependents and Head of Family Schedule
  - ◆ Basic Data > General
  - ◆ Basic Data > Dependents
- Refundable Credit Schedule
  - ◆ AL Credits > Sections 8 - 13

### Arkansas

- Form AR 4684 - Casualties and Thefts
- Form AR2106 - Employee Business Expense
  - ◆ Deductions > Employee Business Expenses > Business Income and Expenses
  - ◆ Deductions > Employee Business Expenses > Business Use of Home
  - ◆ Deductions > Employee Business Expenses > Reimbursements
- Form AR3903 - Moving Expenses
  - ◆ Deductions > Moving Expenses > Schedule of Expenses

### District of Columbia

- D-30 NOL
  - ◆ UBT General > Net Operating Loss Deduction
- Form DC-8379 - Injured Spouse Allocation
  - ◆ Other > 8379 - Injured Spouse Claim
- Schedule ELC
  - ◆ 2441 - Child and Dependent Care Expenses

### Georgia

#### 500-NOL

- Income > Net Operating Loss

### Illinois

- Schedule IL-EIC
  - ◆ IL Credits > Schedule IL-EIC
- Schedule IL-WIT - Illinois Income Tax Withheld
  - ◆ Calculated

### Indiana

- Form IN-48725 - Business Entity Report
  - ◆ Indiana > Other worksheet > Business Entity Report - General Information and Business Entity Report - Governing Person Information sections
- Form IN IT-40 Schedule 4 - Other Taxes, Line 1
  - ◆ Indiana > Taxes worksheet > Taxes section > Sales / Use tax on out-of-state purchases field

- Form IN IT-40 Schedule 4 - Other Taxes, Line 2
  - ◆ Indiana > Taxes worksheet > Taxes section > Household employment taxes field
- Form IN IT-40 Schedule 4 - Other Taxes, Line 3
  - ◆ Flows from Form IN-529R
- Form IN IT-40PNR Schedule E - Other Taxes, Line 1
  - ◆ Indiana > Taxes worksheet > Taxes section > Sales / Use tax on out-of-state purchases field
- Form IN IT-40PNR Schedule E - Other Taxes, Line 2
  - ◆ Indiana > Taxes worksheet > Taxes section > Household employment taxes field
- Form IN IT-40PNR Schedule E - Other Taxes, Line 3
  - ◆ Flows from Form IN-529R
- Form IN IT-40PNR Schedule E - Other Taxes, Line 4
  - ◆ Flows from Form IN-PRO, Line 11 (part of Form IN IT-40PNR Schedule E)
- Form IN IT-40PNR Schedule IN-PRO - Nonresident Professional Team Member County Tax
  - ◆ Input Scheme Pending Government Instructions

## Iowa

- IA 140 - Iowa Geothermal Tax Credit
  - ◆ IA Credits > Geothermal Tax Credit
- IA 2106 - Employee Business Expenses Worksheet
  - ◆ 2106 / Stmt SBE - Employee Business Expenses
- IA 3903 - Moving Expense Worksheet
  - ◆ 3903 - Moving Expenses
- IA 4684 - Casualty and Theft Worksheet
  - ◆ Gains and Losses > Business Property, Casualties and Thefts

## Kentucky

- Schedule INV, Kentucky Inventory Tax Credit (Ad Valorem) for individual (740 and 740-NP) and LLC (725) income tax returns
  - ◆ Kentucky > Credits > Inventory Tax Credit (Schedule INV)
- Schedule ITC, Kentucky Individual Tax Credit Schedule for residents (740), part-year and nonresidents (740-NP)
  - ◆ Kentucky > Credits > Other Credits
- Form KY 740-X, Amended Kentucky Individual Income Tax Worksheet
  - ◆ Kentucky > Amended worksheet > Amended section

## Louisiana

- Form R-6410 - Legislation Credit Recovery Worksheet
- R-2867 - Transmittal of Federal Extension Request as LA Extension

## Michigan

- Form MI-461 Excess Business Loss
  - ◆ Income > 461 - Limitation on Business Losses
- Form 5606, Excess Business Loss Continuation

## Minnesota

- Schedule M1CAT, Casualty and Theft
  - ◆ Gains and Losses > Business Property, Casualties and Thefts
- Schedule LK, Like Kind Exchange
  - ◆ 8824 - Like-Kind Exchanges
- Schedule M1NC, Federal Adjustments
  - ◆ MN Income/Adjustments > Schedule M1NC
- Schedule KFNC, Federal Adjustments
  - ◆ Work in progress
- Schedule KPINC, Federal Adjustments
  - ◆ Work in progress
- Schedule KSNC, Federal Adjustments
  - ◆ Work in progress
- Schedule M1MOVE, Moving Expenses
  - ◆ 3903 - Moving Expenses
- Schedule M1SA, Itemized Deductions
  - ◆ Sch A - Itemized Deductions
- Schedule M1UE, Unreimbursed Business Expenses
  - ◆ 2106 / Stmt SBE - Employee Business Expenses

## Nebraska

Form TANF, Employer's Credit for Expenses Incurred for TANF (ADC) Recipients

## New Hampshire

Schedule IV, Other IRC Reconciling Adjustments

- NH > Business Profits Tax > NH Sch IV IRC Adjustments

## New York

- Form IT-196, Res/NR/PY Itemized Deductions
  - ◆ Replaces IT-201-D and IT-203-D
- Form IT-647, Farm Workforce Retention Credit
  - ◆ New York > Credits > Farm Workforce Retention Credit
- Form IT-647-ATT, Eligible Farm Employee Information
  - ◆ New York > Credits > Farm Workforce Retention Credit
- Form IT-649, Farm Workforce Retention Credit
  - ◆ New York > Credits > Farm Donations to Food Pantries
- Deduction Limits Worksheet

## North Carolina

Form D-400 Schedule PN (added late in tax year 2017 software)

- Input overrides on North Carolina, Income/Deductions, 4. Nonresident and Part-year Information.



## Ohio

New version of TBOR1, Declaration of Tax Representative

## Oklahoma

Schedule HI (formerly Schedule GH)

- Oklahoma > General worksheet > Contributions section

## Oregon

Schedule OR-A, Oregon Itemized Deductions

- Input Scheme To Be Determined but data largely will be from Federal Schedule A

## Rhode Island

Schedule E, Exemption Schedule

- Basic Data > General
- Basic Data > Dependents

## Tennessee

- Estimate payments now pro forma in prior year boxes.
  - ◆ A new option, "TNL", was added for Tennessee - FAE 172 input in the federal Payments > State Estimated Tax Payments Summary > State field.
- Additions late in tax year 2017 Software:
  - ◆ Form INC 251 ES, Prepayment of Individual Income Tax (paper filing)
  - ◆ Form FAE 172, Estimated Tax Declaration (electronic filing)
  - ◆ Form AFE, Application for Exemption, and Form FAE 183, Annual Exemption Renewal, were combined into Form FAE 183, Application for Exemption/Annual Exemption Renewal
  - ◆ Form IE, Intangible Expense Disclosure

## Virginia

- Credit for Taxes Paid worksheet for Efile
  - ◆ Work in progress
- VA Schedule A - Itemized Deductions
  - ◆ Sch A - Itemized Deductions
- Schedule ADJS - VA Supplemental Schedule of Adjustments

## Wisconsin

- Schedule NOL
  - ◆ Net Operating Loss
- Schedule ES - Employee College Savings Account Credit
  - ◆ WI Credits > Employee College Savings Account Contribution Credit
- Schedule EIT - Electronics and Information Technology Credit
  - ◆ WI Credits > Electronics and IT Manufacturing Zone Credit

- Schedule LI - Low-Income Housing Tax Credit
  - ◆ WI Credits > Low-Income Housing Credit

## Enhancements

### Colorado

Added electronic filing for Extension.

### Connecticut

Added electronic filing for Estimate Payments.

### Illinois

Automated calculations on Schedule K-1-P and Schedule K-1-T to flow from federal.

- Overrides on IL Sch K-1-P and Sch K-1-T

### Maryland

Added electronic filing for Estimate Payments.

### Michigan - Michigan Cities

- Added Benton Harbor.
- Added electronic filing for Walker, Jackson, Muskegon Heights.

### New Jersey

Added electronic filing for Estimate Payments.

### Ohio

Removed Annualization section of OH IT 2210 and OH SD 2210, Underpayments of Estimated Tax.

### Pennsylvania - Pennsylvania Cities

Added ability to enter separate taxpayer/spouse estimate information on Pennsylvania Cities > Estimates/Underpayments.

# Partnership (1065) Product Enhancements - Worksheet View

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## Federal

### Tax Reform Changes to Existing Forms

#### Form 1065

- Form 1065 Technical termination box removed.
- Form 1065, Page 1, Lines 23 through 30 are new.
- Form 1065, Page 2, Lines 2 and 5 removed.
- Form 1065, Page 3, Lines 21 through 26 are new.
- Form 1065, “Designation of Tax Matters Partner” is now “Designation of Partnership Representative.”

#### Schedule K-1


- New Line 6c for Dividend equivalents.
- Addition of Line 20 codes Z and AA through AH for Sec 199A reporting.
- Removal of DPAD information from Schedule K-1 (Line 13 codes T-V) Reserved for Future Use.

#### Form 965

- Form is e-fileable.
- Payments will be integrated with return payments.

#### Form 8082, Notice of Inconsistent Treatment or Administrative Adjustment Request (AAR)

- Additional questions in Part 1.
- Line 2 options have changed.

 **Note:** All federal changes are being made with deconforming states in mind, designating existing federal input as “State Only” for continued use.

## Section 199A

A new set of government worksheets will be available for the Qualified Business Income Deduction.

No worksheets have been released by the IRS, so we are proceeding with implementing a version designed internally. This includes new worksheets to compute this QBI deduction for applicable schedules, new fields to include/exclude business entities from QB status, new fields per asset to include/exclude assets from UBIA, and new fields for ADS assets to alter the life.

- Federal > Income/Deductions > Section 199A - Qualified Business Income

## New Forms

- Form 1065, Schedule B-2, Election Out of the Centralized Partnership Audit Regime
- Form 8838-P, Consent to Extend Time to Assess Tax Per Gain Deferral Method
- Form 8979, Partnership Representative Revocation, Designation, and Resignation Form
- Form 8990, Limitation on Business Interest Expense IRC 163(j)
- Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)
- Form 8994, Employer Credit for Paid Family and Medical Leave
- Form 8996, Qualified Opportunity Fund

## New Schedules for Existing Forms

- Form 5471 Sch. E Income, War Profits, and Excess Profits Taxes Paid or Accrued
- Form 5471 Sch. H Current Earnings and Profits
- Form 5471 Sch. I-1 Information for Global Intangible Low-Taxed Income.
- Form 5471 Sch. P Transfer of Property to a Foreign Corporation
- Form 8865 Sch. G Statement of Application for the Gain Deferral Method Under Section 721 (c)
- Form 8865 Sch. H Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c)
- Form 965 Sch. A U.S. Shareholder's Section 965(a) Inclusion Amount
- Form 965 Sch. B Deferred Foreign Income Corporation's Earnings and Profits
- Form 965 Sch. C U.S. Shareholder's Aggregate Foreign Earnings and Profits Deficit
- Form 965 Sch. D U.S. Shareholder's Aggregate Foreign Cash Position
- Form 965 Sch. E U.S. Shareholder's Aggregate Foreign Cash Position Detail
- Form 965 Sch. F Foreign Taxes Deemed Paid by Domestic Corporation for U.S. Shareholder Tax
- Form 965 Sch. G Foreign Taxes Deemed Paid by Domestic Corporation (for U.S. Shareholder Tax Year Ending in 2017)
- Form 965 Sch. H Disallowance of Foreign Tax Credit and Amounts Reported on Forms 1116 and 1118
- Form 965-A, Individual Report of Net 965 Tax Liability
- Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts
- Form 965 Inclusion of Deferred Foreign Income Upon Transition to Participate Exemption System

## Obsolete Forms

- Form 1065-B - U.S. Individual Income Tax Return
- Form 8893, Election of Partnership Level Tax Treatment

## Enhancements

### Composite Returns

- Federal > Common State/City > State Composite Generation is added as an option to activate state composite returns without going to the state level input.

