

CCH Access™ Tax  
2021-4.0  
Release Notes

June 26, 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 2021-4.0

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### Electronic Filing Updates

#### Approved Products Available on this Release

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

##### **S Corporation**

Federal Schedules K-2 and K-3 are scheduled to be available for electronic filing through XML on the July 24th, 2022 update. This aligns with the IRS opening date for Schedules K-2 and K-3 for electronic filing through XML.

##### **Partnership**

Federal Schedules K-2 and K-3 are now available for electronic filing through XML with the return. Previously, CCH Access Tax was limited to a 50-partner limit as a PDF autogenerated attachment. With this release, we will no longer generate PDF attachments for Schedules K-2 and K-3. Beginning with this release, Schedules K-2 and K-3 can only be filed through the electronic filing XML and we currently have a 250-partner limit. Upload speed of the return may be affected by the size/information in the return. These delays may appear to the user as longer processing times. With larger returns, a message of “Not Responding” may display in the application. If you see a delay, please wait for the upload to complete before attempting to interrupt the upload. In future releases later this year, the partner limit is planned to be increased.

##### **Fiduciary**

Multnomah

### CCH Access Document

#### Preview of File Upon Direct Edit Check-in

When you choose to always be prompted to check-in files, you will now see a preview of the file on the check-in dialog so that you can confirm your changes. The preview is available for PDF files, Microsoft Excel (.XLS and .XLSX) files, and Microsoft Word (.DOC and .DOCX) files.

# Tax Product Updates

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## Individual (1040) Product Updates

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### Federal

**Filing Status Comparison.** The FSC report now includes additional tax from Schedule 8812 in the other taxes amount.

#### Form 1116

- **Line 2** includes the housing deduction from Form 2555, Line 50 when there is an overall foreign business loss, but enough foreign sourced wage income to allow the housing deduction.
- Income partially earned in prior years, where the amount is an odd amount and the foreign days are equally split between the current and prior days, is properly rounded when calculating the foreign sourced amount.

**Form 4952.** The statement for Form 4952, Line 8 matches the Line 7 and 8 total amounts when investment interest coming from multiple passthroughs is disallowed.

**Form 6765.** When Filing Status Comparison is selected for the return, there is joint carryover of the Research Credit connected to an entity coded as T or S, the percentage of credit allowed calculates properly while Filing Status Comparison is active.

**Form 8865 Schedule K-3, Part E, Line 2** will be answered as "yes" for all partners with Schedule K-3, Part II present.

#### Form 8995

- Passthroughs for materially participating real estate professionals with more income than losses will not Limit the 4797 losses on QBI Loss Tracking worksheet.
- Prior year qualified business loss carryovers from basis or at-risk on a passthrough that is disposed of in current year show allowed carryovers on Form 8995, Line 3/Form 8995-A, Schedule C, Line 2.

#### Form 8995-A

- The Specified Service box is checked when specified service is indicated for a passthrough QBI activity.
- Rentals from materially participating real estate professionals net the ordinary and regular amounts on Form 8995/8995-A.

**Schedule A.** Contribution carryovers of 2018 60% contributions properly decrease the 50% AGI remaining to take with 50%, 30%, and 20% carryovers.

**Schedule D.** If a sale of home has input indicating that the 1099-S was received as a nominee then the subsequent state calculations no longer reflect a gain for the sale of home to match the federal calculation.

**Tax Equalization.** Tax refunds are reduced by the portion of the refund applied to estimated tax payments when calculating the net payment due to the taxpayer (company) on the cash flow summary and cash flow statements.

## Alabama

**Form 40NR, Alabama Schedule C** amounts were revised to add back included depreciation to adjust for Alabama depreciation when there are differences in the Alabama and home state depreciation amounts.

## Colorado

**Form DR 0104AD, Lines 5 and 6** are now limited to the smaller of the total amount of taxable Military Retirement Benefits or the \$10,000 maximum amount.

