



Sage® Fixed Assets and CCH® ProSystem fx® Tax Interface

Quick Start Guide

December 2017

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CCH Incorporated
20101 Hamilton Ave., Suite 200
Torrance, CA 90502

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Required Software

The integration features in Sage® Fixed Assets Depreciation are available only for matching versions of the program. Sage Fixed Assets Depreciation versions show one year greater than CCH ProSystem *fx* Tax versions. To acquire the required software, contact the sales group to assist you.

For CCH ProSystem *fx* Tax Sales: 1-800-739-9998

For Sage® Fixed Assets Depreciation Sales: 1-800-368-2405

Technical Support

If you need additional help, please see your system administrator or contact the appropriate technical support group.

If you have problems with any of the following:

- Entering Like-Kind Exchanges after import
- Prior year business use percent
- Asset or entity duplication
- Assets not importing to correct entities
- Tax return functionality
- Problems importing entities to Sage®
- Methods not importing as you would expect

Please contact CCH ProSystem *fx* Tax Support

- 1-800-739-9998
- <http://support.cch.com/>

If you encounter the following problems:

- An error message about the file not being depreciated through fiscal year-end date
- Company not appearing in picklist for import

- Mapping book issues within Sage® Fixed Assets Depreciation
- When selecting group, the picklist is blank
- *Entity Not Assigned to One or More Assets* error on import



Note: The state information will import exactly as seen in Sage® Fixed Assets Depreciation. We will not limit the state JCWA or Section 179 on import. You must know the state rules and apply them manually to the Sage® Fixed Assets Depreciation file. Merely mapping the state book to a state in CCH ProSystem fx Tax will not conform to the state rules.

Please contact Sage® Fixed Assets Depreciation Support (You must include a customer number)

- 1-800-331-8514
- Fax: 1-866-856-6844
- Email: FixedAssetsSupport@sage.com
- <http://www.SageFixedAssets.com/login>

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Chapter 1

SETTING UP THE INTERFACE

Overview of the Link Process

The integration between Sage® Fixed Assets Depreciation and CCH ProSystem *fx* Tax allows you to import depreciation calculations, Investment Tax Credit (ITC) information, and disposal information from Sage® Fixed Assets Depreciation into CCH ProSystem *fx* Tax for the preparation of your year-end tax return.



Note: We refer to the Sage® Fixed Assets Depreciation asset accounting and depreciation products as "Sage® Fixed Assets Depreciation," which does not include Sage® Fixed Assets Depreciation - Tracking or Sage® Fixed Assets Depreciation - Planning.

Sage® Fixed Assets Depreciation Companies and CCH ProSystem *fx* Tax Returns

In Sage® Fixed Assets Depreciation, a company is a collection of assets that you define; it is not necessarily a legal entity. For example, you can define a company for the assets in each department or in each location in your organization.

It is important to remember that one or more Sage® Fixed Assets Depreciation companies could belong to a single CCH ProSystem *fx* Tax return.

Using the Link

The integration between Sage® Fixed Assets Depreciation and CCH ProSystem *fx* Tax is a two-part process:

Part 1 Set up the Sage® Fixed Assets Depreciation to CCH ProSystem *fx* Tax interface:

- Establish the entities that will be linked between the two programs.
- Assign an entity to each asset.
- Calculate depreciation.

Part 2 Import information into CCH ProSystem *fx* Tax:

- Import depreciation into CCH ProSystem *fx* Tax, either in summary or in detail. You can import information from more than one Sage® Fixed Assets Depreciation company into each

CCH ProSystem *fx* Tax return when importing in detail.



Note: The integration features in Sage® Fixed Assets Depreciation are available only for matching versions of the program. Sage Fixed Assets Depreciation versions show one year greater than CCH ProSystem *fx* Tax versions.

Setting Up the Sage® Fixed Assets Depreciation Link

Follow these directions to establish the entities that will be linked between the two programs.

Entering an EIN

The EIN (Employer Identification Number) is used for validation purposes when you import entity information from CCH ProSystem *fx* Tax into Sage® Fixed Assets Depreciation. You can enter an EIN when you create a new company or add an EIN to an existing company.