Passthrough Input - Added more ratio ID inputs to passthrough input.

- Qualified conservation property
- Conservation reserve program payments
- New investment income
- Credits that did not support ratio IDs previously

## States

### Tax Changes to Existing Forms

#### Arkansas

- Form AR1000CR Composite Return
  - ◆ Corporate partners are allowed at a tax rate of 6.5%.
  - ◆ Schedule B added for corporate partners.
- AR Schedule K-1
  - ◆ A second column has been added for AR amounts (after apportionment).
- Form AR1050
  - ◆ New Page 2 added to calculate AR depreciation and apportionable income.
  - ◆ New Page 3 added to calculate apportioned income and total taxable income.
  - ◆ New Schedule K added as Page 4.
  - ◆ Page 2 in 2017 is now Page 5 in 2018.

#### Connecticut

Connecticut Pass-Through Entity Tax Return has replaced the Connecticut Composite Income Tax Return.

#### Illinois

Vouchers IL-505-B, IL-561-I, and IL-561-B are being replaced with IL-1065-V.

#### Louisiana

Form 565, Partnership Return of Income redesigned, 4 pages expanded to 12 pages.

#### North Carolina

Apportionment changed from 3 factors to single sales factor.

### New Forms

#### Delaware

Form 8821DE Authorization to Release Tax Information

- Federal > Other > 8821 - Tax Info Authorization

## Indiana

Schedule EZ 1, 2, 3, To Determine Enterprise Zone Adjusted Gross Income for Employment Expense Tax Credit

- Indiana > Sch EZ 123 Enterprise Zone Employment Tax Credit

## Kentucky

Schedule INV, Kentucky Inventory Tax Credit

- Kentucky Partnership (765/765GP) > Credits > Sch INV

## Minnesota

- Schedule KPCNC, Federal Adjustments
  - ◆ Minnesota > Income/Deductions > Federal Adjustments not Adopted
- Schedule KPINC, Federal Adjustments
  - ◆ Minnesota > Income/Deductions > Federal Adjustments not Adopted
- Schedule KSNC, Federal Adjustments
  - ◆ Minnesota > Income/Deductions > Federal Adjustments not Adopted
- Schedule M4NC, Federal Adjustments
  - ◆ Minnesota > Income/Deductions > Federal Adjustments not Adopted
- Schedule LK, Like-Kind Exchanges
  - ◆ Federal > Income/Deductions > 8824 - Like Kind Exchanges

## New Hampshire

Schedule IV - Other Internal Revenue Code Reconciling Adjustments

- New Hampshire > Income/Deductions > NH SCH IV IRC Adjustments

## New York

- Form IT-643 - Hire a Veteran Credit
  - ◆ New York > Credits > IT-643 and IT-644
- Form IT-644 - Workers with Disabilities Tax Credit
  - ◆ New York > Credits > IT-643 and IT-644
- Form IT-649 - Farm Donation to Food Pantries Credit
  - ◆ New York > Credits > IT-649
- Form IT-647 and IT-647 ATT - Farm Workforce Retention Credit
  - ◆ New York > Credits > IT-647

## Ohio - Ohio Cities

- Form MNP 10, Municipal Net Profits Tax Return
  - ◆ Ohio > Ohio Cities > Tax Agency
- Form MNP ES, Municipal Net Profit Declaration of Estimated Taxes
  - ◆ Federal > Payments/Penalties/Estimates > Estimates and Application of Overpayment
- NOL Worksheets
  - ◆ Ohio > Ohio Cities > City Detail > Net Operating Loss

## Virginia

### Schedule 500AP - Modified Apportionment Schedule for VEDP-Certified Companies

- Virginia > Allocations and Apportionment > Apportionment

## Wisconsin

- Schedule AR - Explanation of Amended Return
  - ◆ Federal > Basic Data
  - ◆ Wisconsin > General
- Schedule ES - Employee College Savings Account Contribution Credit
  - ◆ Wisconsin > Credits > Employee College Savings Account Contribution Credit (Schedule ES)
- Schedule LI - Wisconsin Low-Income Housing Tax Credit
  - ◆ Wisconsin > Credits > Low-Income Housing Tax Credit (Schedule LI)

## Enhancements

### Louisiana

Added electronic filing for the Form 565 Partnership return.

### Missouri - Kansas City

Added electronic filing for Form RD-108.

### Ohio

Added electronic filing for Form IT-1140 and IT-4708.

### Ohio - Ohio Cities

- Electronic filing available for RITA.
- Electronic filing available for MNP, Municipal Net Profits Tax Return.

# Corporation (1120) Product Enhancements - Worksheet View

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## Federal

### Tax Reform Changes to Existing Forms

#### Form 1120

- Form 1120 has increased to 6 pages.
- Form 1120, Schedule C has increased in size due to Dividends and Inclusions and new Schedule K questions.
- DPAD line changed to “Reserved for Future Use.”
- Form 1120, 965 tax broken out separately on Line 32.
- 5 new dividend codes added:
  - ◆ OFD - Line 13
    - In 2017 - OFD was shown on Line 11 as dividends from affiliated group members
  - ◆ S965 - Line 15
  - ◆ SCFC - Line 16a
  - ◆ HYB- Line 16b
  - ◆ GILTI - Line 17
- Form 1120, Schedule C, Line 22 - Sec 250 deduction carries from new Form 8993.
- Form 1120, Schedule C, Line 16 - 965 additional income will now be shown as a dividend in 2018.
  - ◆ In 2017, 965 income was not shown on the 1120.
  - ◆ 965(c) deduction will be shown on Line 15(c).
- Form 1120, Page 5, Questions 20 through 25 are new.

#### Schedule O

Consent Plan and Apportionment schedule for a Controlled Group has gone from 4 pages to 2.

#### Form 1120-C

Changes related to Section 965.

#### Form 965

- Form is e-fileable.
- Payments will be integrated with return payments.



## Form 8082, Notice of Inconsistent Treatment or Administrative Adjustment Request (AAR)

- Additional questions in Part 1.
- Line 2 options have changed.



**Note:** All federal changes are being made with deconforming states in mind, designating existing federal input as “State Only” for continued use.

### Section 199A

A new set of government worksheets will be available for the Qualified Business Income Deduction.

No worksheets have been released by the IRS, so we are proceeding with implementing a version designed internally. This includes new worksheets to compute this QBI deduction for applicable schedules, new fields to include/exclude business entities from QB status, new fields per asset to include/exclude assets from UBIA, and new fields for ADS assets to alter the life.

- Federal > Income/Deductions > Section 199A - Qualified Business Income

### New Forms

- Form 8838-P, Consent to Extend Time to Assess Tax Per Gain Deferral Method
- Form 8990, Limitation on Business Interest Expense IRC 163(j)
- Form 8991, Tax on Base Erosion Payments of Taxpayers with Substantial Gross Receipts
- Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)
- Form 8993, Section 250 Deduction for Foreign-Derived Intangible Income (FDII) and Global Intangible Low-Taxed Income (GILTI)
- Form 8994, Employer Credit for Paid Family and Medical Leave
- Form 8996, Qualified Opportunity Fund

### New Schedules for Existing Forms

- Form 5471 Sch. E Income, War Profits, and Excess Profits Taxes Paid or Accrued
- Form 5471 Sch. H Current Earnings and Profits
- Form 5471 Sch. I-1 Information for Global Intangible Low-Taxed Income
- Form 5471 Sch. P Transfer of Property to a Foreign Corporation
- Form 8865 Sch. G Statement of Application for the Gain Deferral Method Under Section 721 (c)
- Form 8865 Sch. H Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c)
- Form 965 Sch. A U.S. Shareholder's Section 965(a) Inclusion Amount
- Form 965 Sch. B Deferred Foreign Income Corporation's Earnings and Profits
- Form 965 Sch. C U.S. Shareholder's Aggregate Foreign Earnings and Profits Deficit
- Form 965 Sch. D U.S. Shareholder's Aggregate Foreign Cash Position
- Form 965 Sch. E U.S. Shareholder's Aggregate Foreign Cash Position Detail
- Form 965 Sch. F Foreign Taxes Deemed Paid by Domestic Corporation for U.S. Shareholder Tax
- Form 965 Sch. G Foreign Taxes Deemed Paid by Domestic Corporation (for U.S. Shareholder Tax Year Ending in 2017)

- Form 965 Sch. H Disallowance of Foreign Tax Credit and Amounts Reported on Forms 1116 and 1118
- Form 965-A, Individual Report of Net 965 Tax Liability
- Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts
- Form 965 Inclusion of Deferred Foreign Income Upon Transition to Participate Exemption System

## Obsolete Forms

- Form 4626, Alternative Minimum Tax - Corporations
- Form 1118 AMT - Foreign Tax Credit
- Form 8810 AMT and ACE version
- Schedule D and Form 8949 AMT version
- Form 6252 AMT version - Installment Sales
- Form 4797 AMT version
- Form 1139 - Corporation Application for Tentative Refund is no longer highlighted when a current year NOL is present.
  - ◆ Reason is due to carrybacks now being severely limited. To produce the form, entries on the Other > Form 1139 worksheet are now required.
- Form 8926 - Disqualified Corporate Interest Expense Disallowed Under Section 163(j)
  - ◆ Replaced with new interest expense limitation Form 8990

## Enhancements

- 1120 PH New Pro Forma Information. Dividend Carryovers from the previous two tax years will now be pro formaed.
- New drilldown screen added for Schedule PH (Form 1120), Page 1, Line 8b.
- Detail for the 1.170A-11(c)(2) charitable contribution carryover conversion to NOL carryover added to the NOL drilldown screen for Form 1120, Page 1, Line 29a.
- Contribution Detail not Carried to Form 8283 - New Code added for "Type" for 15% Charitable Contribution Limitation.
- Passthrough Input - Added more ratio ID inputs to passthrough input:
  - ◆ Qualified conservation property
  - ◆ Conservation reserve program payments
  - ◆ New investment income
  - ◆ Remaining credits that did not support ratio IDs previously

## States

### Tax Changes to Existing Forms

#### Georgia

2D barcode added to Form 700.

#### Illinois

Vouchers IL-505-B and IL-1120-ES are being replaced with IL-1120-V.

## Indiana

Schedule PC, H, and CC-20 split into separate forms:

- IT-20 PIC
  - ◆ Disclosure of Intangible Expense and Directly Related Interest Expense
- IT-20 FSD
  - ◆ Foreign Source Dividend Deduction Schedule
- CC-40
  - ◆ College and University Contribution Credit

## North Carolina

Apportionment changed from 3 factors to single sales factor.

