

CCH Access™ Tax  
2023-4.0  
Release Notes

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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 2023-4.0

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### Tax Updates

#### Individual

**California.** Starting in 2024, the CA LLC-12 Statement of Information and the CA LLC-NC State of Information - No Change, must be filed online at the California Secretary of State [website](#). A patch of "This form must be filed online" appears on the form along with an informational diagnostic of how these forms must be filed beginning on this release. In tax year 2024, these forms will be removed.

#### Exempt Organization

**Federal.** Form 8582-AMT, Passive Activity Loss Limitations for AMT purposes, has been added.

### Return Manager

**E-File Status.** Return statuses displaying incorrect information will be updated to correct status information.

# Tax Product Updates

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## Individual (1040) Product Updates

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### Federal

**Access Custom Filing Instructions.** Web payment paragraphs will no longer be issued when the state's balance due is being directly debited.

Disaster code "QT" has been added for Michigan severe storms, tornadoes, and flooding (DR-4757-MI) on Form 1099-R and 8915-F input.

**Form 1040.** The earned income credit correctly calculates as zero when the earned income AGI limit for married filing jointly returns with 3 qualified children is between \$63,398 and \$63,698.

**Form 2210.** The annualized income calculation will default to the QBI amount on Form 1040 for each period.

**Form 8865, Schedule K-2, Part VI** will populate for the second entity and other entities of 8865 when multiple entities are present.

**Form 8995.** Passthroughs coded as specified service trade or business correctly apply deductions only once.

**IRA Worksheet.** Wages and other earned income, Line 4, only includes alimony when it's included in taxable income.

**Tax Equalization, TEC Schedule 2, Line 15z,** Other taxes includes the amount from 1040NR, Line 23a.

### California

**CA LLC-12, Statement of Information, and CA LLC-12NC, Statement of Information - No Change** reflects that they must be filed online with the California Secretary of State. A "Form must be filed online" watermark has been added and diagnostic 39337 issues with information on where to file the forms. These forms will be removed from the TY 2024 program.

### District of Columbia

Complete Personal Representative Information for Deceased Taxpayer entered on Federal > Basic Data > General > Personal Representative Information for a Deceased Taxpayer shows as the address listed on D-40 and related forms when appropriate.

If a government form override is entered on Schedule I, Calculation B, Line 1, then the AGI calculation on Form D-40, Line 18 includes this override.

Paid Preparer Date on DC-8379, Page 2, will pull the date from General > Return Options > Preparer Information - Overrides Return Configuration Sets > Date signed by preparer field if entered.

### Idaho

**Form ID 39R, Section C, Line 7,** Credit for taxes paid no longer subtracts the PTE credit.

## Illinois

**Form IL-1040** always uses the Federal AGI even when an NOL is present.

**Form IL-4562.** The 80% depreciation uses the Federal depreciation.

## Iowa

**Form 1040, Line 19.** The 1% local option surtax for emergency medical services for Appanoose, Pocahontas, and Winnebago counties has been added.

**Form Iowa 1040.** The statement description for the other income subtraction code 6 has been updated to "Partnership income / S corporation income."

### Schedule 1

- **Line 9.** Bonus depreciation adjustments from K-1 input are included.
- **Line 11.** State taxable refunds reported on the Federal return are no longer included.

**Schedule 126, Line 12** no longer includes military retirement income from other states.

### Schedule 130

- Automatic calculation of credit for taxes paid includes the income tax paid by a pass-through entity.
- **Line 26** equals Line 22 multiplied by the percentage on Line 25.

**State 8960, Line 9.** The calculation reflects Form 1040, Line 1 for full year residents.

The Iowa PTE credit amount is now reported for other states to use in their calculation for credit for taxes paid.

## Maine

**Form 2210.** The daily underpayment penalty rates tax table has been updated.

### Form ME1040

- **Line 9.** Nonresident aliens can now indicate they are filing as part-year Maine residents.
- **Line 17.** The itemized deduction limitation amount is now correct.

