

CCH Access™ Tax  
2021-2.6  
Release Notes

February 20, 2022



**CCH Access™**  
*At the Center of the Firm in Motion*

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## Contact and Support Information

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Product information can be accessed by visiting Customer Support online: [CCH Access Product Support](#).

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 for each CCH Access™ module. Access to these features is available 24/7.

The following Web site provides important information about the features and updates included in all CCH Access Tax releases: [Release Notes](#).

Visit the [Application Status](#) Web page to view the current status of our CCH Access applications. The Application Status Web page is updated every 15 minutes.

Go to [Contact Us](#) to open a Support case or chat with a representative for assistance.

## Information in Tax Release Notes

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CCH Access™ Tax Release Notes inform you of the enhancements and updates that were made to Tax products and systems with the current release.

Information provided in the Release Notes include the following:

- Contact and Support information
- Updates to Tax technology (such as, electronic filing updates, Organizer, Roll Forward, and technology enhancements)
- Updates made to Tax products (such as, form additions and updates, changes in diagnostics, and changes caused by regulatory updates)

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

## Highlights for Release 2021-2.6

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### Tax Updates

#### IRS Provides 2021 K-2 and K-3 Filing Relief for Certain Domestic S Corporations and Partnerships

On February 16, 2022, the IRS issued a [FAQ](#) providing an “additional exception” for tax year 2021 to filing the Schedules K-2 and K-3 for certain domestic partnerships and S corporations. If a partnership or S corporation qualifies for this exception, the entity is not required to file Schedules K-2 and K-3 with the IRS or with its partners or shareholders.

Specifics on qualifying for the filing exception can be found in [KB 138319](#).

#### Need information on Schedules K-2 and K-3?

For a general overview of these new schedules and IRS plans, visit the [Tax Talks LIVE](#) webpage and register to receive a link to the recorded session with experts. We are also making frequent additions to our Knowledge Base. To stay informed, bookmark the [master K-2/K-3 article](#) and check back frequently for new information and instructions on specific K-2/K-3 topics.

### Electronic Filing Updates

#### Approved Products Available on this Release

The following products are approved and available on this release:

##### Individual

New Mexico

Oregon

##### Corporation

Georgia

New Mexico

Ohio Cities RITA

Georgia Consolidated

New Mexico Consolidated

##### S Corporation

New Jersey PTE

Ohio Cities RITA

##### Partnership

Alabama

Alabama Composite

New Jersey PTE

##### Fiduciary

Indiana

## Tax Product Updates

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### Individual (1040) Product Updates

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#### Electronic Filing

**Form 2441.** An issue causing a schema validation error for electronic filing on Form 2441 has been resolved. The issue was only present when there were four or more qualifying people on Form 2441, Part II.

#### New Jersey

Nonresident returns now consider the BAIT credit when calculating the extension amount due.

## Corporation (1120) Product Updates

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### Kentucky

The Kentucky Banking return is obsolete for tax year 2021, and should be replaced with a 720 return.

## S Corporation (1120S) Product Updates

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### Federal

**Revenue Procedure 2021-48.** The statement will allow for multiple sections to apply to the taxpayer. Check boxes for Section 3.01(1), Section 3.01(2), Section 3.01(3), and Section 3.03 are available.

**Schedule K-1.** The deferred obligation worksheet from Form 6252 will not print for shareholders when there are no installment sales with deferred obligation calculated.

### Kentucky

The Kentucky Banking return is obsolete for tax year 2021, and should be replaced with a PTE return.

### New York

The following changes have been made to New York PTE:

1. Overrides have been added New York > PTET Worksheet/Export > PTET Options for the PTET worksheet lines 1 - 13 and 15.
2. Pennies have been added to the tax due on the PTET worksheet line 19, the partner's share of PTET credit on the Partner information worksheet, and the share of credit on the PTET Export.

## Partnership (1065) Product Updates

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### Federal

**Schedule K-1 Transmittal Letter.** Paragraph referring to "Instructions on Schedule K-1, Page 2" revised to "Schedule K-1 Instructions" due to removal of Schedule K-1 codes page.

**Schedule K-3, Part II, Sections 1 and 2** will include all information from Schedule K-2, Part II, Sections 1 and 2 when the amounts are allocated using partner percentages or ratio IDs.

**Schedule K-3, Part IV, Sections 1 and 2** will be generated when ratio IDs are used.

**Schedule K-3, Part IX, Sections 1 and 2** will be generated when ratio IDs are used.

**Schedule K-3, Part X, Sections 1, 2 and 3** will be generated and the amounts allocated when ratio IDs are used to special allocate the amounts to the partners.

### Arkansas

Disallowed meals and entertainment expense from federal deductions will be added back on Schedules K and K-1.

### Indiana

**Addback Code 149** for Business Meals deduction will be present on Forms IT-65 and IN Schedule K-1.

### Minnesota

All nonresident partners with Schedule KPI will have a composite source income form.

### New York

**PTET Worksheet** to calculate PTE due is now available to produce with entries in New York > PTET Worksheet Options/Export.

The following changes have been made to New York PTE:

1. Overrides have been added New York > PTET Worksheet/Export > PTET Options for the PTE worksheet lines 1 - 17 and 19.
2. An override option has been added to the partner's PTE income on Common State/City > Generic State Schedule K-1 Information > Generic State Partner Information Input > Generic Partner Input > State Use - field 5. If the overrides are used to override the PTE worksheet then this override may be needed to get the partner's percentage correct.
3. Pennies have been added to the tax due on the PTE worksheet line 19, the partner's share of PTET credit on the Partner information worksheet, and the share of credit on the PTET Export.



## Fiduciary (1041) Product Updates

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### Illinois - Electronic Filing

**Disqualifying diagnostic 48940** no longer issues if Illinois electronic filing is requested, the Basic Data "Confirm" field is marked, and the return has been rolled over from prior year.

## Estate & Gift (706/709) Product Updates

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### Federal

**Form 8971.** To print a statement with Form 8971, use 8971 - Beneficiary Acquiring Property > General Information > Statement to Print with Form 8971.