## New Forms

### Delaware

Form 8821DE Authorization to Release Tax Information

- Federal > Other > 8821 - Tax Info Authorization

### Kentucky

Schedule INV, Kentucky Inventory Tax Credit

- Kentucky Partnership (765/765GP) > Credits > Sch INV

### Minnesota

- Schedule KPCNC, Federal Adjustments
  - ◆ Minnesota > Income/Deductions > Federal Adjustments not Adopted
- Schedule KPINC, Federal Adjustments
  - ◆ Minnesota > Income/Deductions > Federal Adjustments not Adopted
- Schedule KSNC, Federal Adjustments
  - ◆ Minnesota > Income/Deductions > Federal Adjustments not Adopted
- Schedule M4NC, Federal Adjustments
  - ◆ Minnesota > Income/Deductions > Federal Adjustments not Adopted
- Schedule LK, Like-Kind Exchanges
  - ◆ Federal > Income/Deductions > 8824 - Like Kind Exchanges

### New Hampshire

Schedule IV - Other Internal Revenue Code Reconciling Adjustments

- New Hampshire > Income/Deductions > NH SCH IV IRC Adjustments

### Ohio - Ohio Cities

- Form MNP 10, Municipal Net Profits Tax Return
  - ◆ Ohio > Ohio Cities > Tax Agency

- Form MNP ES, Municipal Net Profit Declaration of Estimated Taxes
  - ◆ Federal > Payments/Penalties/Estimates > Estimates and Application of Overpayment
- NOL Worksheets
  - ◆ Federal > Income/Deductions > NOL Carryover / Carryback

## Virginia

Schedule 500AP - Modified Apportionment Schedule for VEDP-Certified Companies

- Virginia > Allocations and Apportionment > Apportionment

## Wisconsin

- Schedule AR - Explanation of Amended Return
  - ◆ Federal > Basic Data
  - ◆ Wisconsin > General
- Schedule ES - Employee College Savings Account Contribution Credit
  - ◆ Wisconsin > Credits > Employee College Savings Account Contribution Credit (Schedule ES)
- Schedule LI - Wisconsin Low-Income Housing Tax Credit
  - ◆ Wisconsin > Credits > Low-Income Housing Tax Credit (Schedule LI)

## Enhancements

### Illinois

Added electronic filing for Schedule INS, Tax for Foreign Insurers.

### Kentucky

Added electronic filing for consolidated returns.

### Missouri - Kansas City

Added electronic filing for Form RD-108.

### New York

- Added electronic filing for Form CT-33, Life Insurance Corporation Franchise Tax Return.
- Added electronic filing for Form CT-33NL, Non-Life Insurance Corporation Franchise Tax Return.
- Added electronic filing for Form CT-33C, Captive Insurance Company Franchise Tax Return.

### Ohio - Ohio Cities

- Added electronic filing for RITA.
- Added electronic filing for MNP, Municipal Net Profits Tax Return.

# S Corporation (1120S) Product Enhancements - Worksheet View

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## Federal

### Tax Reform Changes to Existing Forms

#### Form 1120S

- Form 1120S, Page 1, Form 8827 - Minimum Tax Credit, is now applicable to S Corporations.
- Form 1120S, Page 2, Schedule B, Lines 9 and 10 are new.
- Form 1120S, Page 3, Schedule B, Line 15 is new.
- Form 1120S, Page 3, Schedule K, Lines 14d, 14e, 14k, and 14l are changed for Section 965.
- Form 1120S, Page 5, Schedule M-2, Accumulated Earnings and Profits column added to Schedule M-2.

#### Schedule K-1


- Removed DPAD codes P through R.
- Removed codes M through U.
- Added codes V-Z for Section 199A.

#### Form 965

- Form is e-fileable.
- Payments will be integrated with return payments.

#### Form 8082, Notice of Inconsistent Treatment or Administrative Adjustment Request (AAR)

- Added questions in Part 1.
- Changed Line 2 options.

 **Note:** All federal changes are being made with deconforming states in mind, designating existing federal input as “State Only” for continued use.

### Section 199A

A new set of government worksheets will be available for the Qualified Business Income Deduction.

No worksheets have been released by the IRS, so we are proceeding with implementing a version designed internally. This includes new worksheets to compute this QBI deduction for applicable schedules, new fields to include/exclude business entities from QB status, new fields per asset to include/exclude assets from UBIA, and new fields for ADS assets to alter the life.

- Federal > Income/Deductions > Section 199A - Qualified Business Income

### New Forms

- Form 8838-P, Consent to Extend Time to Assess Tax Per Gain Deferral Method
- Form 8990, Limitation on Business Interest Expense IRC 163(j)

- Form 8992, U.S. Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)
- Form 8994, Employer Credit for Paid Family and Medical Leave
- Form 8996, Qualified Opportunity Fund

## New Schedules for Existing Forms

- Form 5471 Sch. E Income, War Profits, and Excess Profits Taxes Paid or Accrued
- Form 5471 Sch. H Current Earnings and Profits
- Form 5471 Sch. I-1 Information for Global Intangible Low-Taxed Income
- Form 5471 Sch. P Transfer of Property to a Foreign Corporation
- Form 8865 Sch. G Statement of Application for the Gain Deferral Method Under Section 721 (c)
- Form 8865 Sch. H Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c)
- Form 965 Sch. A U.S. Shareholder's Section 965(a) Inclusion Amount
- Form 965 Sch. B Deferred Foreign Income Corporation's Earnings and Profits
- Form 965 Sch. C U.S. Shareholder's Aggregate Foreign Earnings and Profits Deficit
- Form 965 Sch. D U.S. Shareholder's Aggregate Foreign Cash Position
- Form 965 Sch. E U.S. Shareholder's Aggregate Foreign Cash Position Detail
- Form 965 Sch. F Foreign Taxes Deemed Paid by Domestic Corporation for U.S. Shareholder Tax
- Form 965 Sch. G Foreign Taxes Deemed Paid by Domestic Corporation (for U.S. Shareholder Tax Year Ending in 2017)
- Form 965 Sch. H Disallowance of Foreign Tax Credit and Amounts Reported on Forms 1116 and 1118
- Form 965-A, Individual Report of Net 965 Tax Liability
- Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts
- Form 965 Inclusion of Deferred Foreign Income Upon Transition to Participate Exemption System

## Enhancements

### Composite Returns

- Federal > Common State/City > State Composite Generation is added as an option to activate state composite returns without going to the state level input.

### Passthrough Input - Added more ratio ID inputs to passthrough input.

- Qualified conservation property
- Conservation reserve program payments
- New investment income
- Remaining credits that did not support ratio IDs previously

# States

## Tax Changes to Existing Forms

### Arkansas

- Form AR1000CR Composite Return
  - ◆ Corporate partners are allowed at a tax rate of 6.5%.
  - ◆ Added Schedule B for corporate partners.
- AR Schedule K-1
  - ◆ Added a second column for AR amounts (after apportionment).

### Connecticut

Connecticut Pass-Through Entity Tax Return has replaced the Connecticut Composite Income Tax Return.

### Illinois

Vouchers IL-505-B, IL-561-I, and IL-561-B are being replaced with IL-1120-ST-V.

### North Carolina

Apportionment changed from three factors to single sales factor.

## New Forms

### Delaware

Form 8821DE Authorization to Release Tax Information

- Federal > Other > 8821 - Tax Info Authorization

### Kentucky

Schedule INV, Kentucky Inventory Tax Credit

- Kentucky Partnership (765/765GP) > Credits > Sch INV

### Minnesota

- Schedule KPCNC, Federal Adjustments
  - ◆ Minnesota > Income/Deductions > Federal Adjustments not Adopted
- Schedule KPINC, Federal Adjustments
  - ◆ Minnesota > Income/Deductions > Federal Adjustments not Adopted
- Schedule KSNC, Federal Adjustments
  - ◆ Minnesota > Income/Deductions > Federal Adjustments not Adopted
- Schedule M4NC, Federal Adjustments
  - ◆ Minnesota > Income/Deductions > Federal Adjustments not Adopted
- Schedule LK, Like-Kind Exchanges
  - ◆ Federal > Income/Deductions > 8824 - Like Kind Exchanges

## New Hampshire

Schedule IV - Other Internal Revenue Code Reconciling Adjustments

- New Hampshire > Income/Deductions > NH SCH IV IRC Adjustments

## New York - New York City

Form NYC-1A, Combined Tax Return for Banking Corporations

- New York > New York City Banking (NYC-1, NYC-1A)

## Ohio - Ohio Cities

- Form MNP 10, Municipal Net Profits Tax Return
  - ◆ Ohio > Ohio Cities > Tax Agency
- Form MNP ES, Municipal Net Profit Declaration of Estimated Taxes
  - ◆ Federal > Payments/Penalties/Estimates > Estimates and Application of Overpayment
- NOL Worksheets
  - ◆ Federal > Income/Deductions > NOL Carryover / Carryback

## Virginia

Schedule 500AP - Modified Apportionment Schedule for VEDP-Certified Companies

- Virginia > Allocations and Apportionment > Apportionment

## Wisconsin

- Schedule AR - Explanation of Amended Return
  - ◆ Federal > Basic Data
  - ◆ Wisconsin > General
- Schedule ES - Employee College Savings Account Contribution Credit
  - ◆ Wisconsin > Credits > Employee College Savings Account Contribution Credit (Schedule ES)
- Schedule LI - Wisconsin Low-Income Housing Tax Credit
  - ◆ Wisconsin > Credits > Low-Income Housing Tax Credit (Schedule LI)

## Enhancements

### Missouri - Kansas City

Added electronic filing for Form RD-108.

### New York City

Electronic filing is now available for Combined returns.

### Ohio

Added electronic filing for Forms IT-1140 and IT-4708.



## Ohio - Ohio Cities

- Electronic filing is now available for RITA.
- Electronic filing is now available for MNP, Municipal Net Profits Tax Return.

# Fiduciary (1041) Product Enhancements - Worksheet View

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## Federal

### Tax Reform Changes to Existing Forms

#### Form 1041

- Removed 2% deductions.
- Limited state and local taxes (Line 11).

Corresponding changes have been made to Form 1040NR.

#### Form ESBT

- Charitable contributions are now limited using individual provisions for ESBTs.
- Limited state and local taxes (Taxes Line).

#### Schedule D

- Updated capital gains thresholds on the Schedule D, Page 2, Lines 28 and 33 and the Schedule D worksheet, Lines 15 and 23.
- Where appropriate, corresponding changes were made to Form 1116 and the Tentative Credit for Prior Year Minimum Tax.

#### Form 8824

Limited to real property.

#### Form 4684

Limited casualty losses to presidentially declared disasters.

#### Form 1116

- Added new income baskets, Section 951A & Foreign branch.
- Recharacterized overall domestic losses. The taxpayer may elect to recharacterize an amount greater than 50%, up to 100%.

#### NOL

Current year


- Removed adjustment for DPAD deduction.

Carryover worksheet

- Removed adjustment for miscellaneous itemized deductions subject to 2% of AGI limit.
- Removed adjustment for DPAD deduction.

## Form 965

- e-fileable.
- Payments will be integrated with return payments.
- Not distributed 965 income does not flow to the Federal 1041 (only the tax flows to Schedule G, Line 7). The IRC 965 Transition Tax Statement produces based on this information.
- Distributed 965 income flows to Federal 1041, Line 7, and then is backed out on Schedule B, Line 15. This amount flows to the K-1 and is input only.
- Conforming states must add in the not distributed 965 income in order to tax it (as it is not included in federal taxable income).
- Non-conforming states do nothing.
- 965 treatment is being revised to be included in income. All states will change in concert.

 **Note:** All federal changes are being made with deconforming states in mind, designating existing federal input as “State Only” for continued use.

## Section 199A

A new set of government worksheets will be available for the Qualified Business Income Deduction.

No worksheets have been released by the IRS, so we are proceeding with implementing a version designed internally. This includes new worksheets to compute this QBI deduction for applicable schedules, new fields to include/exclude business entities from QB status, new fields per asset to include/exclude assets from UBIA, and new fields for ADS assets to alter the life.