**Form DR 104PN, Line 27** only includes amounts from Line 26 that qualify per state instructions.

**Form DR 104X** direct deposit information section now displays the bank information that is entered in the return.

## Connecticut

In order to suppress the printing of Form LGL-001, the TSJ code on federal input must match the state input. An entry on Connecticut > Other > Power of Attorney (Form LGL-001) > TSJ code, should be the same as the federal input on Federal > Other > 2848- Power of Attorney > TSJ code. Form LGL-001 will be generated, but this government form will not print in all copies of the return.

## Delaware

Banking information on Taxpayer's Form PIT-NON will print when applicable.

Tier II Railroad pension no longer flows to Delaware Form PIT-RSS, Line 6.

## Idaho

**Schedule K-1** Affected Business Entity (E) option under ID > Other > Section 5 - Idaho Schedule K1 information > Line 6 - PTE Filing Code box is checked under Part II - Owner Information. Schedule K-1 populates with the correct information from corresponding passthrough entity.

## Indiana

**Schedule B, Line 3** includes all bonus depreciation entries for Indiana.

## Iowa

The ERO signature on Form IA 8453 now prints the firm name if no ERO name is entered.

## Kansas

**Form K-59.** Interview and Worksheet inputs have been added to enter the amount of credit transferred into the entity.

## Kentucky

**Schedule A, Line 11** no longer allows 100% cash contributions at 100%. It now uses 60%.

**Schedule K-NOL, Part 2, Section A, Line 2** now includes prior year 461 carryover amounts.

**Schedule K-NOL, Part 2, Section A, Line 5** now only includes current year 461-K, Line 16 amounts. This change also applies to Schedule K-NOL, Part 1, Section B, Line 2 and Line 4.

## Maine

**Maine State 8960, Line 10.** will no longer print a blank statement with the nonresident withholding override.

## Maryland

**Form 505NR, Line 3a** populates with earned income from wages and other sources of earned income. The statement supporting Form 502SU now includes a total.

## Massachusetts

**Schedule C, Line 32** picks up the MA Rollover version of Form 6198 to determine deductible loss as applicable.

**Schedule HC** is produced in a resident return when taxpayer is under age 18 and populates only name and Line 1.

## Minnesota

**MN NOL RPT Worksheet** corrected to look at 20 years prior for expired NOLs.

**Form M15, Line 14** now includes PTE credit in the calculation when applicable.

**Form M1NC, Line 13b** now includes NOL carryover from the M1NC, Line 13 worksheet.

**Form M1X, Line 22** has been updated to include new credits from Form M1REF, Lines 8 - 10.

**NOL Deduction Worksheet (Form M1NC, Line 13).** Lines 8 and 9 are now limited to zero.

## Missouri Electronic Filing

Direct debit for electronically filed returns is available.

## Montana

**Form MT2, Page 10, Line 4** no longer includes rollover amounts, per line instructions.

## Multiple Deposit Accounts

**Diagnostic 33088** issues when information is entered to purchase bonds with a tax refund but Form 8888 is not generating in the return.

## New Jersey

**NJ 8879** will reflect amended values when the amended return is prepared.

## New Mexico

The number of months used in part of the calculation for form PIT-1, Line 36 uses the due date of 4/18.

## New York

**Form IT-196** calculations and references to recomputed federal AGI include the ELA adjustment from the federal return.

## North Carolina

If North Carolina was filed late, the interest and penalty will calculate back to 4/15. However, late payment interest and penalty will apply only if the return filing date is 4/19 or later.

## Pennsylvania

**Schedule RK-1, Line 10** now pulls correctly from the federal passthrough input.

## South Carolina

**Form I-335** prints if all of the active trade or business income was taxed at the entity level. This causes the active trade or business income to be deducted on Form SC1040, Line 3L or Schedule NR, Line 39.

## Virginia

Disallowed amounts of bonus depreciation are removed from the total bonus depreciation addition as they are already included in the bonus depreciation subtraction.



