

CCH® ProSystem fx® Tax

2023.03000

Release Notes

March 3, 2024



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## Contact and Support Information

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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 Release Notes

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CCH® ProSystem fx® 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/Recall, Organizer, technology enhancements)
- Updates made to Tax products (form additions and updates, diagnostic updates, changes caused by regulatory updates)

To access a list of CCH ProSystem fx Tax Release Notes for the current year and for prior years, visit the [Release Notes](#) page on our Customer Support site.

# Highlights for Release 2023.03000

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## Tax Updates

### Individual

**Tax Projector.** Tax Projector is available on this release. Please see this [Knowledge Base article](#) on how to install if licensed for it.

## Electronic Filing Updates

### Individual

**Maine.** The Pension Deduction Worksheet is included in the electronic file.

**Virginia.** Electronic filing is available for estimated tax payments.

### Partnership

**Form 8985/8986.** The IRS has added a schema for the filing of Form 8985, Pass-Through Statement - Transmittal/Partnership Adjustment Tracking Report as well as Form 8986, Partner's Share of Adjustment (s) to Partnership-Related Item(s). We are projecting to have the electronic filing available by Release 2023.03020 on March 24th.

### Individual

Virginia Estimates

### S Corporation

Delaware Composite

Delaware Extension

### Partnership

Delaware Composite

Delaware Composite Extension

Delaware Extension

# Tax Product Updates

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## Individual (1040) Product Updates

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### Federal

**Basis Limitation.** State Amount entered on Income > Schedule E, Page 2 - S Corporation Passthrough (K-1 1120S) > Basis Limitation Information > Other Increases / Decreases (Interview Form N-1, Box 154) will flow to the state S Corp Basis Limitation worksheet, Line 9.

**Form 5884.** The EIN may be entered for Schedule C and Schedule F credits to allow credits from 1099-PATR to be claimed.

**Schedule A (Form 8936).** The new clean vehicle credit will calculate when a capacity of 7 kilowatt hours is entered if the adjusted gross income limitation requirement on Form 8936, Part I is met.

### California

**Form 568 question "May the FTB discuss this return with the preparer shown above?"** populates correctly.

### Kansas

Credit for taxes paid will be considered in the calculation for the 2210 penalty.

### Michigan

Michigan correspondence references the correct URL.

### Minnesota

**Form M1, Line 4** worksheet has been updated to correctly reflect Line 2 calculation per instructions.

### Nebraska

NE standard deduction for dependent of another has been updated to \$1,250, matching the federal amount.

### Pennsylvania – Pennsylvania Cities

Plymouth TWP/Colonial S D tax rate is 1.1%.

### Wisconsin

Dependent of another standard deduction has been updated.

## Corporation (1120) Product Updates

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### Electronic Filing

Diagnostic 46458 no longer issues incorrectly for fiscal year filing returns.

### Georgia

**Form 600, Schedule 1, Line 9, Income Tax.** An amount will not be present when there is a loss amount on Schedule 1, Line 7, Georgia Taxable Income.

### Iowa

**Form IA 1120, Line 14** will calculate the correct tax amount based on the taxable income on Line 13.

The IA 1120 Estimate tax payment worksheet calculates at the current year's tax rate.

## S Corporation (1120S) Product Updates

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### Alabama

Form PPT will not print when Page 2, Line 19 tax equals zero if there is no refund indicated.

### Georgia

Georgia withholding amount paid calculates correctly on Form G7-NRW.

The NAICS code within the IT-CA 2023 only prints once.

### Indiana

Indiana Voucher IT-6WTH - PTE Estimate will correctly list the year end in the scan line that is present on the voucher. This item initially appeared in the 2023.02070 release.

### Iowa

IA Schedule K-1, Line 16 statement total matches the amount on Line 16.

### Kentucky

Form PTET-CR will print in the K-1 package.

### Massachusetts

Schedule SK-1, Line 2 fills when Form 63D-ELT is present in the return.

### Minnesota

Form M8, Line 3. The amount for PTE taxes will flow to Form 1120S, Line 12 when the option to accrue tax is selected.

### Montana

Detailed estimate payments will carry to the PTE return. If both detailed and total payments are entered, the detailed payments will be used.

Input has been added for the PTET authorized representative information on Montana > Income / Deductions > Flow-Through Payment (Interview Form MT1, Boxes 50-53).

MT PTE, Page 2, Line 22 includes only the overpayment entered for the state of Montana.

PTE, Page 2 prints without decimals.

Voucher SB generates when applicable and the letters will reflect the amount due.

### New Jersey

Form CBT-200, Line 1, Estimated Corporation Business Tax reports amounts of \$1,500 or less.