- Income > Sch C - Business > Qualified Business Income
- Income > Sch E, P 1 - Rent and Royalty > Qualified Business Income
- Income > Sch E, P 2 - Fiduciary Passthrough (K-1 1041) > Qualified Business Income
- Income > Sch E, P 2 - Partnership Passthrough (K-1 1065) > Qualified Business Income
- Income > Sch E, P 2 - Large Partnership Passthrough (K-1 1065-B) > Qualified Business Income
- Income > Sch E, P 2 - S Corporation Passthrough (K-1 1120S) > Qualified Business Income
- Deductions > Qualified Business Income
- Income > Sch F / 4835 - Farm > Qualified Business Income

## New Forms

- Form 8838-P, Consent to Extend Time to Assess Tax Per Gain Deferral Method
- Form 8990, Limitation on Business Interest Expense IRC 163(j)
- Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)
  - ◆ Taxes > 8992 - U.S. Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)
- Form 8994, Employer Credit for Paid Family and Medical Leave
  - ◆ Income > Sch C - Business > Form 8994 - Employer Credit for Paid Family and Medical Leave
  - ◆ Income > Sch E, p 2 - Fiduciary Passthrough (K-1 1041) > Form 8994 - Employer Credit for Paid Family and Medical Leave
  - ◆ Income > Sch E, p 2 - Partnership Passthrough (K-1 1065) > Form 8994 - Employer Credit for Paid Family and Medical Leave
  - ◆ Income > Sch E, p 2 - Large Partnership Passthrough (K-1 1065-B) > Form 8994 - Employer Credit for Paid Family and Medical Leave

- ◆ Income > Sch E, p 2 - S Corporation Passthrough (K-1 1120S) > Form 8994 - Employer Credit for Paid Family and Medical Leave
- ◆ Income > Sch F / 4835 - Farm > Form 8994 - Employer Credit for Paid Family and Medical Leave
- Form 461, Limitation on Business Losses
  - ◆ Income > 461 - Limitation on Business Losses

## New Schedules for Existing Forms

- Form 8865 Sch. G, Statement of Application for the Gain Deferral Method Under Section 721 (c)
- Form 8865 Sch. H, Transactions Between controlled Foreign Partnership and Partners or Other Related persons
- Form 965 Sch. A, U.S. Shareholder's Section 965(a) Inclusion Amount
- Form 965 Sch. B, Deferred Foreign Income Corporation's Earnings and Profits
- Form 965 Sch. C, U.S. Shareholder's Aggregate Foreign Earnings and Profits Deficit
- Form 965 Sch. D, U.S. Shareholder's Aggregate Foreign Cash Position
- Form 965 Sch. E, U.S. Shareholder's Aggregate Foreign Cash Position Detail
- Form 965 Sch. F, Foreign Taxes Deemed Paid by Domestic Corporation for U.S. Shareholder Tax
- Form 965 Sch. G, Foreign Taxes Deemed Paid by Domestic Corporation (for U.S. Shareholder Tax Year Ending in 2017)
- Form 965 Sch. H, Disallowance of Foreign Tax Credit and Amounts Reported on Forms 1116 and 1118
- Form 965-A, Individual Report of Net 965 Tax Liability
- Form 965, Inclusion of Deferred Foreign Income Upon Transition to Participate Exemption System

## Enhancements

### Interest and Dividend Summary

Added new columns for:

- Market discount
- Section 199A dividends
- Unrecaptured Section 1250 gain
- Section 1202 gain
- Collectibles
- Investment expense

### Form 1116

- Added input for AMT if different foreign tax amounts.
  - ◆ Credits - Foreign Tax Credit > General > Part II - AMT Code
- Added a statement showing the breakdown of foreign income distributed versus not distributed. Prints with the Income Summary 2 form.
- Added ability to select income resourced by treaty on 1099-DIV.
  - ◆ Income - Dividends > Foreign Information > Income type

## States

### New Forms

#### Arkansas

- AR K-FE - Owner's Share of Income, Deductions, Credits
- Form 1099-PT, Report of Tax Withheld or Paid on Behalf
  - ◆ Arkansas > Other > AR-1099PT Beneficiary Information
- Form 4684, Casualties and Thefts

#### Delaware

Form 8821, Authorization to Release Tax Info

- This uses existing input on Federal > Form 2848 Power of Attorney & Form 8821 Tax Info Authorization.

#### Illinois

- K-1-P (including e-file)
  - ◆ Illinois > Schedule K-1-P
- K-1-T (including e-file)
  - ◆ Illinois > Schedule K-1-T

#### Kentucky

Schedule INV, Inventory Tax Credit

- Kentucky > Payments/Credits > Inventory Tax Credit

#### Michigan

- Form 1041-V, e-file Payment Voucher
- Form 5595, Excess Business Loss
- Form 5606, Excess Business Loss Continuation
- Form 8453-FE, Estate or Trust Declaration for e-file

#### Minnesota

- Schedule LK, Like Kind Exchange
- Schedule M2NC
  - ◆ Federal Adjustments MN > Adjustments
- Schedule M2SBNC
  - ◆ Federal Adjustments MN > Adjustments
- Schedule KFNC
  - ◆ Federal Adjustments MN > Adjustments

## New Hampshire

Schedule IV, Other IRC Reconciling Adjustments

- New Hampshire > Income / Deductions > Increases / Decreases to Gross Business Profits to Reconcile to IRC - NH-1041

## New Mexico

Form RPD-41375, NOL Carryforward

- New Mexico > General > Net Operating Loss

## New York

Form IT-649, Farm Donations to Food Pantries Credit

- New York > Credits > Farm Donations to Food Pantries Credit

## North Dakota

- Form 38-PV, Fiduciary Paper Return Payment Voucher
- Schedule TC, Tax Credits
  - ◆ North Dakota > Credits

## Wisconsin

- Schedule ES - Employee College Savings Account Credit
  - ◆ Wisconsin > Credits > Schedule CR Credits
- Schedule LI - Low-Income Housing Tax Credit
  - ◆ Wisconsin > Credits > Schedule CR Credits

## Enhancements

### Kentucky

Added electronic filing (tax year 2017).

### Michigan

Added electronic filing.

### Ohio

- Removed the Annualization section of OH IT 2210 and OH SD 2210, Underpayments of Estimated Tax.
- Added Form 1140 for e-file.

# Estate and Gift (706/709) Product Enhancements - Worksheet View

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There are no updates available with this release.

# Exempt Organization (990) Product Enhancements - Worksheet View

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## Federal

### Tax Reform Changes to Existing Forms

#### Form 990

- Page 5, Part V, Line 15 - new question regarding tax on remuneration of more than \$1,000,000 or excess parachute payments.
- Page 5, Part V, Line 16 - new question regarding educational institution subject to tax on net investment income.

#### Form 990-PF

Page 6, Part VII-B, Line 8 - new question regarding tax on remuneration of more than \$1,000,000 or excess parachute payments.

#### Form 990-T

- Page 1, Parts I & II - organizations that have more than one unrelated trade or business must compute UBTI separately for each trade or business using new Schedule M.
- Page 2, Part III - new Line 34 for amounts paid for disallowed fringes.
- Page 2, Part V - new Line 49 for 965 tax liability.

#### Schedule B, Schedule of Contributors

Certain types of organizations will no longer be required to report names and addresses of contributors when prepared as attachment for Form 990 or 990-EZ.

#### Form 4720

- Page 9, Schedule N is used to compute tax on excess compensation (Section 4960).
- Page 9, Schedule M is used to compute tax on net investment income of private colleges and universities (Section 4968).

#### Form 965

- Form is e-fileable.
- Payments will be integrated with return payments.

#### Section 199A

A new set of government worksheets will be available for the Qualified Business Income Deduction.



No worksheets have been released by the IRS, so we are proceeding with implementing a version designed internally. This includes new worksheets to compute this QBI deduction for applicable schedules, new fields to include/exclude business entities from QB status, new fields per asset to include/exclude assets from UBIA, and new fields for ADS assets to alter the life.

- Federal > Income/Deductions > Section 199A - Qualified Business Income

## New Forms

- Form 8990, Limitation on Business Interest Expense IRC 163(j)
- Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)

## New Schedules for Existing Forms

- Form 5471 Sch. E Income, War Profits, and Excess Profits Taxes Paid or Accrued
- Form 5471 Sch. H Current Earnings and Profits
- Form 5471 Sch. I-1 Information for Global Intangible Low-Taxed Income.
- Form 5471 Sch. P Transfer of Property to a Foreign Corporation
- Form 8865 Sch. G Statement of Application for the Gain Deferral Method Under Section 721 (c)
- Form 8865 Sch. H Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c)
- Form 965 Sch. A U.S. Shareholder's Section 965(a) Inclusion Amount
- Form 965 Sch. B Deferred Foreign Income Corporation's Earnings and Profits
- Form 965 Sch. C U.S. Shareholder's Aggregate Foreign Earnings and Profits Deficit
- Form 965 Sch. D U.S. Shareholder's Aggregate Foreign Cash Position
- Form 965 Sch. E U.S. Shareholder's Aggregate Foreign Cash Position Detail
- Form 965 Sch. F Foreign Taxes Deemed Paid by Domestic Corporation for U.S. Shareholder Tax
- Form 965 Sch. G Foreign Taxes Deemed Paid by Domestic Corporation (for U.S. Shareholder Tax Year Ending in 2017)
- Form 965 Sch. H Disallowance of Foreign Tax Credit and Amounts Reported on Forms 1116 and 1118
- Form 965-A, Individual Report of Net 965 Tax Liability
- Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts
- Form 965 Inclusion of Deferred Foreign Income Upon Transition to Participate Exemption System

## Enhancements

Passthrough Input - Expanded inputs for passthrough income for Form 990-T.

## States

### Tax Changes to Existing Forms

#### Illinois

Vouchers IL-505-B and IL-1120-ES are being replaced with IL-990-T-V.

# Employee Benefit Plan (5500) Product Enhancements - Worksheet View

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There are no updates available with this release.

# Tax Product Enhancements 2018.01000 - Interview View

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## Individual (1040) Product Enhancements - Interview View

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### Federal

#### Tax Reform Changes to Existing Forms

##### Form 1040

- Standard deduction updated.
- Personal exemptions removed.

##### Schedule A

- State and local taxes (Line 5) limited.
- Miscellaneous deductions removed.
- Charitable contributions rate for cash changed to 60%.
- Itemized deductions worksheet for phaseout removed.

Corresponding changes were made to Form 1040NR, Form 1116, and Tax Equalization.

##### Schedule C

- Business meals and entertainment are more strictly limited.
- Entertainment was removed from Travel, Meals and Entertainment text on Schedule, C Line 24.

##### Schedule D

- Capital gains thresholds updated on the Schedule D worksheet, L15 and L24.
- Where appropriate, corresponding changes have been made to Form 1116, Tax Equalization, and the Tentative Credit for Prior Year Minimum Tax.

##### Schedule 8812

- Part I, Filers Who Have Certain Child Dependent(s) with an Individual Taxpayer Identification Number (ITIN), has been removed.
- Sch 8812 is no longer produced for dependents for whom the credit is claimed and that also have an ITIN.
- Sch 8812 is no longer produced for dependents for whom the credit is claimed with an “applied for” ITIN or that have a W-7 in the return.
- The additional child tax credit is limited to \$1,400 per eligible child.
- Where appropriate, Tax Equalization follows suit.

## Form 1116

- New income baskets, Section 951A & Foreign branch.
- Recharacterization of overall domestic losses - taxpayer may elect to recharacterize an amount greater than 50%, up to 100%.
- Itemized deduction worksheet
  - ◆ Remove deductions subject to 2% limit
  - ◆ Remove phaseout calculation
- Where appropriate, Tax Equalization follows suit.

## Form 2106

No longer allows entertainment expenses subject to the 50% limit to be deducted. For this reason, 50% entertainment expenses were moved to a new box and made "State Use."

## Form 2555

- Update maximum foreign income exclusion.
- Update housing limits.
- Where appropriate, Tax Equalization follows suit.

## Form 3903

Only military moving expenses are deductible.

## Form 8615

- Estate and trust tax rates used.
- The import feature is only used by states since federal no longer references family income.

## NOL

Current year

- Remove adjustment for DPAD deduction.