## Corporation (1120) Product Updates

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### Federal

Federal Carryovers. 2020 Net Operating Losses will now appear on the federal carryover report.

### Delaware

**Form 1100, Page 1 Line 13** will include a description if the option to designate the corporation "Exempt under PL 86-272" has been selected.

### Idaho

**Form 41** name, EIN, and address information now accept overrides from Consolidated > State Overrides > General. This information also flows to the other applicable Idaho forms.

**Form 41, Line 16** current year federal passive loss limitation check box now checks when federal Form 8810, Line 3 has an amount unless the override is used on Idaho > Income / Deductions > Additions > Current year federal passive loss limitation.

**Form 41, Line 59** calculation of late payment penalty and late payment interest, has been updated.

### Kansas

**Form K-120, Line 14.** Disallowed business meal expenses is now calculated as the nondeductible portion of the 50% meals entered for federal purposes.

### Kentucky - Kentucky Cities

Louisville no longer prints other state copies of Form 8879-SO.

### Michigan

Penalty interest rate for late payments for 6/30/2022 through 12/31/2022 has been updated to 4.27% from the previous 4.25%.

### Mississippi

**83-391** filings in 2020 and 2021 might have been assessed an additional \$30 - \$60 of tax. The threshold for the minimum tax bracket (3%) has been increased to \$4,000.

### Oregon

**Form OR-20-INC** will now calculate as a consolidated return.

### Philadelphia

Footnotes will print along with Form NTL when it is filed in lieu of Form BIRT or BIRT-EZ.

### Power Pack

**Form 1120F, Page 3, Schedule I** calculates Line 24g correctly and includes the amount from Line 24c.

## S Corporation (1120S) Product Updates

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### Federal

Amended filing instructions are now available in Access for amended Form PTE-100.

### Georgia

Filing instructions and transmittal letters will refer to an automatic extension if federal Form 7004 was filed and no payment is due.

Multiple entries of the same tax credit code with the same year but different sources will allocate correctly to the shareholders on Schedule K-1.

### Massachusetts

**Form 63D-ELT.** Qualified Member amounts to round to the nearest dollar so the total of all the members will be the same as the calculated amount reported on Page 2, Line 1

### New Jersey

**Form NJ-1080-C, Line 29.** Credit to 2022 Tax carries from Line 27 (Overpayment) when applicable.

**Form PTE-100.** Members Directory, Column D, Member's Share of Pass-Through Business Alternative Income Tax, can now be allocated from an override of distributive proceeds entered in New Jersey S Corporation > Pass-Through Business Alternative Income Tax > New Jersey distributive proceeds - override (32083).

### Philadelphia

Depreciation addback calculations have been updated to use half year convention when computing the amount of regular depreciation allowed by Philadelphia for assets taking Section 168(k) bonus depreciation for federal purposes.

## Partnership (1065) Product Updates

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### California

**Form 3893 (for the next year).** The letter now prints regardless of whether Form 3804 is turned on.  
**Schedule L, Line 14** total assets now includes loans to partners on Line 7a.

### Georgia

Multiple credits with the same credit code but different certificate numbers will now be separate entries on Form 700, Schedule 9, Credit Allocation to Owners unless a special allocation code is used with an amount entered.

**Form IT CR, Schedule 2, Line 12** now equals the amount on Form IT CR, Page 1, Line 2 when additions and subtractions from Federal Taxable Income are entered on Georgia > Income / Deductions > Other Additions and/or Other Subtractions.

### Idaho

The calculation of Form 65, Line 31, and Form ID K-1, Line 28 will now take state, municipal or local refunds of taxes into account. This input is found on Income/Deductions > Business > State and City Tax Refund. An override for this amount can also be found on Idaho > Income / Deductions > Additions and Subtractions > State, municipal or local income tax refunds. In order to specially allocate this amount on Form ID K-1, enter the desired allocation on Special Allocations > Special Allocations > Special Allocation Detail with code 14248.

