CCH Axcess™ Tax

2017-5.0 Release Notes

November 4, 2018

CCH Axcess™

At the Center of the Firm in Motion

Contact and Support Information

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Product information can be accessed by visiting Customer Support online: CCH Axcess 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 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 Release Notes

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CCH Axcess™ 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 Axcess™ Tax Release Notes for the current year and for prior years, visit the Release Notes page on our Customer Support site.

Highlights for Release 2017-5.0

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CCH Axcess Common

2-Step Verification (Multi-Factor Authentication)

As indicated in previous CCH Software News emails, we will change the default option to be **on** or enabled so the firm must opt-out to disable the feature. We strongly discourage the disabling of 2-Step Verification.

Notes:

- 2-Step Verification applies to the CCH Axcess login mode and not the Active Directory or Federation Services login mode.
- 2-Step Verification is available at the firm level only for default administrators and not on a user-by-user basis.

For more detailed information, please see our Knowledge Base Article on 2-Step Verification.

CCH Axcess™ Tax

Firm Settings and Defaults

We added the following new option under Firm Settings and defaults > Tax > Options:

- Do not allow suppression of nonfileable message on signature forms
  - Unchecked by default.
  - When enabled, we will disable the option "Do not print nonfileable message on signature forms" on the Electronic Filing Options > General tab for all return configuration sets.
  - For 2018 and higher returns, it will also disable the return level override.

Return Configuration Settings (RCS)

Options Removed

- "Depreciation reports page orientation" from Print Options.
- "Suppress input listing" from Print Options.

Options Modified

- Moved the current option "ERO signature options for Form 8879" on the Electronic Filing > General tab to each return type tab (except 5500) under Electronic Filing.
- Renamed the option "Short form option" to "Short form option (2017 and prior)" as it no longer applies to newer returns.

New Organizer Option

Added "Suppress driver's license number" to the Organizer tab that applies to 2018 and higher organizers.

Usability Enhancements

- Moved the Previous/Next worksheet and Form options to their own buttons on the tax prep ribbon allowing for easier access; **one less click**!
- Next Form/Previous Form. Will now move between taxing authorities.
- Renamed the IntelliConnect button to CCH Research on the Return Manager ribbon.
- Moved Insert/Delete Tickmark to the top of context menu for Government fields.

New "Send to Support" Feature

To increase the security of return data, the following features were implemented:

- Allow users to easily backup and scrub return data to files that Support can grab via GoToAssist, or the user can upload to the Support portal.
- Added "Send to Support" to the utilities tab of the Return Manager ribbon.
- When selected, will automatically create a scrubbed backup version of the return.
- The backup will be a password protected Zip file that includes the selected returns, the associated RCS backups, and client side log files from within the last four days.
- We will scrub SSNs, EINs, Bank Account Numbers, and Email addresses from the returns.
- The password will only be given to internal WK users.
- Users will only need 'edit return' permission to access the new option.
- The default path for the Zip file is below, which can be changed during the process.
  - C:\users\{username}\documents\WK\scrubbed
- The Zip file name will be Account number_Date_Time.

Issues Addressed

- Addressed an issue for MS 1120 returns with attachments required help from Support to e-file.
- Addressed an issue where DPAD partnership passthrough ratio IDs did not roll forward.
- The printed depreciation detail now contains all detail and no longer contains blank pages.
- The Schedule C, Page 2, now prints in the correct order.
- Resolved a random issue when closing the Client Dashboard.
- Addressed an issue with using the space bar in a numeric field.

Section 965

The following state programs were modified to reflect treatment of IRS Section 965 income:

Partnership	Corporation	S Corporation	Fiduciary
Maryland	Louisiana	Louisiana	Connecticut
	Maine	Maryland	Louisiana
	Maryland	Massachusetts	Maine
	Massachusetts		Maryland
	Detroit, Michigan		

Available Scans

Individual and Fiduciary

Form 8903 limits the deductions taken into account in calculating qualified production activity income under the passive loss limitation rules. However, this loss limitation is contingent on information that is not available such as the activity's gross income and deductions that were used to calculate the activity's net income. Accordingly, the deductions taken into account in calculating qualified production activity income may need to be overridden. These scans identify potentially impacted returns.