Carryover worksheet


- Remove adjustment for miscellaneous itemized deductions subject to 2% of AGI limit.
- Remove adjustment for itemized deduction phaseout.
- Remove adjustment for DPAD deduction.

## Section 933

- Adjustment for personal exemptions removed.
- Adjustment for miscellaneous deduction subject to 2% of AGI removed.
- Adjustment for DPAD deduction will be removed.

## Form 965

- Form is e-fileable.
- Payments will be integrated with return payments.

 **Note:** All federal changes are being made with deconforming states in mind, designating existing federal input as “State Only” for continued use.

## Section 199A

A new set of government worksheets will be available for the Qualified Business Income Deduction.

No worksheets have been released by the IRS, so we are proceeding with implementing a version designed internally. This includes new worksheets to compute this QBI deduction for applicable schedules, new fields to include/exclude business entities from QB status, new fields per asset to include/exclude assets from UBIA, and new fields for ADS assets to alter the life.

- Interview Form QBI-1

## New Forms

- The postcard form replaces Form 1040, 1040A, 1040EZ.
  - ◆ Form 1040 Sch. 1 Additional Income and Adjustments to Income
  - ◆ Form 1040 Sch. 2 Tax
  - ◆ Form 1040 Sch. 3 Non-refundable Credits
  - ◆ Form 1040 Sch. 4 Other Taxes
  - ◆ Form 1040 Sch. 5 Other Payments and Refundable Credits
  - ◆ Form 1040 Sch. 6 Foreign Address and Third Party Designee
  - ◆ Tax Projector and Tax Equalization follow the new postcard format.
- Form 8838-P, Consent to Extend Time to Assess Tax Per Gain Deferral Method
- Form 8990, Limitation on Business Interest Expense IRC 163(j)
- Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)
  - ◆ Interview Form GIL-1
- Form 8994, Employer Credit for Paid Family and Medical Leave
  - ◆ Interview Form P-36
- Form 461, Limitation on Business Losses
  - ◆ Interview Form M-20

## New Schedules for Existing Forms

- Form 5471 Sch. E Income, War Profits, and Excess Profits Taxes Paid or Accrued
- Form 5471 Sch. H Current Earnings and Profits
- Form 5471 Sch. I-1 Information for Global Intangible Low-Taxed Income
- Form 5471 Sch. P Transfer of Property to a Foreign Corporation
- Form 8865 Sch. G Statement of Application for the Gain Deferral Method Under Section 721 (c)
- Form 8865 Sch. H Transactions Between controlled Foreign Partnership and Partners or Other Related persons
- Form 965 Sch. A U.S. Shareholder's Section 965(a) Inclusion Amount

- Form 965 Sch. B Deferred Foreign Income Corporation's Earnings and Profits
- Form 965 Sch. C U.S. Shareholder's Aggregate Foreign Earnings and Profits Deficit
- Form 965 Sch. D U.S. Shareholder's Aggregate Foreign Cash Position
- Form 965 Sch. E U.S. Shareholder's Aggregate Foreign Cash Position Detail
- Form 965 Sch. F Foreign Taxes Deemed Paid by Domestic Corporation for U.S. Shareholder Tax
- Form 965 Sch. G Foreign Taxes Deemed Paid by Domestic Corporation (for U.S. Shareholder Tax Year Ending in 2017)
- Form 965 Sch. H Disallowance of Foreign Tax Credit and Amounts Reported on Forms 1116 and 1118
- Form 965-A, Individual Report of Net 965 Tax Liability
- Form 965 Inclusion of Deferred Foreign Income Upon Transition to Participate Exemption System

## Obsolete Forms

- Form 1040A - U.S. Individual Income Tax Return
- Form 1040EZ - Income Tax Return for Single and Joint Filers with No Dependents
- Form 2106-EZ - Unreimbursed Employee Business Expenses

## Enhancements

### Interest and Dividend Summary

Added new columns for:

- Market discount
- Section 199A dividends
- Unrecaptured Section 1250 gain
- Section 1202 gain
- Collectibles,
- Investment expense

### Organizer

Added a question for “Did you sell or exchange Bitcoin or other cryptocurrencies or engage in any sales or exchanges denominated in Bitcoin or other cryptocurrencies?”

### Tax Projector

Added the bracket tax rate to the Summary page so you can see the rate for each year.

### Form 2555

Added an option to reduce Form 1040 other income by camp housing.

- Interview Form M-9, Box 122

### Form 8886

Overflows to form, rather than to a statement. This does not apply to Line 1c, which indicates a statement is needed.

## Form 8958

To allow for more flexibility in return preparation, input for Form 8958 has been redesigned.

- Interview Form STMT-1

## NOL

The carryover detail worksheet prints when the full NOL carryover to 2018 is absorbed in the current year.

## Gains and Losses

Duplicate input has been removed from Interview Form D-1 and D-1A.

## IRS 1099-MISC

Moved the “no 1099 received” field near the top of the form.

## States

### Tax Changes to Existing Forms

#### Connecticut

- Added input for 965 taxable income to Interview Form CT8. This amount will flow to 1040 NR\PY and to state Form 8960, Line 7. This change is for tax year 2017 only.
- Bonus depreciation will be added back on all assets placed in service after 9/27/17. This is calculated automatically. The overrides are on Interview Form CT1, Boxes 86 and 87.

#### Indiana

Resident is an automatic calc (the input overrides are below). Non-Resident uses input only.

- Interview Form IN2, Boxes 48 and 49
- Also reported on Indiana Schedule K-1:
  - ◆ Interview Form IN13, Boxes 80-82

#### Kentucky

- Kentucky did not conform to 965 for tax year 2017. Repatriation income included in federal AGI is subtracted from Kentucky AGI on 2017 Kentucky Schedule M, Line 19.
- Does not adopt the increased expensing and depreciation provisions for capital improvements.
- The current graduated tax system, with rates ranging from 2% to 6%, is converted to a flat rate of 5% for all taxpayers effective for tax years beginning on or after January 1, 2018.
- The personal credit of \$10 per person is repealed.
- The only itemized deductions allowed are deductions for mortgage interest and charitable contributions. All other itemized deductions (medical insurance, medical expenses, local occupational taxes and property taxes paid, interest expense on investments, casualty and theft losses, and other miscellaneous deductions) are eliminated.
- Long-term care and health insurance premiums allowed previously as a deduction from Kentucky adjusted gross income are no longer allowed.

- Historically, Kentucky has permitted \$41,110 per person of pension income to be excluded from taxable income. For 2018, that exclusion is reduced to \$31,110 per person. Social Security continues to be fully exempted from Kentucky income tax.

## Ohio - Ohio Cities

New NOL carryover law is being applied to OHC. All cities will allow 50% of the NOL generated from 2017. Cities that implemented income tax after 1/1/2016 will allow 100% of the NOL generated in 2017.

## Oregon

- Individuals in Oregon must add back the federal deduction for repatriation income under Internal Revenue Code (IRC) §965. Taxpayers should use addition code 162 (“Capital loss with Oregon-only tax benefit” even though the description does not match) to add the deduction amount to their 2017 Oregon personal income tax return.
  - For input, CCH customers should use addition code 119 rather than code 162 on Interview Form OR2, Boxes 31 and 32 to file the repatriation add-back for tax year 2017.
- Decouples from federal 20 percent passthrough income tax deduction included under IRC Sec. 199A (QBID).
- 2018 Oregon Individual Income Tax Rates:
 

Not over \$3,450	5% of taxable income
Over \$3,450 but not over \$8,700	\$173 plus 7% of excess over \$3,450
Over \$8,700 but not over \$125,000	\$540 plus 9% of excess over \$8,700
Over \$125,000	\$11,007 plus 9.9% of excess over \$125,000
- Oregon will retain personal exemptions.
- Sole proprietorships may now claim the reduced rate (Schedule OR-PTE) for tax years beginning on or after January 1, 2018.
- The IRC §965 repatriation income deduction is added back with addition code 184.

## New Forms

### Alabama

- Schedule DS & HOF - Dependents and Head of Family Schedule
  - Interview Form 1
- Refundable Credit Schedule
  - Interview Form AL8 and AL9

### Arkansas

- Form AR 4684
  - Interview Form D-2
- Form AR2106 - Employee Business Expense
  - Interview Form A-10
  - Interview Form A-10
  - Interview Form A-10
- Form AR3903 - Moving Expenses
  - Interview Form A-12



## District of Columbia

- D-30 NOL
  - ◆ Interview Form DC14
- Form DC-8379 - Injured Spouse Allocation
  - ◆ Interview Form S-4
- Schedule ELC
  - ◆ Interview Form P-1

## Georgia

500-NOL

- Interview Form M-21

## Illinois

- Schedule IL-EIC
  - ◆ Interview Form IL25
- Schedule IL-WIT - Illinois Income Tax Withheld

## Indiana

- Form IN-48725 - Business Entity Report
  - ◆ Interview Form IN9
- Form IN IT-40 Schedule 4 - Other Taxes, Line 1
  - ◆ Interview Form IN1, Box 41
- Form IN IT-40 Schedule 4 - Other Taxes, Line 2
  - ◆ Interview Form IN1, Box 42
- Form IN IT-40 Schedule 4 - Other Taxes, Line 3
- Form IN IT-40PNR Schedule E - Other Taxes, Line 1
  - ◆ Interview Form IN1, Box 41
- Form IN IT-40PNR Schedule E - Other Taxes, Line 2
  - ◆ Interview Form IN1, Box 42
- Form IN IT-40PNR Schedule E - Other Taxes, Line 3
- Form IN IT-40PNR Schedule E - Other Taxes, Line 4
- Form IN IT-40PNR Schedule IN-PRO - Nonresident Professional Team Member County Tax

## Iowa

- IA 140 - Iowa Geothermal Tax Credit
  - ◆ Interview Form IA4A
- IA 2106 - Employee Business Expenses Worksheet
  - ◆ Interview Form A-10
- IA 3903 - Moving Expense Worksheet
  - ◆ Interview Form A-12
- IA 4684 - Casualty and Theft Worksheet
  - ◆ Interview Form D-2

## Kentucky

- Schedule INV, Kentucky Inventory Tax Credit (Ad Valorem) for individual (740 and 740-NP) and LLC (725) income tax returns
  - ◆ Interview Form KY5, Boxes 75, 85
- Schedule ITC, Kentucky Individual Tax Credit Schedule for residents (740), part-year and nonresidents (740-NP)
  - ◆ Interview Form KY4, Boxes 30 - 87
- Form KY 740-X, Amended Kentucky Individual Income Tax Worksheet
  - ◆ Interview Form KY11

## Louisiana

- Form R-6410 - Legislation Credit Recovery Worksheet
- R-2867 - Transmittal of Federal Extension Request as LA Extension

## Michigan

- Form MI-461 Excess Business Loss
  - ◆ Interview Form M-20
- Form 5606, Excess Business Loss Continuation

## Minnesota

- Schedule M1CAT, Casualty and Theft
  - ◆ Interview Form D-2
- Schedule LK, Like Kind Exchange
  - ◆ Interview Form D-9
- Schedule M1NC, Federal Adjustments
  - ◆ Interview Form MN10A
- Schedule KFNC, Federal Adjustments
- Schedule KPINC, Federal Adjustments
- Schedule KSNC, Federal Adjustments
- Schedule M1MOVE, Moving Expenses
  - ◆ Interview Form A-12
- Schedule M1SA, Itemized Deductions
  - ◆ Interview Forms A-1 through A-5
- Schedule M1UE, Unreimbursed Business Expenses
  - ◆ Interview Form A-10