Entering an EIN for a New Company

1. Select **File > New Company** from the Sage® Fixed Assets Depreciation menu. The system displays the *New Company* dialog.
2. In the *Name* field, enter a name for the new company.
3. In the *Identifying Number (EIN)* field, enter the company's EIN as a 9-digit number in *##-#####* format.
4. Complete the remaining fields on the *New Company* dialog as necessary and click **OK**.

Entering an EIN for an Existing Company


1. Open the company for which you want to enter the EIN.
2. Select **File > Edit Company** from the Sage® Fixed Assets Depreciation menu. The *Edit Company* dialog displays.
3. In the *Identifying Number (EIN)* field, enter the EIN for the company as a 9-digit number in *##-#####* format.
4. Click **OK** to close the *Edit Company* dialog.

Accessing the CCH ProSystem *fx* Tax Setup Dialog

Select **Links > Tax Links > CCH ProSystem *fx* Tax Link** from the Sage® Fixed Assets Depreciation menu. The system displays the *CCH ProSystem *fx* Tax Setup* dialog.

Map Books Tab


Use the *Map Books* tab to select the Sage[®] Fixed Assets Depreciation books to send to CCH ProSystem *fx* Tax and to indicate the proper use for each book.

- **Book.** Select the Sage[®] Fixed Assets Depreciation books from which depreciation will be sent to CCH ProSystem *fx* Tax. You can map a Sage[®] Fixed Assets Depreciation book more than once; e.g., you can use the State book for both Virginia and South Carolina depreciation purposes.
- **Use.** Identify the *Use* for the selected Sage[®] Fixed Assets Depreciation book. A *Use* can be mapped to a book only once. In order for the link to operate successfully, one Sage[®] Fixed Assets Depreciation book must be identified as being in use for federal depreciation purposes.
 **Note:** You can select **no more than four states** from the *Use* list.
- **Add.** Add the selected Sage[®] Fixed Assets Depreciation book and its intended use to the *Book Map* list.
- **Remove.** Remove the selected Sage[®] Fixed Assets Depreciation book from the *Book Map* list.
- **Book Map.** Display the selected Sage[®] Fixed Assets Depreciation books and their intended uses.
- **Save Book Map.** Save the information in the *Book Map* list box. The system automatically validates the *Book Map* list. For example, the system verifies you have selected a federal use in the *Use* list.

Manage Entities Tab

The integration between Sage[®] Fixed Assets Depreciation and CCH ProSystem *fx* Tax operates by linking each asset in the fixed assets system to an entity in the tax system. In order to facilitate the assignment process, use the *Manage Entities* tab to set up a list of entities where each asset belongs.


- **Entity/Description** list box. Shows entities that you can assign to assets.
 - **Entity.** The Entity Type and Entity ID, separated by a dash.
 - **Description.** The description of the entity.
- **Import.** Connect to CCH ProSystem *fx* Tax and import a list of entities. Enter a *Fiscal Year Begin* in MM/DD/YYYY format. The year begin must match the current tax year. Click **OK**, and a series of wizard dialogs helps you import the list of entities from CCH ProSystem *fx* Tax.
- **Add.** Enter a new entity manually. Select an entity type and enter an entity number and description, and then click **OK**.
- **Edit.** Change the information for a selected entity. The system displays a dialog that allows you to change the entity type, entity number, or description. Click **OK**.
- **Delete.** Remove the selected entity from the *Entity List*.


 **Note:** Any edits made to the entity list using the Import, Add, Edit, and Delete buttons will require an update to existing assets.

Importing Entities from CCH ProSystem fx Tax

You may import a list of entities from CCH ProSystem fx Tax into Sage® Fixed Assets Depreciation using the *List of Entities* wizard. Before you can import entities into Sage® Fixed Assets Depreciation, you must first:

- Be logged in to a session of Sage® Fixed Assets Depreciation.
- Open a Sage® Fixed Assets Depreciation company that has already been linked to CCH ProSystem fx Tax.
- Install the CCH ProSystem fx Tax year for the Fiscal Year Begin you are requesting.

 **Note:** If you need to run a CCH ProSystem fx Tax workstation setup, you must close Sage® Fixed Assets Depreciation.

 **Note for Laptop Tax Preparation users:** If you are importing entities from a laptop install of CCH ProSystem fx Tax and you are disconnected from your network, you may receive errors in Sage® Fixed Assets Depreciation stating the system is unable to connect to CCH ProSystem fx Tax, or the correct version of CCH ProSystem fx Tax is not installed.


