

CCH Access™ Tax
2014-2.4 Release Notes

February 1, 2015



CCH Access™
At the Center of the Firm in Motion

Contact and Support Information	2
Information in Tax Year 2014 Release Notes	3
Highlights for Release 2014-2.4	4
Tax Updates	4
Electronic Filing	5
Tax Product Updates	7
Individual (1040) Product Updates	7
Partnership (1065) Product Updates	9
Corporation (1120) Product Updates	11
S Corporation (1120S) Product Updates	12
Fiduciary (1041) Product Updates	13
Exempt Organization (990) Product Updates	14

Contact and Support Information

[Return to Table of Contents.](#)

Product and account information can be accessed by visiting Customer Support online at Support.CCH.com/Axcess. 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 Axcess 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 Axcess Tax releases: [Release Notes](#)

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

Go to [Contact Us](#) to find Support calendars, as well as options to enter Web tickets for assistance.

Information in Tax Year 2014 Release Notes

[Return to Table of Contents.](#)

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

The updates provided in the Release Notes include the following:

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

Highlights for Release 2014-2.4

Return to [Table of Contents](#).

Tax Updates

Tax Increase Prevention Act (TIPA) Update

The IRS has released the final forms affected by TIPA, commonly known as "Tax Extenders," and we have updated our tax programs accordingly. With this release all Tax Extender forms are now final and released.

IRS Final and Released CCH Axxess Tax with Release 2014-2.4

- Form 1040 Schedule A
- Form 6478
- Form 6765
- Form 8835
- Form 8844
- Form 8845
- Form 8908

North Carolina Conformity/Nonconformity with the Tax Increase Prevention Act of 2014

CCH recently received communication from the North Carolina Department of Revenue regarding the impact of the Tax Increase Prevention Act of 2014. CCH Axxess Tax has been updated to calculate depreciation based upon the law from tax year 2013, and is assuming the federal and North Carolina definition of Section 179 property will be identical. For more information on the impact to North Carolina from the Tax Increase Prevention Act of 2014, visit their Web site.

The list of affected North Carolina tax forms includes the following:

- **Individual Income Tax.**
 - ◆ Form Schedule A, Part A, Line 3, other additions to federal adjusted gross income:
 - The tuition and fee deductions (Form 8917)
 - The exclusion for cancellation of debt income attributable to debt on a principal residence
 - The exclusion for IRA distributions given to charities
 - ◆ Form Schedule A, Part C, itemized deduction:
 - The mortgage insurance premiums as interest expense is not included in the calculation of North Carolina itemized deduction.
 - IRA distributions given to charities are included in the calculation of charitable contribution on line 18.
- **Corporate Income Tax.** Form CD-405 Page 3, Sch. H, Line 1g, and related instructions
- **S Corporate Income Tax.** Form CD-401S Page 3, Sch. H, Line 10, and related instructions
- **Partnership Income Tax.** Form CD-403 Page 3, Part 4, Line 2, and related instructions

In addition to this update, the North Carolina Department of Revenue has recommended that taxpayer returns impacted by this should not be filed until the legislation and/or calculation has been finalized. We will continue to monitor the North Carolina legislation and communicate further changes, when available.

Electronic Filing

The following federal and state returns are approved and available on this release:

- **Individual**
 - ◆ Connecticut
 - ◆ Michigan
 - ◆ Missouri
 - ◆ New York
 - ◆ Rhode Island
- **Partnership**
 - ◆ Alabama
 - ◆ Alabama PPT
 - ◆ Alabama PTEC
 - ◆ Idaho
 - ◆ Missouri
 - ◆ Mississippi
 - ◆ Mississippi Extension
 - ◆ Montana
 - ◆ Philadelphia
 - ◆ Tennessee
 - ◆ Tennessee Extension
 - ◆ Utah Extension
 - ◆ Wisconsin PW-1
- **Corporation**
 - ◆ Delaware
 - ◆ Idaho
 - ◆ Mississippi
 - ◆ Mississippi Extension
 - ◆ New York
 - ◆ New York Estimate Payments
 - ◆ Philadelphia
 - ◆ South Carolina
 - ◆ Tennessee
 - ◆ Tennessee Extension
 - ◆ Utah Extension