### Illinois

**Schedule K-1-P(3), Line 17** will include the PTE tax credit for the members, when the filing entity receives PTE tax credit from other entities but does not make the election.

### Kentucky - Kentucky Cities

**Form OL-MP** now prints the account ID, phone number and email address.

### North Carolina

**Schedule K-1, Line 6** now accounts for special allocation code 35527. Line 6 by default is equivalent to Line 1 times the apportionment factor and is only applicable for non-residents.

**Schedule K-1, Supplemental Line 23d** can be specially allocated using allocation code 35600.

### Oklahoma

**Form 506 K-1** will print when not electing to be a PTE and the credit is requested.

**Form 511-CR and Form 511-CR K-1.** When electing to be a PTE, Form 511-CR K-1 will not print, but form 511 CR will if credits are present in the return. When electing to be a composite and credits are present, 511-CR will produce with amounts for nonresident members and the 511-CR K-1 will produce.

**Form 511-CR, Lines 1a and 1b and Form 514, Line 3.** Investment/New Jobs Credits entered will now flow from Form 506 to 511-CR and to 514 on the first calculation.

**Form 514, Page 1, Line 13** amount to be credited to 2022 estimated tax. Overpayment entered on Federal > Estimates and Application of Overpayment > Oklahoma or on Interview form OK7 will flow to Form 514, Page 1, Line 13 whether or not there is a Net Tax override entered on Federal > Estimates and Application of Overpayment > Oklahoma.

## Oregon

**Form OR-QUP-CAT** will follow the line instructions to calculate the penalty and will no longer issue a statement breakdown of the penalty calculation.

## Vermont

**Schedule BA-402, Line 11** will now include gain on intangible sales and gain on real/tangible sales, Line 13 will now include compensation of officers and partners, and leasehold improvements will now be included on Line 15 instead of Line 18.

The amount entered on Vermont > Income / Deductions > Other income distributed to this entity by a different entity - detail below overrides will now appear on Form BI-472, Line 15, or BI-473, Line 16 if there are no entries present on Vermont > Income / Deductions > Other VT Source Income via K-1VT.

## West Virginia

Duplicate Schedules K-1 Received and/or Forms NRW-2 Received no longer print when multiple states are present on Partnership Passthrough and/or Fiduciary Passthrough worksheets.

## Fiduciary (1041) Product Updates

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### Federal

**State K-1.** The calculation of the California K-1 has been updated to correctly calculate capital gain distributions when amounts to distribute are used, but not entered for all beneficiaries.

**State K-1.** The state K-1 distribution calculation has been updated to correctly calculate when only section 663(b) amounts are used.

### Alabama

**Schedule K-1.** The amount of 4797 losses will no longer be doubled on Sch K by being shown in lines 5a and 7.

### Michigan

**Form 8879-SO** now prints when requested.

### Minnesota

**Form M2NC** adjustments flow to grantor letters.

### New Jersey

**K-1 1065** will no longer print when it has been suppressed through input.

### North Carolina

The North Carolina amended transmittal letter and filing instructions have been updated when a balance due is paid through direct debit.

### Vermont

There will not be an entry on FIT-161, Line 2c for an addition of state and local tax anytime there is an income distribution to a beneficiary.

## Exempt Organization (990) Product Updates

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### Federal

A message box has been added to entity number input on Unrelated Business Tax > Schedule A worksheet, Schedule A General Information > Entity Number field to prevent a 0 as an entity number.

**Schedule A, Line 5** partnership statement shows PTPs when filing as a corporation.

## Employee Benefit Plan (5500) Product Updates

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### Electronic Filing

**Diagnostic 29112** issues when the filing is for a one-participant retirement plan and total participants at beginning and end of year are two or less or blank.

**Diagnostic 40618** issues when Schedule SB, Line 6a is blank or does not contain a value equal to or greater than zero.

**Diagnostic 40619** issues when Schedule SB, Line 6b is blank or does not contain a value equal to or greater than zero.