## Maryland

**Form EST PVW, Estimated Tax Worksheet** applies the PTE credit from Form 502CR, Part CC, Line 9 when determining the amount of total estimated tax to be paid by declaration, if the credit was not already being applied.

**Form 502, Line 2,** statement for tax-exempt interest on state and local obligations other than Maryland, includes negative amounts in order to match the amount on Line 2. This change does not impact the amount on Line 2. It only impacts the statement.

## Michigan

**Form 1040X, Line 33** calculates using the amount entered under Michigan > Other > Amended > Line 33 - refund.

**Form 4884, Line 19** worksheet 3.3 statement print will match the format of all printed statements.

**MI Form 8949, Part 2** includes the Qualified Opportunity fund when the adjustment amount on Federal 8949, Column g is not equal to 0.

**Schedule W, Table 1 and Table 2** print the employer name on one row and no longer wrap onto the next row.

## Michigan – Michigan Cities

Nonqualified deferred compensation plan amounts no longer count as both wages and other income.

## Minnesota

**Form M1, Line 28** late payment interest now reflects 8%.

**Schedule M23** has been updated to produce when filing M1X, and a refund is due to overpaying on the original return.

**Form M1PR** the Co-occupant worksheet only prints when Form M1PR is printing.

## Mississippi

Override input fields are available on Mississippi > Credits > Other Credits and Carryover > Credit Used This Year-Override. These fields can be used to adjust the amount of credits used in the current tax year. Amounts not used this year will be carried over to future years if applicable to state law.

## Missouri

Amended returns that are being electronically filed reference this in the letters and filing instructions.

**Form MO-CR, Schedule 1** includes amounts from the non-taxed jurisdiction.

The Missouri Working Family Tax Credit allows a refund to the extent tax was paid.

The Credit for Missouri Scholars is limited to 50% of tax for the donor.

## Montana

Caution diagnostic 29891 issues if an amount is present on Form 2, Page 5, Line 22, Montana net operating loss carryover from Form NOL. This is to inform customers that they need to check the amount present on Form 2, Page 5, Line 22 and compare it to the amount on the 2022 Form NOL Class A/B Carryover Schedule; and if necessary to make adjustments on Income/Deductions > MT Subtractions from Federal Income > Net operating loss carryover - override.

Mineral Withholding entered on Income > Other Income > Miscellaneous Information (IRS 1099-MISC) > State Use 1 using a code of 1 flows to Line 3 of MT Form 2, Page 11. The amount would previously populate MT Form 2, Page 11, Line 9.

## New Jersey

**New Jersey State 8960, Line 10** no longer includes the NJ Pass-Through Business Alternative Income Tax Credit.

## New Mexico

**Form 41369** carryovers no longer carry forward 19 years.

**Form 41369** allows 2013 through 2015 carryovers to carry forward 19 years.

## North Dakota

A statement produces when interest and penalties are requested.

## Ohio

The Ohio Schedule of Withholding properly produces additional copies of Page 2.

The overpayment applied to the estimate loads on earned income school district returns.

The school district income tax withholding is reflected on the estimates.

## Oklahoma

**Form OK 511TX** pulls credit for taxes paid directly from other states in the return. Credit for taxes paid to other states input will act as an override to the calculated credit.

Prior-year Excess Business Loss now rolls forward as a current year Oklahoma NOL.

## Oregon

Extension filing instructions for OR-CAT returns now generate if requested.

**Form MET-40**. Preparer's license number updated to use the Oregon license number override.

The "First time using this SSN" checkbox on OR-40, OR-40-N, and OR-40-PY can no longer be overridden.

## Oregon – Multnomah/Portland/TriMet

**Forms MET-40 and MC-40**. Prepayments now reflect extension and estimate payments.

## South Carolina

**Form SC2210, Page 3** calculates the correct amount of days for each rate period.

## Texas

**Form 05-163** print will be shut off in 2024 and later report year returns with multiple entities when the option to force 05-163/PIROIR is selected on TX Franchise Tax > General > Force Main Form.