## North Carolina

**NC Form K-1 (CD-401S), Lines 9 and 10** are based on Form CD-401S, Line 15, Total Net Taxable Income for both resident and nonresident shareholders.

## Virginia

The 502PTET has been updated to show a balance due when penalties and interest are higher than the overpayment amount.



## Partnership (1065) Product Updates

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### Federal

**Passthrough Input Worksheet.** Input that was inaccessible at the bottom of the Passthrough Income Input Worksheet that included Schedule M-3 items and Line 20U is now accessible.

**Schedule K-3, Part II, Section 2** will be generated with amounts when the option to automatically carry the Form 1065, Page 1, Schedule K and Form 8825, Other rental Schedule and Royalty Schedule income and deductions amounts to Schedule K-2, Part II, Sections 1 and 2 is selected on Partners > Schedule K-2 Distributive Share Items - International Parts I-V > Schedule K-2 General Information and Part I > Print and Calculation Options, Line 31 (Interview Form KF-1, Box 106) but there are no Income amounts to report in Part II, Section 1.

### Alabama

**Form PPT** with a Privilege Tax Due of \$100 or less will issue diagnostic 47631 to prevent filing unless requesting a refund or indicating a No Alabama Nexus return.

**Schedule K-1.** Partner ID for foreign partners not required to enter a valid ID, "000000000" is allowed to enter on the Partners > Partner Information > Partner Summary > SSN/EIN (Interview Form K-1, Box 102).

### Arizona

AZ 165 is correctly using Part 2, Line 10 to calculate the tax total for Lines 12 and 14

**Form 140NR, Line 63a** includes the amount of estimate payments for Arizona only.

### California

For Form 565 returns, the calculation of Form 565, Schedule L Balance Sheets, Lines 21 and 22 have been corrected; they now match the behavior of Form 568's Balance Sheet.

For Form 568 returns, the warning diagnostics for the beginning and ending balance sheets being out of balance either display the correct amounts, or will no longer issue as necessary.

Indicated partners always appear on Form 3804 when selecting "Y" on California > Passthrough Entity Tax > PTE Member Information - Overrides > Include on Form 3804 (Interview Form CA29, Box 51).

### Georgia

Georgia > Taxes > Withholding > Print Form G2-A (Interview Form GA4, Box 212) suppresses print when the option is selected.

Georgia withholding override flows in the Schedule K-1, and G2-A copies.

The remaining available NOL amount on Schedule 9 carries forward correctly to next year.

### Indiana

**IN Schedule PTET.** Cross-references and G-I/W links are available.

## Iowa

Form IA 1065 and Schedule K-1 will no longer include both credits from the IA 128 and the IA 128 innovative renewable energy generation credit unless the forms are not included in the return.

Form IA 1065, Schedule E, Line 13 total will calculate when only Line 2 has been entered.

Form IA PTE-C, Schedule of Members, Page 2 will print all occurrences correctly.

## Kentucky

Form PTET includes all partners unless they are marked as a C-Corporation, Exempt, or Other.

Transmittal letter and filing instructions properly reflect returning Form 8879(C)-K to preparer instead of Form PTET.

## North Carolina

Diagnostic 62722 for Form D-403, Part 4, Line 24 will no longer issue when Part 4, Section A, Line 5 is populated with "C Corp," "Foreign Gov," "Partnership," or "S Corp."

Special allocation code 35505 allocates amounts to NC D-403 K-1, Section C, Line 11 for both resident and nonresident shareholders.

## New Jersey

NJ K-1, Part II, Line 1a allocates the correct amount based upon NJ-1065, Line 21, Column A, Line 22.

## Ohio

Fiscal year returns ending in the current tax year now export.

Form IT 1140 qualifies and exports when amounts are on Lines 16a and 16b.

## Oregon

Input regarding good faith in relation to Form OR-QUP-CAT has been added back.

## Pennsylvania

When a signing officer's SSN has been entered, it will appear on the Pennsylvania 8879-P.

## South Carolina

1040 Composite tax rates have been updated to the 2023 rates.

## Utah

Letters reflect the electronic funds withdrawal date entered on Federal > Basic Data Direct Deposit/Electronic Funds Withdrawal (Interview Form BNK-1, Box 41).

## Wisconsin

Schedule 3-ET, Line 16 has been updated to no longer double the amount.

## Fiduciary (1041) Product Updates

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### Kentucky

Form 740-ES Worksheet, Line 3 calculates as expected, subtracting Line 2 from Line 1.

### Rhode Island

Form RI Schedule K-1, Part IV, Lines 1 and 2 distribute as expected to nonresident beneficiaries.

## Employee Benefit Plan (5500) Product Updates

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### Federal

**Schedule DCG.** Individual Plan Information has been added.