To correct this, do the following:

1. Exit Sage® Fixed Assets Depreciation.
2. Launch Laptop Tax Preparation (it is not necessary to open a return).
3. Close Laptop Tax Preparation.
4. Re-open Sage® Fixed Assets Depreciation.

Your import of entities from Laptop Tax Preparation should proceed without error.

Steps for Importing Entities from CCH ProSystem fx Tax


1. Select **Links > Tax Links > CCH ProSystem fx Tax Link** from within Sage® Fixed Assets Depreciation. The *CCH ProSystem fx Tax Setup* dialog displays.
2. Select the **Manage Entities** tab.
3. Click **Import**. Enter a *Fiscal Year Begin* in MM/DD/YYYY format. The year must be 2017. The *Import from CCH ProSystem fx Tax* wizard opens. If CCH ProSystem fx Tax is available on multiple locations, continue to step 4; otherwise, go to step 5.
4. Select the version of CCH ProSystem fx Tax (Network or Laptop) to be used for the list of entities, and click **Next**.

 **Note:** If you are using the standalone version of Tax, this step does not appear.


5. If you are required to log in to CCH ProSystem fx Tax, the login dialog displays. Enter your login information and click **OK**. The *Import from CCH ProSystem fx Tax* dialog displays.
6. Select the appropriate filters to create a list of returns.

7. Click **Next**. A list of returns that meet your filter criteria displays.
8. Select a return and click **Finish** to begin the import. The return you select:
 - Must contain entities
 - Must have an Employer Identification Number (EIN)
 - Cannot be in use
 - Must be saved prior to the request for a list of entities

If any of the entities are not validated in the import, Sage® Fixed Assets Depreciation will produce an Entity Exceptions report.

 **Note:** If tax return entities have been changed, open the tax return prior to import and save it again so the entities will import correctly.

Assigning an Entity to Each Asset


 **Note:** Before you assign entities to assets, you must create a list of entities on the *Manage Entities* tab of the *CCH ProSystem fx Tax Setup* dialog.

If your company contains assets, you must associate an entity with each asset.

Assigning an Entity to Multiple Assets



1. In the Sage® Fixed Assets Depreciation Group View, display the group of assets to which you want to assign an entity.
2. Click **Select All** to select all of the assets in the group.
3. Select **Edit > Replace** from the menu bar. The *Replace* dialog displays.
4. In the *Change* field, select **Entity**.
5. Select **All values in field**.
6. In the *To* field, enter the entity that you want to assign to the group of assets.

 **Note:** The value in the *To* field must be formatted as <Entity Type>-<Entity Number>-<Entity Description> to match the values on the *Manage Entities* tab of the *CCH ProSystem fx Tax Setup* dialog. For example: Rental-1-Rental.

7. Click **Replace**. A change confirmation dialog displays.
8. Click **Yes** on the *Replace Confirmation* dialog.
9. Click **Yes** on the *Replace Complete* dialog.


Assigning an Entity to a New Asset



1. In Sage® Fixed Assets Depreciation, do one of the following:
 - Select **Asset > Add** from the menu bar
 - Click **Add an Asset** below the Tasks menu.


A blank form displays for entering a new asset.

2. Click **Assign Entity** to display the *Assign Entity* dialog.

 **Note:** The *Assign Entity* button is not available in Tasks List unless entities have been defined and the corresponding tax year of CCH ProSystem *fx Tax* is installed.


The *Current Entity* field displays the name of the entity currently assigned to the asset.

3. To assign a new entity (or a different entity), select the entity from the list, and then click **Update**. The system updates the *Current Entity* field with the selected entity.
4. Click **Close**. The system returns to the selected asset.

 **Note:** As you enter assets into the system, you should assign an entity while in Detail View.


Calculating Depreciation

Before you can send depreciation to CCH ProSystem *fx Tax*, you must calculate depreciation for all active assets.

 **Note:** When you calculate depreciation, select the correct fiscal year-end in the *Depreciate* dialog. The integration supports only the current tax year. Prior years are not supported.