## Nebraska

Form TANF, Employer's Credit for Expenses Incurred for TANF(ADC) Recipients

## New Hampshire

Schedule IV, Other IRC Reconciling Adjustments

- Interview Form NH5

## New York

- Form IT-196, Res/NR/PY Itemized Deductions
  - ◆ Replaces IT-201-D and IT-203-D
- Form IT-647, Farm Workforce Retention Credit
  - ◆ Interview Form NY44
- Form IT-647-ATT, Eligible Farm Employee Information
  - ◆ Interview Form NY44
- Form IT-649, Farm Workforce Retention Credit
  - ◆ Interview Form NY43
- Deduction Limits Worksheet

## North Carolina

Form D-400 Schedule PN (added late in tax year 2017 software)

- Interview Form NC15

## Ohio

New version of TBOR1, Declaration of Tax Representative

## Oklahoma

Schedule HI (formerly Schedule GH)

- Interview Form OK3, Boxes 60-66

## Oregon

Schedule OR-A, Oregon Itemized Deductions

## Rhode Island

Schedule E, Exemption Schedule

- Interview Form 1

## Tennessee

- Estimate payments now pro forma in prior year boxes.
  - ◆ Interview Form TN5, Boxes 80 - 92
- Additions late in tax year 2017 Software:
  - ◆ Form INC 251 ES, Prepayment of Individual Income Tax (paper filing)
  - ◆ Form FAE 172, Estimated Tax Declaration (electronic filing)
  - ◆ Form AFE, Application for Exemption, and Form FAE 183, Annual Exemption Renewal, were combined into Form FAE 183, Application for Exemption/Annual Exemption Renewal
  - ◆ Form IE, Intangible Expense Disclosure

## Virginia

- Credit for Taxes Paid worksheet for E-file
- VA Schedule A - Itemized Deductions
  - ◆ Interview Forms A-1 through A-5
- Schedule ADJS - VA Supplemental Schedule of Adjustments

## Wisconsin

- Schedule NOL
  - ◆ Interview Form M-21
- Schedule ES - Employee College Savings Account Credit
  - ◆ Interview Form WI38
- Schedule EIT - Electronics and Information Technology Credit
  - ◆ Interview Form WI38
- Schedule LI - Low-Income Housing Tax Credit
  - ◆ Interview Form WI38

## Enhancements

### Colorado

Added electronic filing for Extension.

### Connecticut

Added electronic filing for Estimate Payments.

### Illinois

Automated calculations on Schedule K-1-P and Schedule K-1-T to flow from federal.

- Overrides on Interview Form IL15 through IL21.

### Maryland

Added electronic filing for Estimate Payments.

### Michigan - Michigan Cities

- Added Benton Harbor.
- Added electronic filing for Walker, Jackson, Muskegon Heights.

### New Jersey

Added electronic filing for Estimate Payments.

### Ohio

Removed Annualization section of OH IT 2210 and OH SD 2210, Underpayments of Estimated Tax.

### Pennsylvania - Pennsylvania Cities

Added ability to enter separate taxpayer/spouse estimate information on Interview Form PAC3.

# Partnership (1065) Product Enhancements - Interview View

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## Federal

### Tax Reform Changes to Existing Forms

#### Form 1065

- Form 1065 Technical termination box removed.
- Form 1065, Page 1, Lines 23 through 30 are new.
- Form 1065, Page 2, Lines 2 and 5 removed.
- Form 1065, Page 3, Lines 21 through 26 are new.
- Form 1065, “Designation of Tax Matters Partner” is now “Designation of Partnership Representative.”

#### Schedule K-1


- New Line 6c for Dividend equivalents.
- Addition of Line 20 codes Z and AA through AH for Sec 199A reporting.
- Removal of DPAD information from Schedule K-1 (Line 13 codes T-V) Reserved for Future Use.

#### Form 965

- Form is e-fileable.
- Payments will be integrated with return payments.

#### Form 8082, Notice of Inconsistent Treatment or Administrative Adjustment Request (AAR)

- Additional questions in Part 1.
- Line 2 options have changed.

 **Note:** All federal changes are being made with deconforming states in mind, designating existing federal input as “State Only” for continued use.

### Section 199A

A new set of government worksheets will be available for the Qualified Business Income Deduction.

No worksheets have been released by the IRS, so we are proceeding with implementing a version designed internally. This includes new worksheets to compute this QBI deduction for applicable schedules, new fields to include/exclude business entities from QB status, new fields per asset to include/exclude assets from UBIA, new fields for ADS assets to alter the life.

- Interview Form QBI-1

## New Forms

- Form 1065, Schedule B-2, Election Out of the Centralized Partnership Audit Regime
- Form 8838-P, Consent to Extend Time to Assess Tax Per Gain Deferral Method
- Form 8979, Partnership Representative Revocation, Designation, and Resignation Form
- Form 8990, Limitation on Business Interest Expense IRC 163(j)
- Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)
  - ◆ Interview Form GIL-1
- Form 8994, Employer Credit for Paid Family and Medical Leave
- Form 8996, Qualified Opportunity Fund

## New Schedules for Existing Forms

- Form 5471 Sch. E Income, War Profits, and Excess Profits Taxes Paid or Accrued
- Form 5471 Sch. H Current Earnings and Profits
- Form 5471 Sch. I-1 Information for Global Intangible Low-Taxed Income
- Form 5471 Sch. P Transfer of Property to a Foreign Corporation
- Form 8865 Sch. G Statement of Application for the Gain Deferral Method Under Section 721 (c)
- Form 8865 Sch. H Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c)
- Form 965 Sch. A U.S. Shareholder's Section 965(a) Inclusion Amount
- Form 965 Sch. B Deferred Foreign Income Corporation's Earnings and Profits
- Form 965 Sch. C U.S. Shareholder's Aggregate Foreign Earnings and Profits Deficit
- Form 965 Sch. D U.S. Shareholder's Aggregate Foreign Cash Position
- Form 965 Sch. E U.S. Shareholder's Aggregate Foreign Cash Position Detail
- Form 965 Sch. F Foreign Taxes Deemed Paid by Domestic Corporation for U.S. Shareholder Tax
- Form 965 Sch. G Foreign Taxes Deemed Paid by Domestic Corporation (for U.S. Shareholder Tax Year Ending in 2017)
- Form 965 Sch. H Disallowance of Foreign Tax Credit and Amounts Reported on Forms 1116 and 1118
- Form 965-A, Individual Report of Net 965 Tax Liability
- Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts
- Form 965 Inclusion of Deferred Foreign Income Upon Transition to Participate Exemption System

## Obsolete Forms

- Form 1065-B - U.S. Individual Income Tax Return
- Form 8893, Election of Partnership Level Tax Treatment

## Enhancements

### Composite Returns

- Interview Form Comp-ST1 is added as an option to activate state composite returns without going to the state level input.

Passthrough Input - Added more ratio ID inputs to passthrough input.

- Qualified conservation property
- Conservation reserve program payments
- New investment income
- Remaining credits that did not support ratio IDs previously

## States

### Tax Changes to Existing Forms

#### Arkansas

- Form AR1000CR Composite Return
  - ◆ Corporate partners are allowed at a tax rate of 6.5%.
  - ◆ Schedule B added for corporate partners.
- AR Schedule K-1
  - ◆ A second column has been added for AR amounts (after apportionment).
- Form AR1050
  - ◆ New Page 2 added to calculate AR depreciation and apportionable income.
  - ◆ New Page 3 added to calculate apportioned income and total taxable income.
  - ◆ New Schedule K added as Page 4.
  - ◆ Page 2 in 2017 is now Page 5 in 2018.

#### Connecticut

Connecticut Pass-Through Entity Tax Return has replaced the Connecticut Composite Income Tax Return.

#### Illinois

Vouchers IL-505-B, IL-561-I, and IL-561-B are being replaced with IL-1065-V.

#### Louisiana

Form 565, Partnership Return of Income redesigned, 4 pages expanded to 12 pages.

#### North Carolina

Apportionment changed from 3 factors to single sales factor.

### New Forms

#### Delaware

Form 8821DE Authorization to Release Tax Information

- Interview Form O-12A

## Indiana

Schedule EZ 1, 2, 3, To Determine Enterprise Zone Adjusted Gross Income for Employment Expense Tax Credit

- Interview Form IN10

## Kentucky

Schedule INV, Kentucky Inventory Tax Credit

- Interview Form KY21

## Minnesota

- Schedule KPCNC, Federal Adjustments
  - ◆ Interview Form MN16
- Schedule KPINC, Federal Adjustments
  - ◆ Interview Form MN16
- Schedule KSNC, Federal Adjustments
  - ◆ Interview Form MN16
- Schedule M4NC, Federal Adjustments
  - ◆ Interview Form MN16
- Schedule LK, Like-Kind Exchanges
  - ◆ Interview Form D-6

## New Hampshire

Schedule IV - Other Internal Revenue Code Reconciling Adjustments

- Interview Form NH13

## New York

- Form IT-643 - Hire a Veteran Credit
  - ◆ Interview Form NY12
- Form IT-644 - Workers with Disabilities Tax Credit
  - ◆ Interview Form NY12
- Form IT-649 - Farm Donation to Food Pantries Credit
  - ◆ Interview Form NY43
- Form IT-647 and IT-647 ATT - Farm Workforce Retention Credit
  - ◆ Interview Form NY44

## Ohio - Ohio Cities

- Form MNP 10, Municipal Net Profits Tax Return
  - ◆ Interview Form OHC1
- Form MNP ES, Municipal Net Profit Declaration of Estimated Taxes
  - ◆ Interview Form OHC3
- NOL Worksheets
  - ◆ Interview Form OHC3



## Virginia

Schedule 500AP - Modified Apportionment Schedule for VEDP-Certified Companies

- Interview Form VA6

## Wisconsin

- Schedule AR - Explanation of Amended Return
  - ◆ Interview Form 1
  - ◆ Interview Form WI1
  - ◆ Interview Form WI12
- Schedule ES - Employee College Savings Account Contribution Credit
  - ◆ Interview Form WI14
- Schedule LI - Wisconsin Low-Income Housing Tax Credit
  - ◆ Interview Form WI14

## Enhancements

### Louisiana

Added electronic filing for the Form 565 Partnership return.

### Missouri - Kansas City

Added electronic filing for Form RD-108.

### Ohio

Added electronic filing for Form IT-1140 and IT-4708.

### Ohio - Ohio Cities

- Electronic filing available for RITA.
- Electronic filing available for MNP, Municipal Net Profits Tax Return.

# Corporation (1120) Product Enhancements - Interview View

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## Federal

### Tax Reform Changes to Existing Forms

#### Form 1120

- Form 1120 has increased to 6 pages.
- Form 1120, Schedule C has increased in size due to Dividends and Inclusions and new Schedule K questions.
- DPAD line changed to “Reserved for Future Use.”
- Form 1120, 965 tax broken out separately on Line 32.
- 5 new dividend codes added:
  - ◆ OFD - Line 13
    - In 2017 - OFD was shown on Line 11 as dividends from affiliated group members
  - ◆ S965 - Line 15
  - ◆ SCFC - Line 16a
  - ◆ HYB- Line 16b
  - ◆ GILTI - Line 17
- Form 1120, Schedule C, Line 22 - Sec 250 deduction carries from new Form 8993.
- Form 1120, Schedule C, Line 16 - 965 additional income will now be shown as a dividend in 2018.
  - ◆ In 2017, 965 income was not shown on the 1120.
- 965(c) deduction will be shown on Line 15(c).
- Form 1120, Page 5, Questions 20 through 25 are new.

#### Schedule O

Consent Plan and Apportionment schedule for a Controlled Group has gone from 4 pages to 2.

#### Form 1120-C

Changes related to Section 965.

#### Form 965

- Form is e-fileable.
- Payments will be integrated with return payments.

## Form 8082, Notice of Inconsistent Treatment or Administrative Adjustment Request (AAR)

- Additional questions in Part 1.
- Line 2 options have changed.



**Note:** All federal changes are being made with deconforming states in mind, designating existing federal input as “State Only” for continued use.