Fiduciary

New York. New York returns that calculate an amount for Line 6 on Tax Computation Worksheet 2 or 3 were overstating New York state tax on Form IT-205, Line 6 or Line 9 where Line 5 of the NYAGI worksheet is between $215,400 and $265,400 or $1,077,550 and $1,127,550. This scan identifies impacted returns.

Organizers

Individual and Fiduciary Organizers are now available for processing.

Coming Soon For My1040Data and Tax Notebook Customers

Coming with Release 2018-1.0 in December, 2-Step Verification (Multi-Factor Authentication) for client sessions, will be implemented. To ensure that your clients have the most secure interface with their online organizers and sensitive tax data, 2-Step Verification will be enabled by default. Firms will be able to disable this feature on the Firm Options page in the Toolkits. We strongly discourage the disabling of 2-Step Verification.

Tax Product Updates

Partnership (1065) Product Updates

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Connecticut

Forms CT-1065/CT-1120SSI RRS (Pass-Through Entity Tax 2018 Income Tax Estimated Payment Recharacterization Request Summary Sheet) and CT-1065/CT-1120SSI RRS (Pass-Through Entity Tax 2018 Income Tax Estimated Payment Recharacterization Request) are installed with release 2017-5.0.

Maryland

Maryland issued guidance October 5th saying they are conforming with the Federal Sec. 965 provisions. The net difference between 965(a) income and 965(c) deduction should be reflected on Maryland Form 510, Line 2, and a written statement or footnote should be included with the return showing the calculation of the net 965 amount on the Maryland Schedule K-1. This calculation is based on federal input and a statement will print showing both the income and deduction amounts split on a shareholder-by-shareholder basis. This statement will be auto-generated as a PDF and included with the electronically filed Maryland return.

Corporation (1120) Product Updates

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Consolidation

State tax liability is now adjusted when the state tax liability option is selected on a consolidated return in conjunction with the option to "Accrue State Taxes Not Submitted with this Return" on Line 6 of the Consolidated > Options worksheet along with section 965(a) inclusion present,

Power Pack

The IRS filing address for Forms 1120-RIC and REIT returns is updated to be mailed to the Ogden, UT, center when total assets are $10 million or more.

Alaska

Alaska will be reporting the payment due date of Form 6000; rather than the Form 6000 return filing due date.

California Combined

California Form 100W, Page 6, Schedule M-2, Line 6, now prints a supporting statement when an amount is present.

Hawaii

Schedule D-1 is now including all depreciation for auto-sale assets when auto-sale has more than one asset included per sale.

Hawaii Consolidated

The Schedule of Combined Income and Deductions line for tax exempt interest from other states is removed when not present in subsidiaries.

Illinois Combined

Schedule UB, Step 4, Line 4, Column D, now equals the sum of Columns A thru C.

Kansas Combined

The combined apportionment percentages now flow to Form K-120.

Kentucky

Kentucky Schedule NOL now generates when the Entity has no prior year NOL carry-forwards, but has a current year loss on Form 720, Part III, Line 21.

Kentucky Schedule TCS now generates when input is made for the following Kentucky Economic Development Projects: KREDA, KIDA, KEOZ, KJRA, KIRA, KJDA, KBI, KRA.

Kentucky Consolidated

Form 851-K now prints a second page that includes the tenth subsidiary.

Louisiana

Added form R-620-965 for Section 965 income.

Maine

Added other additions and other subtractions inputs and updates for ME 965 reactions. This will affect the following lines on ME1120 as additions:

- Line 2j, Takes 50% of Section 952 income from ME Income/deductions > Subtractions > 952 Information and 80% of 965 income from IRC965 Transition tax statements. It will also take in consideration other subtraction input from ME Income/deductions > Subtractions-other subtractions.
- Line 4g, Added 965 income from IRC 965 Transition tax statements to the line. It also takes other addition input from ME Income/deductions > Additions > Other additions.