To calculate depreciation, do the following:

1. Select **Depreciation > Depreciate** from the Sage® Fixed Assets Depreciation menu bar. The *Depreciate* dialog displays.
2. Complete the *Depreciate* dialog and click **Execute**. The system calculates depreciation for the selected group of assets.
 - **Group**. Select the group for which you want to calculate depreciation. To create a new group, select **Group Manager** from the drop-down list or from the *Customize* menu.
 - **Books**. Select each book that you mapped to a CCH ProSystem *fx Tax* use.
 - **Select All/Unselect All**. Click to select or unselect all available books.
 - **Date**. Enter the date (in MM/YYYY format) through which you want the system to calculate depreciation. The system includes all assets in service through the last day of the month you enter. The date can be for any period.

 **Note:** If you enter a date for an earlier period, the system resets the current depreciation for all assets included in the calculation to the depreciation amounts for that earlier period.
 - **Run Options**. If you select one of the *Run Options*, the results are displayed or sent to a printer. When no boxes are checked, depreciation is calculated for the selected assets.
 - **Choose report**. Select a customized report to display the calculation results. You can choose any report based on the Depreciation Expense report. For example, if you have changed the column headings on the Depreciation Expense report and named the customized report “My Depr Expense Report,” you can select **My Depr Expense Report** from this field.

 **Notes:**

- This field is available only if you have purchased Fixed Assets Depreciation Report Writer.
 - We recommend you always print the Depreciation Expense report. The amount in the *Current Year-to-Date* column represents the current depreciation that will be imported into CCH ProSystem *fx* Tax.
3. If you opted to display the results, click **Close** to exit the report viewer.


Chapter 2

IMPORTING DEPRECIATION INTO CCH PROSYSTEM fx TAX

This import will transfer data to the CCH ProSystem *fx* Tax DP-series of Interview Forms or the equivalent worksheets for the Corporation (1120), S Corporation (1120S), and Partnership (1065) tax products.


Before you can import depreciation into CCH ProSystem *fx* Tax, do the following:

- The companies you select to import from must be calculated and not in use, and they must have an EIN assigned in Sage[®] Fixed Assets Depreciation that matches the EIN of your CCH ProSystem *fx* Tax return.
- The assets of the selected companies must be associated with entities.
- Sage[®] Fixed Assets Depreciation must be closed.

 **Note:** If you need to run a CCH ProSystem *fx* Tax workstation setup, you must close Sage[®] Fixed Assets Depreciation.

To import depreciation from Sage[®] Fixed Assets Depreciation into CCH ProSystem *fx* Tax, do the following:


1. Open a Corporation, S Corporation, or Partnership tax return in CCH ProSystem *fx* Tax Preparation.
2. Select **File > Import > Fixed Assets > Sage[®] Fixed Assets Depreciation**. The *Import from Sage[®] Fixed Assets Depreciation* wizard opens.
3. Click **Save** to save the open return before beginning the import process.
4. Click **Next**.
5. If there is only one Sage[®] Fixed Assets Depreciation system available go to step 7.
6. Select the Sage[®] Fixed Assets Depreciation system to use for importing data and click **Next**.

 **Note:** Once the Sage[®] Fixed Assets Depreciation system has been selected, it cannot be changed. If you need to select a different system, cancel the current import and begin again.


7. If there is more than one Sage[®] Fixed Assets Depreciation database, select one and click **Next**.

 **Notes:**

- Only one Sage[®] Fixed Assets Depreciation database can be imported in a single import. You can import for the same return multiple times, selecting a different database each time.
 - The database you select must not be in use and contain at least one company with an Employer Identification Number (EIN) matching that of the tax return.
8. If you are not currently logged into Sage[®] Fixed Assets Depreciation, the User ID and Password entered for CCH ProSystem fx Tax are not valid for Sage[®] Fixed Assets Depreciation, and the security option is selected, you will be prompted for your Sage[®] Fixed Assets Depreciation User Name and Password. Click **OK**.
 9. Select the Sage[®] Fixed Assets Depreciation companies from which to import fixed assets data and click **Next**.

 **Note:** If the following criteria are not met, you will receive an exception log.

- The companies must be depreciated and not in use.
 - The assets of the selected companies must be associated with entities.
10. Select a group for each company listed on the *Assign Groups to Fixed Assets Depreciation Companies* dialog. The default is *All Fixed Assets Depreciation Assets*.
 11. Click **Next**. If you selected two or more companies in step 9 or selected a Sage[®] Fixed Assets Depreciation system that is older than the tax year of the open return, go to step 14.
 12. Choose one of the following import options:
 - **Totals only**. Imports current depreciation total figures for each entity to Interview Forms DP-5 and DP-6 and to the "Depreciation and Amortization Totals (Form 4562)" Worksheets in Worksheet view.
 - **Asset detail**. Imports current depreciation detail for each asset to Interview Forms DP-1, DP-2, DP-3, and DP-4 and to the "Depreciation and Amortization Totals (Form 4562)" Worksheets for each entity in Worksheet view.