### Section 199A

A new set of government worksheets will be available for the Qualified Business Income Deduction.

No worksheets have been released by the IRS, so we are proceeding with implementing a version designed internally. This includes new worksheets to compute this QBI deduction for applicable schedules, new fields to include/exclude business entities from QB status, new fields per asset to include/exclude assets from UBIA, new fields for ADS assets to alter the life.

- Interview Form QBI-1

### New Forms

- Form 8838-P, Consent to Extend Time to Assess Tax Per Gain Deferral Method
- Form 8990, Limitation on Business Interest Expense IRC 163(j)
- Form 8991, Tax on Base Erosion Payments of Taxpayers with Substantial Gross Receipts
- Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)
  - ◆ Interview Form GIL-1
- Form 8993, Section 250 Deduction for Foreign-Derived Intangible Income (FDII) and Global Intangible Low-Taxed Income (GILTI)
- Form 8994, Employer Credit for Paid Family and Medical Leave
- Form 8996, Qualified Opportunity Fund

### New Schedules for Existing Forms

- Form 5471 Sch. E Income, War Profits, and Excess Profits Taxes Paid or Accrued
- Form 5471 Sch. H Current Earnings and Profits
- Form 5471 Sch. I-1 Information for Global Intangible Low-Taxed Income
- Form 5471 Sch. P Transfer of Property to a Foreign Corporation
- Form 8865 Sch. G Statement of Application for the Gain Deferral Method Under Section 721(c)
- Form 8865 Sch. H Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c)
- Form 965 Sch. A U.S. Shareholder's Section 965(a) Inclusion Amount
- Form 965 Sch. B Deferred Foreign Income Corporation's Earnings and Profits
- Form 965 Sch. C U.S. Shareholder's Aggregate Foreign Earnings and Profits Deficit
- Form 965 Sch. D U.S. Shareholder's Aggregate Foreign Cash Position
- Form 965 Sch. E U.S. Shareholder's Aggregate Foreign Cash Position Detail
- Form 965 Sch. F Foreign Taxes Deemed Paid by Domestic Corporation for U.S. Shareholder Tax

- Form 965 Sch. G Foreign Taxes Deemed Paid by Domestic Corporation (for U.S. Shareholder Tax Year Ending in 2017)
- Form 965 Sch. H Disallowance of Foreign Tax Credit and Amounts Reported on Forms 1116 and 1118
- Form 965-A, Individual Report of Net 965 Tax Liability
- Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts
- Form 965 Inclusion of Deferred Foreign Income Upon Transition to Participate Exemption System

## Obsolete Forms

- Form 4626, Alternative Minimum Tax - Corporations
- Form 1118 AMT - Foreign Tax Credit
- Form 8810 AMT and ACE version
- Schedule D and Form 8949 AMT version
- Form 6252 AMT version - Installment Sales
- Form 4797 AMT version
- Form 1139 - Corporation Application for Tentative Refund is no longer highlighted when a current year NOL is present
  - ◆ Reason is due to carrybacks now being severely limited. To produce the form, entries on the Other > Form 1139 worksheet (Interview View Form CB-3) are now required.
- Form 8926 - Disqualified Corporate Interest Expense Disallowed Under Section 163(j)
  - ◆ Replaced with new interest expense limitation Form 8990

## Enhancements

- 1120 PH New Pro Forma Information. Dividend Carryovers from the previous two tax years will now be pro formaed.
- New drilldown screen added for Schedule PH (Form 1120), Page 1, Line 8b.
- Detail for the 1.170A-11(c)(2) charitable contribution carryover conversion to NOL carryover added to the NOL drilldown screen for Form 1120, Page 1, Line 29a.
- Contribution Detail not Carried to Form 8283 - New Code added for "Type" for 15% Charitable Contribution Limitation.
- Passthrough Input - Added more ratio ID inputs to passthrough input.
  - ◆ Qualified conservation property
  - ◆ Conservation reserve program payments
  - ◆ New investment income
  - ◆ Remaining credits that did not support ratio IDs previously

## States

### Tax Changes to Existing Forms

#### Georgia

2D barcode added to Form 700.

## Illinois

Vouchers IL-505-B and IL-1120-ES are being replaced with IL-1120-V.

## Indiana

Schedule PC, H, and CC-20 split into separate forms:

- IT-20 PIC
  - ◆ Disclosure of Intangible Expense and Directly Related Interest Expense
- IT-20 FSD
  - ◆ Foreign Source Dividend Deduction Schedule
- CC-40
  - ◆ College and University Contribution Credit

## North Carolina

Apportionment changed from 3 factors to single sales factor.

## New Forms

### Delaware

Form 8821DE Authorization to Release Tax Information

- Interview Form O-12A

### Kentucky

Schedule INV, Kentucky Inventory Tax Credit

- Interview Form KY21

### Minnesota

- Schedule KPCNC, Federal Adjustments
  - ◆ Interview Form MN16
- Schedule KPINC, Federal Adjustments
  - ◆ Interview form MN16
- Schedule KSNC, Federal Adjustments
  - ◆ Interview form MN16
- Schedule M4NC, Federal Adjustments
  - ◆ Interview Form MN16
- Schedule LK, Like-Kind Exchanges
  - ◆ Interview Form D-6

### New Hampshire

Schedule IV - Other Internal Revenue Code Reconciling Adjustments

- Interview Form NH13

## Ohio - Ohio Cities

- Form MNP 10, Municipal Net Profits Tax Return
  - ◆ Interview Form OHC1
- Form MNP ES, Municipal Net Profit Declaration of Estimated Taxes
  - ◆ Interview Form OHC3
- NOL Worksheets
  - ◆ Interview Form OHC3

## Virginia

Schedule 500AP - Modified Apportionment Schedule for VEDP-Certified Companies

- Interview Form VA6

## Wisconsin

- Schedule AR - Explanation of Amended Return
  - ◆ Interview Form 1
  - ◆ Interview Form WI1
  - ◆ Interview Form WI12
- Schedule ES - Employee College Savings Account Contribution Credit
  - ◆ Interview Form WI14
- Schedule LI - Wisconsin Low-Income Housing Tax Credit
  - ◆ Interview Form WI14

## Enhancements

### Illinois

Added electronic filing for Schedule INS, Tax for Foreign Insurers.

### Kentucky

Added electronic filing for consolidated returns.

### Missouri - Kansas City

Added electronic filing for Form RD-108.

### New York

- Added electronic filing for Form CT-33, Life Insurance Corporation Franchise Tax Return.
- Added electronic filing for Form CT-33NL, Non-Life Insurance Corporation Franchise Tax Return.
- Added electronic filing for Form CT-33C, Captive Insurance Company Franchise Tax Return.

## Ohio - Ohio Cities

- Added electronic filing for RITA.
- Added electronic filing for MNP, Municipal Net Profits Tax Return.

# S Corporation (1120S) Product Enhancements - Interview View

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## Federal

### Tax Reform Changes to Existing Forms

#### Form 1120S

- Form 1120S, Page 1, Form 8827 - Minimum Tax Credit, now applicable to S corporations.
- Form 1120S, Page 2, Schedule B, Lines 9 and 10 are new.
- Form 1120S, Page 3, Schedule B, Line 15 is new.
- Form 1120S, Page 3, Schedule K, Lines 14d, 14e, 14k and 14l are changed for Section 965.
- Form 1120S, Page 5, Schedule M-2, Accumulated Earnings and Profits column added to Schedule M-2.

#### Schedule K-1


- DPAD Codes P through R are gone.
- Codes M through U are gone.
- Codes V-Z added for Section 199A.

#### Form 965

- Form is e-fileable.
- Payments will be integrated with return payments.

#### Form 8082, Notice of Inconsistent Treatment or Administrative Adjustment Request (AAR)

- Additional questions in Part 1.
- Line 2 options have changed.

 **Note:** All federal changes are being made with deconforming states in mind, designating existing federal input as “State Only” for continued use.

### Section 199A

A new set of government worksheets will be available for the Qualified Business Income Deduction.

No worksheets have been released by the IRS, so we are proceeding with implementing a version designed internally. This includes new worksheets to compute this QBI deduction for applicable schedules, new fields to include/exclude business entities from QB status, new fields per asset to include/exclude assets from UBIA, new fields for ADS assets to alter the life.

- Interview Form QBI-1

### New Forms

- Form 8838-P, Consent to Extend Time to Assess Tax Per Gain Deferral Method
- Form 8990, Limitation on Business Interest Expense IRC 163(j)

- Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)
  - ◆ Interview Form GIL-1
- Form 8994, Employer Credit for Paid Family and Medical Leave
- Form 8996, Qualified Opportunity Fund

## New Schedules for Existing Forms

- Form 5471 Sch. E Income, War Profits, and Excess Profits Taxes Paid or Accrued
- Form 5471 Sch. H Current Earnings and Profits
- Form 5471 Sch. I-1 Information for Global Intangible Low-Taxed Income
- Form 5471 Sch. P Transfer of Property to a Foreign Corporation
- Form 8865 Sch. G Statement of Application for the Gain Deferral Method Under Section 721 (c)
- Form 8865 Sch. H Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c)
- Form 965 Sch. A U.S. Shareholder's Section 965(a) Inclusion Amount
- Form 965 Sch. B Deferred Foreign Income Corporation's Earnings and Profits
- Form 965 Sch. C U.S. Shareholder's Aggregate Foreign Earnings and Profits Deficit
- Form 965 Sch. D U.S. Shareholder's Aggregate Foreign Cash Position
- Form 965 Sch. E U.S. Shareholder's Aggregate Foreign Cash Position Detail
- Form 965 Sch. F Foreign Taxes Deemed Paid by Domestic Corporation for U.S. Shareholder Tax
- Form 965 Sch. G Foreign Taxes Deemed Paid by Domestic Corporation (for U.S. Shareholder Tax Year Ending in 2017)
- Form 965 Sch. H Disallowance of Foreign Tax Credit and Amounts Reported on Forms 1116 and 1118
- Form 965-A, Individual Report of Net 965 Tax Liability
- Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts
- Form 965 Inclusion of Deferred Foreign Income Upon Transition to Participate Exemption System

## Enhancements

### Composite Returns

- Interview Form Comp-ST1 is added as an option to activate state composite returns without going to the state level input.

### Passthrough Input - Added more ratio ID inputs to passthrough input.

- Qualified conservation property
- Conservation reserve program payments
- New investment income
- Remaining credits that did not support ratio IDs previously



## States

### Tax Changes to Existing Forms

#### Arkansas

- Form AR1000CR Composite Return
  - ◆ Corporate partners are allowed at a tax rate of 6.5%.
  - ◆ Schedule B added for corporate partners.
- AR Schedule K-1
  - ◆ A second column has been added for AR amounts (after apportionment).

#### Connecticut

Connecticut Pass-Through Entity Tax Return has replaced the Connecticut Composite Income Tax Return.

#### Illinois

Vouchers IL-505-B, IL-561-I, and IL-561-B are being replaced with IL-1120-ST-V.

#### North Carolina

Apportionment changed from 3 factors to single sales factor.

