

CCH Access™ Tax  
2016-2.6 Release Notes

February 19, 2017



**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 find Support calendars, as well as options to enter Web tickets 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, Pro Forma/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 2016-2.6

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### Tax Updates

#### Corporate Extensions

Filing instructions and letters for federal and state extensions have been updated to reflect the federal six-month extension due date of October 16, 2017.

### Electronic Filing

#### Approved Products Available on this Release

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

##### Individual

Missouri-Kansas City Form 109   Ohio-Ohio Cities-RITA

##### Partnership

Massachusetts Composite   Mississippi Extension  
Mississippi                      New Hampshire BT-Summary

##### Corporation

Alaska                      Mississippi                      New Hampshire BT-Summary  
Alaska Consolidated   Mississippi Extension  
District of Columbia   Mississippi Consolidated

##### S Corporation

Alaska                      Mississippi                      New Hampshire BT-Summary  
District of Columbia   Mississippi Extension  
Massachusetts Composite   Nebraska

# Tax Product Updates

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## Individual (1040) Product Updates

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### Federal

An option on Depreciation Options and Depletion Overrides > Depreciation Options and Overrides > Suppress AMT was added on Release 2016-2.2 to suppress AMT adjustment calculations when bonus depreciation is suppressed for assets that would otherwise qualify. Due to new guidance from the IRS, this is now the default calculation, so the option will be made inactive. Prior year assets continue to have AMT adjustments.

Form 3520-A, Page 3. All statements are included when the return is printed.

Form 5329. When there are multiple Forms 1099-R subject to the early distribution penalty and the Form 5329 code for the distribution going to Form 8606 is “2” for “Calculate 10% early distribution tax and not prepare Form 5329,” Form 5329, Line 4, includes the 10% tax from the Form 8606 distribution shown on Line 1.

Transmittal Letter. When a joint Form 114 is prepared and the combined transmittal letter is used, information about the filing of Form 114 is included in the federal transmittal letter.

### Electronic Filing

Gambling Winnings. An issue causing IRS rejection F1040-034-05 is resolved when federal tax withheld is present for gambling winnings and Other Income > Gambling Winnings > No W-2G received is checked.

### Arkansas

A Schedule C business owned by the spouse correctly reports depreciation differences on AR-OI, Line 10, for resident returns.

Taxable tax exempt dividend interest only carries once to Form AR4 when the tax exempt code “1” or “3” is entered on Income > Dividends (IRS 1099-DIV) (Detail) > Tax Exempt Interest.

### Maine

Form 1040ME, Line 20, unconditionally calculates Maine income tax below the \$5,100 threshold.

Form STFC, Line 14, unconditionally calculates the sales tax credit with a filing status of head of household.

### Oregon

Entries coded for jointly filed returns for the Oregon special medical subtraction (Oregon subtraction code 351) are limited to \$3,600, \$2,800, \$2,000, or \$0 (depending upon the federal Adjusted Gross Income) on a single subtraction record. Entries for both taxpayer and spouse are no longer required. Diagnostic 26260 issues if multiple records are entered, as only a single subtraction record is desired by the Oregon Department of Revenue.

## Oregon Electronic Filing

Dependents 13 years of age or older who are not disabled do not carry to Schedules OR-WFHDC and OR-WFHDC-NP.

## Pennsylvania

Schedule W2S picks up correct occurrences of 1099-R and excludes occurrences that only track basis in an IRA or Roth IRA.

## Vermont

Voluntary fund contribution input on Vermont > General > Contributions aligns to the correct fund on Form IN-111, Lines 29a through 29d.

## Partnership (1065) Product Updates

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### Federal

An option on Depreciation Options and Depletion Overrides > Depreciation Options and Overrides > Suppress AMT was added on Release 2016-2.2 to suppress AMT adjustment calculations when bonus depreciation is suppressed for assets that would otherwise qualify. Due to new guidance from the IRS, this is now the default calculation for current year assets only. The option will continue to be available for prior year assets that were placed in service in 2016.

The Schedule K-1 Export to 1041 correctly handles the export of files for multiple Trust partners into separate target returns.

The Schedule K, Line 9c statement heading, reflects the line description.

Batch Extensions. Corporation returns with the states of Louisiana or North Carolina present no longer stop the batch processing of electronically filed federal extensions.

### Alabama

The Alabama Department of Revenue requested print presentation changes to be made to the following forms:

- AL 8453-PTE
- AL 8453-B
- AL BPT-E
- AL BPT-NW
- AL BPT-NWI

### Arkansas Electronic Filing

When exporting an Arkansas return that contains either the main AR1100S return or the AR1050 return and also contains the AR1000CR return, the correct return type is submitted during electronic filing.