 **Note:** Select **Asset detail** import if you have claimed Investment Tax Credits. Whether you select to import Totals only or Asset Detail, all existing asset detail and total amounts in the return will be deleted and replaced with the Sage[®] Fixed Assets Depreciation data.

13. Click **Next**.
14. If you chose *Totals only* or if this is the first import to this return, go to step 17.
15. Choose one of the following options:
 - **Full import**. Overwrites all existing depreciation input and replaces it with the detail data imported from Sage[®] Fixed Assets Depreciation. This is the default selection.
 - **Append**. Adds the detail data from the selected Sage[®] Fixed Assets Depreciation companies to the return's existing depreciation input. The system updates existing assets, matching data and, when necessary, overwriting existing data.
16. Click **Next**.

17. On the dialog that displays, choose one of the following options:
 - **Add entity**. Creates new depreciation input records for data relating to any entity that is unmatched in the open return. This is the default selection.
 - **Bypass entity**. Skips data relating to any entity that is unmatched in the open return.
18. Click **Next**.
19. Confirm the import selections to use.
20. Click **Finish** to start the import. The *Sage® Fixed Assets Depreciation Import Status* window displays.
 - If there are no exceptions and the import is successful, a message notifies you when the import is complete.
 - If any of the information is not validated in the import, Sage® Fixed Assets Depreciation produces an Exceptions report. If this is the case, do one of the following:
 - Click **Copy To Clipboard** to copy the report for pasting into another application.
 - Click **Print** to print the report.
 - Click **Close** to close the dialog and cancel the import.

Chapter 3

SAGE® FIXED ASSETS DEPRECIATION AND CCH PROSYSTEM fx TAX DIFFERENCES

Differences between the Sage® Fixed Assets Depreciation and CCH ProSystem *fx* Tax programs may result in presentation differences on Form 4562 when you import assets from Sage® Fixed Assets Depreciation into CCH ProSystem *fx* Tax. The total depreciation claimed on Form 4562 will reconcile appropriately, but in certain situations the reporting of information on the form may be different.

The following differences exist between the two programs:

- Indian Reservation Property
- Averaging Conventions
- Negative Assets
- Gain/Loss Deferred
- Like-Kind Exchanges
- Investment Tax Credit
- Gulf Opportunity Zone Assets with Fixed Assets Depreciation ITC codes G and H
- Casualties
- Property Type S
- State Sec179/Other

Indian Reservation Property

In 1993, Congress created a system whereby qualifying Indian reservation property must be depreciated over shorter recovery periods. These assets have shorter GDS lives than would apply if they were not located on an Indian reservation.

For example, a computer on an Indian reservation has a three-year life; if it were not located on an Indian reservation, it would have a five-year life. On Form 4562, the Sage® Fixed Assets Depreciation program reports Indian reservation property (depreciation method MR or MI) according to the class life table found in the Form 4562 instructions and using the asset's reduced Indian reservation recovery period.

CCH ProSystem *fx* Tax reports the property on the line corresponding to the property's original recovery period if it were not on an Indian reservation.


Therefore, the Sage® Fixed Assets Depreciation program might report an asset on Line 19a of Form 4562, while CCH ProSystem fx Tax reports the same asset on Line 19b. The calculated depreciation will be the same, but the data is reported on different lines when comparing the two forms.

Averaging Conventions

A Sage® Fixed Assets Depreciation asset imported into CCH ProSystem fx Tax may display a different averaging convention on Form 4562.

For example, an asset using the mid-quarter convention in the Sage® Fixed Assets Depreciation program may appear on Form 4562 as using the half-year convention. The Sage® Fixed Assets Depreciation program specifies the averaging convention on an asset-by-asset basis. You must individually verify that each asset is correctly using the averaging convention prescribed by law. In CCH ProSystem fx Tax, a company-level option either forces the mid-quarter convention, forces the half-year convention, or recalculates depreciation based on the asset information.