### New Forms

#### Delaware

Form 8821DE Authorization to Release Tax Information

- Interview Form O-12A
- Interview Form IN10

#### Kentucky

Schedule INV, Kentucky Inventory Tax Credit

- Interview Form KY21

#### Minnesota

- Schedule KPCNC, Federal Adjustments
  - ◆ Interview Form MN16
- Schedule KPINC, Federal Adjustments
  - ◆ Interview Form MN16
- Schedule KSNC, Federal Adjustments
  - ◆ Interview Form MN16
- Schedule M4NC, Federal Adjustments
  - ◆ Interview Form MN16
- Schedule LK, Like-Kind Exchanges
  - ◆ Interview Form D-6

## New Hampshire

### Schedule IV - Other Internal Revenue Code Reconciling Adjustments

- Interview Form NH13

## New York - New York City

### Form NYC-1A, Combined Tax Return for Banking Corporations

- Interview Form CCNYCB1

## Ohio - Ohio Cities

- Form MNP 10, Municipal Net Profits Tax Return
  - ◆ Interview Form OHC1
- Form MNP ES, Municipal Net Profit Declaration of Estimated Taxes
  - ◆ Interview Form OHC3
- NOL Worksheets
  - ◆ Interview Form OHC3

## Virginia

### Schedule 500AP - Modified Apportionment Schedule for VEDP-Certified Companies

- Interview Form VA6

## Wisconsin

- Schedule AR - Explanation of Amended Return
  - ◆ Interview Form 1
  - ◆ Interview Form W11
  - ◆ Interview Form W112
- Schedule ES - Employee College Savings Account Contribution Credit
  - ◆ Interview Form W114
- Schedule LI - Wisconsin Low-Income Housing Tax Credit
  - ◆ Interview Form W114

## Enhancements

### Missouri - Kansas City

Added electronic filing for Form RD-108.

### New York - New York City

Added electronic filing for Combined returns.

### Ohio

Added electronic filing for Form IT-1140 and IT-4708.

## Ohio - Ohio Cities

- Added electronic filing for RITA.
- Added electronic filing for MNP, Municipal Net Profits Tax Return.

# Fiduciary (1041) Product Enhancements - Interview View

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## Federal

### Tax Reform Changes to Existing Forms

#### Form 1041

- Remove 2% Deductions.
- State and local taxes (Line 11) limited.

Corresponding changes have been made to Form 1040NR.

#### Form ESBT

- Charitable contributions now limited using individual provisions for ESBTs.
- State and local taxes (Taxes Line) limited.

#### Schedule D

- Updated capital gains thresholds on the Schedule D, Page 2, Lines 28 and 33 and Schedule D worksheet, Lines 15 and 23.
- Where appropriate, corresponding changes have been made to Form 1116 and the Tentative Credit for Prior Year Minimum Tax.

#### Form 8824

Limited to real property.

#### Form 4684

Limited Casualty losses to presidentially declared disasters.

#### Form 1116

- Added new income baskets, Section 951A & Foreign branch.
- Recharacterization of overall domestic losses. The taxpayer may elect to recharacterize an amount greater than 50%, up to 100%.

#### NOL

Current year


- Remove adjustment for DPAD deduction.

Carryover worksheet

- Remove adjustment for miscellaneous itemized deductions subject to 2% of AGI limit.
- Remove adjustment for DPAD deduction.

## Form 965

- Form is e-fileable.
- Payments will be integrated with return payments.
- Not distributed 965 income does not flow to the Federal 1041 (only the tax flows to Schedule G, Line 7). The IRC 965 Transition Tax Statement produces based off this information.
- Distributed 965 income flows to Federal 1041, Line 7 and then is backed out on Schedule B, Line 15. This amount flows to the K-1 and is input only.
- Conforming states must add in the not distributed 965 income in order to tax it (since it is not included in federal taxable income).
- Non-conforming states do nothing.
- 965 treatment is being revised to be included in income. All states will change in concert.

 **Note:** All federal changes are being made with deconforming states in mind, designating existing federal input as “State Only” for continued use.

## Section 199A

A new set of government worksheets will be available for the Qualified Business Income Deduction.

No worksheets have been released by the IRS, so we are proceeding with implementing a version designed internally. This includes new worksheets to compute this QBI deduction for applicable schedules, new fields to include/exclude business entities from QB status, new fields per asset to include/exclude assets from UBIA, new fields for ADS assets to alter the life.

- Interview Form QBI-1

## New Forms

- Form 8838-P, Consent to Extend Time to Assess Tax Per Gain Deferral Method
- Form 8990, Limitation on Business Interest Expense IRC 163(j)
- Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)
  - ◆ Interview Form GIL-1
- Form 8994, Employer Credit for Paid Family and Medical Leave
  - ◆ Interview Form P-17
- Form 461, Limitation on Business Losses
  - ◆ Interview Form M-2A

## New Schedules for Existing Forms

- Form 8865 Sch. G, Statement of Application for the Gain Deferral Method Under Section 721 (c)
- Form 8865 Sch. H, Transactions Between controlled Foreign Partnership and Partners or Other Related persons
- Form 965 Sch. A, U.S. Shareholder's Section 965(a) Inclusion Amount
- Form 965 Sch. B, Deferred Foreign Income Corporation's Earnings and Profits
- Form 965 Sch. C, U.S. Shareholder's Aggregate Foreign Earnings and Profits Deficit
- Form 965 Sch. D, U.S. Shareholder's Aggregate Foreign Cash Position
- Form 965 Sch. E, U.S. Shareholder's Aggregate Foreign Cash Position Detail

- Form 965 Sch. F, Foreign Taxes Deemed Paid by Domestic Corporation for U.S. Shareholder Tax
- Form 965 Sch. G, Foreign Taxes Deemed Paid by Domestic Corporation (for U.S. Shareholder Tax Year Ending in 2017)
- Form 965 Sch. H, Disallowance of Foreign Tax Credit and Amounts Reported on Forms 1116 and 1118
- Form 965-A, Individual Report of Net 965 Tax Liability
- Form 965, Inclusion of Deferred Foreign Income Upon Transition to Participate Exemption System

## Enhancements

### Interest and Dividend Summary

Added new columns for:

- Market discount
- Section 199A dividends
- Unrecaptured Section 1250 gain
- Section 1202 gain
- Collectibles
- Investment expense

### Form 1116

- Added input for AMT if different foreign tax amounts.
  - ◆ Interview Form P-2, Box 92
- Added statement showing breakdown of foreign income distributed vs. not distributed. Prints with Income Summary 2 form.
- Added ability to select income resourced by treaty on 1099-DIV.
  - ◆ Interview Form 1099-DIV, Box 141

## States

### New Forms

#### Arkansas

- AR K-FE - Owner's Share of Income, Deductions, Credits
- Form 1099-PT, Report of Tax Withheld or Paid on Behalf
  - ◆ Interview Form AR4
- Form 4684, Casualties and Thefts

#### Delaware

- Form 8821, Authorization to Release Tax Info
  - ◆ Interview Form S-5

## Illinois

- K-1-P (including e-file)
  - ◆ Interview Forms IL24-IL28
- K-1-T (including e-file)
  - ◆ Interview Forms IL29-IL31

## Kentucky

Schedule INV, Inventory Tax Credit

- Interview Form KY3, Boxes 90-102

## Michigan

- Form 1041-V, e-file Payment Voucher
- Form 5595, Excess Business Loss
- Form 5606, Excess Business Loss Continuation
- Form 8453-FE, Estate or Trust Declaration for e-file

## Minnesota

- Schedule LK, Like Kind Exchange
- Schedule M2NC, Interview Form MN16
- Schedule M2SBNC, Interview Form MN16
- Schedule KFNC, Interview Form MN16

## New Hampshire

Schedule IV, Other IRC Reconciling Adjustments

- Interview Form NH-4, Boxes 80-91

## New Mexico

Form RPD-41375, NOL Carryforward

- Interview Form NM5, Boxes 60-94

## New York

Form IT-649, Farm Donations to Food Pantries Credit

- Interview Form NY18, Boxes 40-77

## North Dakota

- Form 38-PV, Fiduciary Paper Return Payment Voucher
- Schedule TC, Tax Credits
  - ◆ Interview Form ND3

## Wisconsin

- Schedule ES - Employee College Savings Account Credit
  - ◆ Interview Form WI24, Boxes 70-85
- Schedule LI - Low-Income Housing Tax Credit
  - ◆ Interview Form WI13, Boxes 80-98

## Enhancements

### Kentucky

Added electronic filing (tax year 2017).

### Michigan

Added electronic filing.

### Ohio

- Removed Annualization section of OH IT 2210 and OH SD 2210, Underpayments of Estimated Tax.
- Added Form 1140 e-file.



## Estate and Gift (706/709) Product Enhancements - Interview View

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There are no updates available with this release.

# Exempt Organization (990) Product Enhancements - Interview View

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## Federal

### Tax Reform Changes to Existing Forms

#### Form 990

- Page 5, Part V, Line 15 - new question regarding tax on remuneration of more than \$1,000,000 or excess parachute payments.
- Page 5, Part V, Line 16 - new question regarding educational institution subject to tax on net investment income.

#### Form 990-PF

Page 6, Part VII-B, Line 8 - new question regarding tax on remuneration of more than \$1,000,000 or excess parachute payments.

#### Form 990-T

- Page 1, Parts I & II - organizations that have more than one unrelated trade or business must compute UBTI separately for each trade or business using new Schedule M.
- Page 2, Part III - new Line 34 for amounts paid for disallowed fringes.
- Page 2, Part V - new Line 49 for 965 tax liability.

### Schedule B, Schedule of Contributors

Certain types of organizations will no longer be required to report names and addresses of contributors when prepared as attachment for Form 990 or 990-EZ.

#### Form 4720

- Page 9, Schedule N is used to compute tax on excess compensation (Section 4960).
- Page 9, Schedule M is used to compute tax on net investment income of private colleges and universities (Section 4968).

#### Form 965

- Form is e-fileable.
- Payments will be integrated with return payments.

### Section 199A

A new set of government worksheets will be available for the Qualified Business Income Deduction.

No worksheets have been released by the IRS, so we are proceeding with implementing a version designed internally. This includes new worksheets to compute this QBI deduction for applicable schedules, new fields to include/exclude business entities from QB status, new fields per asset to include/exclude assets from UBIA, new fields for ADS assets to alter the life.

- Interview Form QBI-1

## New Forms

- Form 8990, Limitation on Business Interest Expense IRC 163(j)
- Form 8992, U.S Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)
  - ◆ Interview Form GIL-1

## New Schedules for Existing Forms

- Form 5471 Sch. E Income, War Profits, and Excess Profits Taxes Paid or Accrued
- Form 5471 Sch. H Current Earnings and Profits
- Form 5471 Sch. I-1 Information for Global Intangible Low-Taxed Income
- Form 5471 Sch. P Transfer of Property to a Foreign Corporation
- Form 8865 Sch. G Statement of Application for the Gain Deferral Method Under Section 721 (c)
- Form 8865 Sch. H Acceleration Events and Exceptions Reporting Relating to Gain Deferral Method Under Section 721(c)
- Form 965 Sch. A U.S. Shareholder's Section 965(a) Inclusion Amount
- Form 965 Sch. B Deferred Foreign Income Corporation's Earnings and Profits
- Form 965 Sch. C U.S. Shareholder's Aggregate Foreign Earnings and Profits Deficit
- Form 965 Sch. D U.S. Shareholder's Aggregate Foreign Cash Position
- Form 965 Sch. E U.S. Shareholder's Aggregate Foreign Cash Position Detail
- Form 965 Sch. F Foreign Taxes Deemed Paid by Domestic Corporation for U.S. Shareholder Tax
- Form 965 Sch. G Foreign Taxes Deemed Paid by Domestic Corporation (for U.S. Shareholder Tax Year Ending in 2017)
- Form 965 Sch. H Disallowance of Foreign Tax Credit and Amounts Reported on Forms 1116 and 1118
- Form 965-A, Individual Report of Net 965 Tax Liability
- Form 965-B, Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts
- Form 965 Inclusion of Deferred Foreign Income Upon Transition to Participate Exemption System

## Enhancements

Passthrough Input - Expanded inputs for passthrough income for Form 990-T.

## States

### Tax Changes to Existing Forms

#### Illinois

Vouchers IL-505-B and IL-1120-ES are being replaced with IL-990-T-V.

# Employee Benefit Plan (5500) Product Enhancements - Interview View

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There are no updates available with this release.