- **S Corporation**

- ◆ Alabama
- ◆ Alabama PPT
- ◆ Alabama PTEC
- ◆ Delaware
- ◆ Idaho
- ◆ Mississippi
- ◆ Mississippi Extension
- ◆ New York
- ◆ New York Estimate Payments
- ◆ Philadelphia
- ◆ South Carolina
- ◆ Tennessee
- ◆ Tennessee Extension
- ◆ Utah Extension

- **Fiduciary**

- ◆ Massachusetts
- ◆ Massachusetts extension
- ◆ North Dakota
- ◆ Wisconsin

Tax Product Updates

Individual (1040) Product Updates

Return to [Table of Contents](#).

Federal

Form 1040. The foreign earned income tax worksheet, Line 2a, includes the housing deduction.

Form 8697. The rate used to calculate Line 2 of the simplified method is 39.6% rather than 35% for years beginning after 2012.

Tax Equalization. The following credit forms are provided to facilitate the hypothetical return review process by displaying amounts from both the actual return and the hypothetical return:

- Schedule EIC, Worksheets A and B
- Schedule 8812
- Form 2441
- Form 5695
- Form 8880
- Form 8962

Colorado

Form DR 0347 no longer prints in the return when a credit is not allowed.

Hawaii Electronic Filing

1099G information is now correctly included in the electronic file.

Idaho

Idaho 8960, Line 12, will reflect Idaho amounts.

Minnesota

A maximum refund threshold on Form M1PR, Homestead Credit Refund and Renter's Property Tax Refund, has been increased as much as \$50. It applies only to renters with household incomes between \$6,629 and \$8,290 and who paid between \$13,235 and \$14,705 in rent.

North Carolina

Potential modifications to pending conformity legislation may revise the definition of Section 179 property. At this time, the North Carolina program is calculating depreciation based on the law from tax year 2013 and is assuming the federal and North Carolina definition of Section 179 property will be identical. Also the program is calculating other provisions affected by the federal extender legislation based on provisions found in proposed North Carolina conformity legislation. The North Carolina Department of Revenue recommends that returns impacted by this not be filed until the legislation and/or calculation has been finalized.

The below provisions are added to Schedule S, Part A, Line 3, as other additions to federal adjusted gross income:

- The tuition and fee deductions (Form 8917).
- The exclusion for cancellation of debt income attributable to debt on a principal residence.
- The exclusion for IRA distributions given to charities. The distribution is allowed to be considered as a charitable contribution on Schedule S, Part C.

The mortgage insurance premiums as interest expense is not included in the calculation of North Carolina itemized deduction on Schedule S, Part C.

Pennsylvania - Pennsylvania Cities

Form CLGS-32-1, Line 15, includes both credit to spouse and credit to next year at the same time.

Pennsylvania Cities Code 430201 for Lehigh Valley estimates custom filing instructions. The Berkheimer city/state/zip for mailing the estimate check is shown twice and with 2 different ZIP codes. The correct ZIP code includes -5157. The extra line will not print.

Philadelphia

Forms BIRT, BIRT-EZ and NPT use the spouse's SSN when an entity is coded to the spouse.

Tennessee

Disqualifying diagnostic 55258 for extension electronic filing issues to address rejection code TN251-008 for missing financial transactions.

Partnership (1065) Product Updates

[Return to Table of Contents.](#)

Federal

Form 1065-B. The Schedule K-1 (Form 1065-B), line 9 supporting statement now includes all appropriate entries entered on Worksheet Federal > Other > Schedule K - Other Items > Schedule K - Other Information (Interview Form K-3, Box 30 equal to INF (Other Information) items).

Form 3115. Diagnostic Number 25359 is now issued to clarify filing addresses when multiple automatic changes are included on one Form 3115.

Form 3115. The diagnostic report is updated for Form 3115 to provide additional filing address information when the federal tax return is electronically filed.

Input for this form has been removed. This credit is no longer available to 2014 returns.

The Georgia State 4562 applies the section 179 limits of \$25,000 and \$200,000.

Form 8825. Values from the Rental Royalty worksheet > Disallowed Rental Expenses Override (Section 6) > Other Expenses grid are no longer shown in the Expenses section (Section 3) of Form 8825.