Because multiple assets flow to the same line on Form 4562, and because of the potential for each asset to have a different averaging convention in Sage® Fixed Assets Depreciation, CCH ProSystem fx Tax has been set to recalculate the averaging convention when importing assets from Sage® Fixed Assets Depreciation.

 **Note:** The actual depreciation numbers are not recalculated; only the presentation of the averaging convention on the Form 4562 is affected.

Negative Assets

Sage® Fixed Assets Depreciation allows you to enter assets with a negative cost value, and will depreciate the negative asset accordingly. However, these assets will not be imported into CCH ProSystem fx Tax, as this system does not allow for negative assets.

If you have entered a negative asset into Sage® Fixed Assets Depreciation, you will need to make the appropriate adjustments to your depreciation expense in CCH ProSystem fx Tax.

Gain/Loss Deferred

Sage® Fixed Assets Depreciation allows you to defer a gain/loss from the disposition of an asset to a given tax year. Select **Defer** in the *Recog GL* field and then enter a date in the *Defer Date* field on the *Disposal* tab. If the gain/loss is deferred, it does not appear on the Form 4797 Worksheet until the year of the deferral date.

When the asset disposal is imported into CCH ProSystem fx Tax, the value in the *Recog GL* field is ignored, and the gain/loss is recognized and flows to Form 4797 for the year it was disposed. If the gain/loss is deferred to a future tax year, enter the appropriate information into CCH ProSystem fx Tax to allow for the deferral. For example, if the gain/loss is deferred due to an Installment Sale, enter the information pertaining to the sale for Form 6252 to allow CCH ProSystem fx Tax to properly calculate the realized and recognized gain/loss from the sale.

Like-Kind Exchanges

While the Sage® Fixed Assets Depreciation program supports Like-Kind Exchanges (LKE), it does not include fields to gather all information needed to complete IRS Form 8824 - Like-Kind Exchanges.

When importing a Like-Kind Exchange from Sage® Fixed Assets Depreciation, enter all applicable information into CCH ProSystem *fx* Tax to complete the transaction.

Investment Tax Credit (ITC)

Both Sage® Fixed Assets Depreciation and CCH ProSystem *fx* Tax provide support for the Investment Tax Credit (ITC). However, the specific codes for the credits vary between the programs. You must use the *Asset detail* import if you have taken the ITC and want it to import into CCH ProSystem *fx* Tax.

Sage® Fixed Assets Depreciation/CCH ITC Codes Correlation

Sage® Fixed Assets Depreciation		CCH	
Code	ITC Option	Code	ITC Option
1	Heat/Power System	HM	Combined Heat and Power-Megawatts
2	Small Wind Energy	SW	Small Wind Energy
3	Geothermal Heat Pump	HP	Geothermal Heat Pump
4	Advanced Energy Property	AE	Advanced Energy Project
A	New Property, Full Credit	N	Regular Investment Property
B	New Property, Reduced Credit		Not Supported—No code will import
C	Used Property, Full Credit	N	Regular Investment Property
D	Used Property, Reduced Credit		Not Supported—No code will import
E	30-Year Rehabilitation Property		Not Supported—No code will import
F	40-Year Rehabilitation Property		Not Supported—No code will import

Sage® Fixed Assets Depreciation			CCH
G	Certified Historic Structures	HS	Certified Historic Structure-Other
H	Pre-1936 Buildings	R	Pre-1936 Buildings-Other
I	Biomass Property		Not Supported—No code will import
J	Intercity Buses		Not Supported—No code will import
K	Hydroelectric Property		Not Supported—No code will import
L	Ocean Termal Property		Not Supported—No code will import
M	Solar Energy Property	H	Solar Energy Equipment
N	Wind Property		Not Supported—No code will import
O	Geothermal Property	P	Geothermal Equipment
P	Cer Historic Trans Pro		Not Supported—No code will import
Q	Qual Prog Expenditures		Not Supported—No code will import
R	Reforestation Property	T	Reforestation (Pre-2005 assets only)
S	Solar Energy Property	H	Solar Energy Equipment
T	Other Energy Property	P	Geothermal Equipment
U	Fuel Cell Property	F	Fuel Cell Property
V	Microturbine Property	M	Microturbine Property
W	Advanced Coal Project	CO	Advanced Coal Project

Sage® Fixed Assets Depreciation		CCH	
X	No Investment Tax Credit		Not Supported—No code will import
Y	Gasification Project	G	Gasification Project

After importing an asset for which the ITC was taken, the reduced basis will be imported and the correct depreciation will be calculated and reported on IRS Form 4562. However, if the imported asset was either placed into service or disposed of during the tax year, and ITC was taken on that asset, the appropriate ITC code will need to be entered on Form DP-1 in CCH ProSystem *fx* Tax to correctly complete IRS Form 3468 (Investment Credit) or Form 4255 (Recapture of Investment Credit).