### District of Columbia

D-30, Line 32, was changed to require the amount to be entered. This line no longer automatically calculates the deduction but still limits the amount entered to 30% of Line 31 per the DC OTR.

### Florida

2015 bonus depreciation subtraction on worksheet Florida > Income/Deductions > Addition and Subtractions is updated.

### Iowa

Iowa Schedule K-1, Part III credit information, now prints on the form.

### Minnesota

The annual report letters and filing instructions no longer has a reference to a required signature.

The prior year references on the Minnesota > Income/Deductions > Partner Prior Year Section 179 / Bonus Composite Information is updated to show the previous five years.

The URL for payments using electronic funds transfer on the filing instructions is updated and will print on two lines to prevent characters from not printing.

## Montana

Schedule III defaults to Pass-Through Withholding for nonresident estates, nonresident individuals, nonresident trusts, nonresident corporations, any foreign corporations, tax exempt entities, disregarded entities, partnerships, S corporations, and domestic 2nd tier passthrough entities.

## New Hampshire

Form NH-1065-ES, Line 1(b) amount, reflects the amount from Form NH-1065, Line 9.

## New York Electronic Filing

The system allows Form IT-204LL to be exported immediately after filing the extension without being calculated between exports and without being rejected for reject code 04012 "Invalid filing composition."

## New York - New York City

Form NYC IT-204, Page 5, Part 3, Line 4B, calculates the weighted factor percentage with the factors present.

## Ohio

Form IT K-1 for Form IT 4708, apportionment section and depreciation section, will be completed by the system.

## Tennessee

The account number entered on Tennessee > Other Returns > Gross Receipts Income Tax Return no longer disappears after the return is calculated.

The due date for Form FAE 183 displays the correct date.

## Texas

The letters and filing instructions no longer reference electronic funds transfer when "No" is selected for the EFT option.



## Corporation (1120) Product Updates

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### Federal

An option on Depreciation Options and Depletion Overrides > Depreciation Options and Overrides > Suppress AMT was added on Release 2016-2.2 to suppress AMT adjustment calculations when bonus depreciation is suppressed for assets that would otherwise qualify. Due to new guidance from the IRS, this is now the default calculation for current year assets only. The option will continue to be available for prior year assets that were placed in service in 2016.

Batch Extensions. Corporation returns with the states of Connecticut, Florida, Louisiana, or North Carolina present no longer stop the batch processing of electronically filed federal extensions.

### Alabama

The Alabama Department of Revenue requested print presentation changes be made to the following forms:

- AL CPT
- AL 20C-C
- AL ET-1
- AL ET-1C
- AL ET-8
- AL BPT-NW

### Connecticut


The Connecticut Department of Revenue Services sent print presentation revisions of the following forms to software vendors between February 3rd, 2017, and February 7th, 2017, to address scanning issues the department was experiencing. As a result, the state required all forms to go through the approval process. We will update Support as forms are approved.

- CT-1120-CU
- CT-1120CU-MI
- CT-1120CU-MTB
- CT-1120
- CT-1120CU-NCB
- CT-1120CU-NI
- CT-1120A-CU
- CT-1120 ATT
- CT-1120ESA/B/C/D
- CT-1120X

## New York

Form CT-300.

- State of Incorporation always prints on the form when data is entered.
- The program has been modified to allow overrides for prior year overpayments to be applied to Form CT-300 based on the new input on Payments/Penalties > Estimates and Application of Overpayments > State Estimate Tax Additional Information > Line 35. The rolled forward amount of prior year overpayment is applied to New York State or MTA mandatory first installment on Form CT-300, Line 5, "Total overpayments credited from prior periods." To override that credit on Form CT-300, enter a different amount of credit, enter that amount as per the above input. Zero is a valid input.

 **Note:** The instructions for that line issued by New York Department of Taxation and Finance do NOT indicate that current year overpayment may be applied as a credit to reduce amounts owed with the Mandatory First Installment. Your override entry on this line of this form is used only to compute any Mandatory First Installment shown on Form CT-300. The entry is ignored in the determination of the amount due on other Forms, such as CT-3/3M, Extension Requests, and Estimated Tax.

Carefully review prepayments and calculations of amounts due on these forms and use overrides to ensure correct calculations and reporting.

## South Carolina

The letters and filing instructions for Form 1101B reflect the updated due date.

## Tennessee

Form 2220. The penalty calculation uses the correct rate of 2%.

## Wisconsin

WI Form 6, Pages 5-7, Line 2b. State tax add back reported by each sub will not change regardless of the State tax accrual option selected at the consolidated level.

## S Corporation (1120S) Product Updates

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### Federal

An option on Depreciation Options and Depletion Overrides > Depreciation Options and Overrides > Suppress AMT was added on Release 2016-2.2 to suppress AMT adjustment calculations when bonus depreciation is suppressed for assets that would otherwise qualify. Due to new guidance from the IRS, this is now the default calculation for current year assets only. The option will continue to be available for prior year assets that were placed in service in 2016.