Massachusetts

We added MA reaction to Section 965 income. This will affect the following forms:

- Form 355. The 965 total income is added to Schedule E, Line 15, and Schedule E-1, Line 1, for the dividend deduction calculation.
- Form 63FI. The 965 total income is added to Schedule A, Line 10, and Schedule D, Line 1, for the dividend deduction calculation.
- Form 355U. The 965 total income is added to Schedule U-M, Line 4C, and is included in the Dividend Deduction calculation on Schedule U-E, Line 25.

Michigan - Michigan Cities

Section 965 income will now be added to federal income on Detroit Form 5297, Line 19, and Michigan cities form CF-1120, Line 1, for 1120 and 1120-C returns.

North Carolina Electronic Filing

Diagnostic 48727 no longer issues when the preparer's SSN is entered instead of the PTIN.

Ohio Cities

The Ohio Cities Transmittal Letters and Filing Instructions can now be generated for every city, regardless of how many cities have been generated in a return.

S Corporation (1120S) Product Updates

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Connecticut

Forms CT-1065/CT-1120SSI RRS (Pass-Through Entity Tax 2018 Income Tax Estimated Payment Recharacterization Request Summary Sheet) and CT-1065/CT-1120SSI RRS (Pass-Through Entity Tax 2018 Income Tax Estimated Payment Recharacterization Request) are installed with release 2017-5.0.

Kentucky

When Shareholders, Shareholder information State specific worksheet, Kentucky Composite and nonresident information section, the Exempt income code field is entered as exempt for withholding and the exempt box on Kentucky Form PTE-WH A, B, C and D will be checked and will zero out Lines 6 through 9 of these forms, as well as Lines 1 through 5 of Kentucky Schedule K-1, Section B for each exempt shareholder.

Louisiana

Added Form R-620-965 for Section 965 income.

Maryland

Maryland issued guidance October 5th saying they are conforming with the Federal Sec. 965 provisions. The net difference between 965(a) income and 965(c) deduction should be reflected on Maryland Form 510, Line 2, and a written statement or footnote should be included with the return showing the calculation of the net 965 amount on the Maryland Schedule K-1. This calculation is based on federal input and a statement will print showing both the income and deduction amount split on a shareholder-by-shareholder basis. This statement will be auto-generated as a PDF and included with the electronically filed Maryland return.

Massachusetts

Added MA reaction to Section 965 income. This will affect the following forms:

- Form 355S. The 965 total income is removed from Schedule E, Line 4, and added to Schedule E, Line 15, and Schedule E-1, Line 1, for the dividend deduction calculation.
- Form 63FI. The 965 net income is removed from Schedule A, Line 2. The 965 total income is added to Schedule A, Line 10, and Schedule D, Line 1, for the dividend deduction calculation.
- Form 355SC. The 965 net income is removed from Line 2 to be reported as 1120.
- Schedule S. The 965 total income is removed from Lines 11 and 25 and moved to Lines 6 and 41 to be reported as dividends.
- Form 355U. We removed the Net Income 965 from Schedule U-M, Line 10A. The 965 total income is added to Schedule U-M, Line 4C, and is included in the Dividend Deduction calculation on Schedule U-E, Line 25.

Fiduciary (1041) Product Updates

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New York

Line 6 on the Tax Computation Worksheet 2 and 3 was corrected to $500 or $930, as appropriate.

Estate & Gift (706/709) Product Updates

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Minnesota

The final Minnesota Form M706 is available for dates of death in 2018.

Exempt Organization (990) Product Updates

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Federal

Section 965 Inclusion for Form 990-PF. If Form 990-PF is being prepared and the IRC 965 Transition Tax Statement is being prepared the Section 965(a) inclusion amount from the TTS will now be included on Form 990-PF as other income. This change is due to recent guidance by the IRS. If this automatic treatment is not desired, it may be suppressed by making the appropriate entry on the Form 990-PF worksheet, General Information section, Automatically include section 965(a) income on Form 990-PF.