ITC Codes Supported in CCH ProSystem *fx* Tax

CCH Code	CCH Description	CCH Code	CCH Description
R	Pre-1936 Buildings	I	Qualified Indian Reservation Property
HS	Certified Historic Structures	EZ	Qualified Enterprise Zone Property
H	Solar Energy Equipment	A3	Other Amortization Sch M-3 1120 Only (Default for Amortization)
P	Geothermal Equipment	T	Reforestation (Pre-2005 assets only)
N	Regular Investment Credit	GZ	Gulf Opportunity Zone Property
O	Enhanced Oil Recovery Credit (Form 8830)	GH	Certified Historic Structure in GO Zone
EV	Electric Vehicle Credit (Form 8834)	HM	Combined heat and Power-Megawatts
SW	Small Wind Energy	HP	Geothermal Heat Pump
F	Fuel Cell Property	M	Microturbine Property
CO	Advanced Coal Project	G	Gasification Project
AE	Advanced Energy Project		

Gulf Opportunity Zone Assets with Sage® Fixed Assets Depreciation ITC codes G and H

Sage® Fixed Assets Depreciation applies the default 20% Credit to GOZone assets with ITC code G. CCH ProSystem *fx* Tax applies 26% on Form 3468 and imports as code GH into Tax Prep (DP-1 Box 144).

Sage® Fixed Assets Depreciation assigns 10% ITC to GOZone assets with ITC code H. CCH ProSystem *fx* Tax applies 13% on Form 3468 and imports as code GR into Tax Prep (DP-1 Box 144).

Disaster Zone ITC Codes

Disaster Areas			
Sage® Fixed Assets Depreciation		CCH	
K	Kansas Disaster Zone	KS	Kansas disaster area property
D	Qualified Disaster Zone	OD	Other disaster area property
G	Gulf Opportunity Zone	GZ	Gulf Opportunity Zone property

Casualties

Sage® Fixed Assets Depreciation does not support IRS Form 4684; therefore, the gain/loss from a casualty or theft flows directly to the Form 4797 Worksheet.

When importing an asset disposal from Sage® Fixed Assets Depreciation into CCH ProSystem *fx* Tax with a disposal method of *Casualty*, the gain/loss flows correctly to IRS Form 4684.

Property Type S

In Sage® Fixed Assets Depreciation, if an asset is entered with a Property Type of S (Real, Listed) it is reported on Form 4562 in Part V - Listed Property.

When importing a MACRS asset with a Property Type of S from Sage® Fixed Assets Depreciation into CCH ProSystem *fx* Tax, it is reported on Form 4562, Part III, Line 19i.

Fed Sec 179/Bonus Depreciation Codes

Bonus Depreciation Options/Descriptions			
Sage® Fixed Assets Depreciation		CCH	
G	Gulf Opportunity Zone	11	Gulf Opportunity Zone Property
K	Kansas Disaster Zone	13	KS Disaster Property
E	Enterprise Zone		
D	Qualified Disaster Zone	16	Force Section 168(k)-50%
X	Not Applicable		

Assets acquired and placed in service between January 1, 2008, and September 8, 2010, and any in 2012 will default to 50% Section 168(k) bonus depreciation. Assets acquired and placed in service starting September 9, 2010, through December 31, 2011, will default to 100% Section 168(k) bonus depreciation.

State Sec 179/Other

Import will not calculate state Section 179B, 179C, 179D, and Other. If necessary, please enter information for state other deduction in the tax return.

Fed Sec 179/Real Property Classification			
Sage® Fixed Assets Depreciation		CCH	
Qualified leasehold improvements	1	Qualified leasehold improvements property	
Qualified restaurant property	2	Qualified restaurant property	
Qualified retail improvements	3	Qualified retail improvements property	