Alabama Electronic Filing

Transmittal letters and filing instructions now reference electronic filing signature Form AL 8453-PTE, which replaces Form AL 8453-C.

California

Form 565, Schedule K-1, Line J, Column (b), no longer doubles when there are transfers of capital reported as contributions using Partners > Transfers of Interest > Transfer of Interest Options > Option to determine where transferred capital is reported on partners' Schedules K-1 = 2.

Form 568, Page 7 (Schedule IW), Line 13, now includes long term capital gains from passthroughs.

Connecticut

The state has repealed the electronic filing mandate for the Business Entity Tax Return (Form OP-424). The letters and filing instructions will now reference filing by mail.

Mississippi

Form 84-132, Line 14, now displays the total of other deductions included on the statement.

Form 84-155 calculates 2014 NOL information entered and is used in the calculation that determines NOL carryforward.

New York

Form MTA-5 has been removed from the menu as the form has been combined with Forms IT-2658 and IT-2658-MTA.

Oregon

Form OR 65. The license number will now flow from the return configuration set. An override is also available on worksheet Oregon > General > Basic Data > Line 11.

Texas

Principal office and principal place of business fields should now fill the State and Zip Code fields correctly on Texas 05-102.

Corporation (1120) Product Updates

Return to [Table of Contents](#).

Federal

Form 2848, Page 2, Line 5b, now flows to a supporting statement when text is more than one line.

Input for Form 8931 has been removed. This credit is no longer available to 2014 returns.

The Georgia State 4562 applies the section 179 limits of \$25,000 and \$200,000.

Arkansas Electronic Filing

Form AR1100CTV will print upon export when selected in the return.

Colorado

A change has been made to the calculation of Form 112, Line 16, to eliminate the limitation of \$250,000 for the net operating loss deduction; although, the form indicates the limitation publication FYI Income 19 for Net Operating Losses the limitation was not to be applied starting in 2014. The Colorado Department of Revenue understands the issue and has indicated that the calculation of Line 16 should not have a limitation. Form 112 has been changed to remove the limitation language.

Indiana

IT-20, Page 1, cross-references have been updated to include Line W.

Iowa

Other adjustments entered on Iowa > Income/Deductions worksheet > Other Additions section will flow to IA 1120F, Line 8.

Kentucky

Schedule RC, Part I, Column C, Date of Purchase, no longer prints pound signs when a date is present.

S Corporation (1120S) Product Updates

Return to [Table of Contents](#).

Federal

Input for Form 8931 has been removed. This credit is no longer available to 2014 returns.

The Georgia State 4562 applies the section 179 limits of \$25,000 and \$200,000.

Colorado

Forms 107 and 108 are no longer created for shareholders where the shareholder number is no longer used in the federal return.

Connecticut

The state has repealed the electronic filing mandate for the Business Entity Tax Return (Form OP-424). The letters and filing instructions will now reference filing by mail.

Indiana

The New This Year help screen has been updated to include electronic filing and Form IN-OCC.

Kentucky

The amended letter is updated to correct the state name "Kentucky."

North Carolina

Shareholder Other Deductions will include subtractions for bonus depreciation that was entered as other addition in prior year(s).

Vermont

Schedule K-1VT, Line 5, will now include the amount paid with the return or the "catch-up" payments.

Fiduciary (1041) Product Updates

Return to [Table of Contents](#).

Federal

Schedule K-1, Box 12D, will now clear correctly between calculations.

State signature form paragraph is now available for customization.

Electronic Filing

Diagnostics 45004 and 45005 will clear when information is entered for seller financed interest.

Massachusetts

Schedule E, Line 2, differences include any depreciation/depletion adjustments between Federal and Massachusetts.

New Hampshire

On NH DP-10, if Line 7 or 8 is a negative number, then Line 9 will print.

New York

A diagnostic will be issued for missing address information on the IT-204-LL.

Texas

The State field on the 05-167 Section A will now fill correctly.

Exempt Organization (990) Product Updates

Return to [Table of Contents](#).

Federal

The "We" in the paragraphs on the 990 Federal and State Transmittal Letters will be replaced with the an "I" when requested in the return configuration set or in the return under General > Letters and Filing Instructions worksheet > General Letter Information > Use "I" in all letters.