Drill-down navigation from the Shareholder Basis Worksheet, Line 28, to input and reconciliation was added for "total disallowed losses" and "debt basis applied against excess losses and deductions."

Batch Extensions. Corporation returns with the states of Florida, Louisiana, or North Carolina present no longer stop the batch processing of electronically filed federal extensions.

When selecting the option to NOT carryover shareholder nondeductible expenses within the worksheet for General > Processing Options, Line 16, the amount of nondeductible expenses in excess of shareholder basis prints along with an explanation on the Allocation of Losses and Deductions, and a new line for this was added within the Carryover summary at the bottom of the Shareholder Basis worksheet.

When the Miscellaneous Options > General options > Do not automatically carry extension payment amount to the return option in the return configuration set is selected, Extended Due Date on Return Summary is if Form 7004 is not applicable.

### Alabama

The Alabama Department of Revenue requested print presentation changes to be made to the following forms:

- AL 8453-PTE
- AL 8453-PTEC
- AL 8453-B
- AL ET-1
- AL BPT-NW
- AL BPT-NWI

### Florida

The F-2220 menu name was corrected.

### Kansas


The Kansas Annual Report reflects the Country as "US" if an address is present on Kansas > Annual Reports > Annual Report Basic Data and the check box to print "US" is checked.

### North Carolina Electronic Filing

The letters and filing instructions include the word "Form" in front of the CD-479.

## New York

The program is modified to allow overrides for prior year overpayments to be applied to Form CT-300 based on the new input on Payments/Penalties > Estimates and Application of Overpayments > State Estimate Tax Additional Information > Line 35. The rolled forward amount of prior year overpayment is applied to New York State or MTA mandatory first installment on Form CT-300, Line 5, "Total overpayments credited from prior periods." To override that credit on Form CT-300, enter a different amount of credit, enter that amount as per the above input. Zero is a valid input.

 **Note:** The instructions for that line issued by New York Department of Taxation and Finance do NOT indicate that current year overpayment may be applied as a credit to reduce amounts owed with the Mandatory First Installment. Your override entry on this line of this form is used only to compute any Mandatory First Installment shown on Form CT-300. The entry is ignored in the determination of the amount due on other Forms, such as CT-3/3M, Extension Requests, and Estimated Tax.

Carefully review prepayments and calculations of amounts due on these forms and use overrides to ensure correct calculations and reporting.

## Oregon

The apportionment percentage on OR-20-S, Line 6, displays 0% to match Schedule OR-AP, Line 22.

## Pennsylvania

PA RK-1, Line 16, reflects amounts entered for detailed non-taxable income items entered on PA Other Information > PA-20S Non-Taxable Income > Shareholder Non-Taxable Income Calculation.

The REV-1605 prints when the RCT-101 is not required, but the option to force it has been selected.

## Texas Electronic Filing

A diagnostic issues for the Texas Taxpayer Number to prevent a connection to server error during upload.

## Fiduciary (1041) Product Updates

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### Federal

An option on Depreciation Options and Depletion Overrides > Depreciation Options and Overrides > Suppress AMT was added on Release 2016-2.2 to suppress AMT adjustment calculations when bonus depreciation is suppressed for assets that would otherwise qualify. Due to new guidance from the IRS, this is now the default calculation for current year assets only. The option will continue to be available for prior year assets that were placed in service in 2016.

Form 1041-V. Form 1041-V only redacts the trust's identification number when requested.

The mailing address shown on Minnesota letters and filing instructions reflects the address shown on vouchers.

Correspondence Manager. The Custom Filing Instructions for Illinois, Special Instructions section, only produces instructions for payment information when the tax balance due is greater than zero.

### Illinois Electronic Filing

Standard Filing Instructions for IL-1041 with a balance due without banking information prevent duplicity of instruction for processing payment.

### Indiana

Schedule Composite includes nonresident beneficiaries from a foreign country.

### New York

The NOL deduction limitation override is now just an override for IT-205, Line 2. The NOL worksheet statement is not issued if this field is used.

The NYTPRIN Exclusion code entered for staff in the return configuration set is transferred to the return.

### Wisconsin

If the option is chosen to mask Social Security Numbers on the Wisconsin Schedule 2K-1, then masking appears in the print output.

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

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### New Jersey

Form IT-Estate is updated for revisions posted by New Jersey.

## Exempt Organization (990) Product Updates

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### Minnesota

The annual produces a statement listing professional fund raisers used if there is insufficient space on the form. The annual report, Page 3, Line 11, is the sum of Form 990, Page 11, Line 1, Column b, and Line 2, Column b.