## Wisconsin

**Form NOL2, Line 2** no longer duplicates prior year NOL carryovers when calculating the subtractions amount.



## Corporation (1120) Product Updates

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### Federal

For consolidated mixed groups, Forms 1120 and 1120-PC amounts now carry to the Non-Life Column A of the worksheet for "Life/Non-Life Taxable Income Calculation" and to Form 8916.

**Form 1120F, Schedule J, Line 6** will display the amount from Form 8978.

**Form 8990.** For the consolidated Form 8990, business interest income will no longer be included as part of the Adjusted Taxable Income calculation.

**Schedule M-3, (Form 1120-F), Part II, Line 1(c), Gross Receipts - Permanent Differences** has been expanded to allow up to thirteen (13) numeric characters.

### Arizona

The filing instructions now display the correct extended due date when the Federal extension will be used to extend the return.

### Connecticut

**Form CT-1120 ATT, Schedule J** has been updated to apply the assets to the correct year.

### Iowa

**Form 120/165EXT-E** allows the extension type for filing the Federal extension to be used to file the return.

**Form IA 124, Part II, Line 1** will calculate automatically from the Federal NOL input.

### Maryland

**Form EL101B-RET, Line 3** calculation has been updated.

The Maryland footnotes will allow a longer description than previously permitted.

### New Hampshire

**Form NH 1120 DP-132 80% limitation** has been updated.

### Ohio – Ohio Cities

Print positions have been updated for the generic city Form R for Lines 2 and 3.

### Tennessee

**Form 170NC, Line 14** reflects the correct sales ratio total.

### Utah

NOL carryover report for Utah reflects the correct amount of loss and no longer limits the value to \$1,000,000.

## S Corporation (1120S) Product Updates

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### Federal

Input has been added for the K-1 ITC Basis workpaper to decrease the member's basis in case of a credit transfer or the payment option has been selected. The new input is on Credits > Form 3468 - Investment Credit > Rehabilitation, Energy and Investment Credits > Energy Credit -basis transferred out.

### Georgia

**GA IT-CA, Part III, Line 1, Column 1.** When there is more than one occurrence, in terms of different counties, the total employees should reflect the proper occurrence rather than the latest one.

### Hawaii

**Hawaii Form N-35, Schedule K-1, Line 16m** calculates correctly.

### Massachusetts

The letter for PTE-EX was updated to not show the date at the top of the page when it's selected to be left blank on General > Letters and Filing Instructions > General Letter > Leave date blank.

### Nebraska

The following forms have been added on this release:

- **Form 1120-XSN Amended Nebraska S Corporation Income Tax Return**
- **Form 1120-XSN, Schedule A Adjustments to Ordinary Business Income**
- **Form 1120-XSN, Schedule I Apportionment for Multistate Business and Explanation of Changes**
- **Form 1120-XSN, Schedule II Shareholder's Share of Nebraska Income**
- **Form 1120-XSN, Schedule PTET Shareholder's Share of Nebraska Pass-Through Entity Tax**

### New Hampshire

**BET Carryover** has been updated to include the excess from prior years.

### Oregon

A schema error will no longer occur on the authentication header for the Oregon returns when there is missing information in the filing security information section.

If overrides are used to indicate a different EIN or Business Name on Form OR-CAT, that information will be reflected in the electronic file.

### Tennessee

**Form 2220** interest rates have been updated.

## Virginia

1065 and 1120S Virginia electronic filing is updated to prevent the export of both Form 765 and Form 502PTET in the same return.

## Partnership (1065) Product Updates

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### Federal

**Form 3468, Part VII, Box 1c** correctly marks.

Input has been added for the K-1 ITC Basis workpaper to decrease the member's basis in case of a credit transfer or if the payment option has been selected. The new input is on Credits > Form 3468 - Investment Credit > Rehabilitation, Energy and Investment Credits > Energy Credit - basis transferred out.

**Form 8865, Schedule K-2**

- Fills out missing PFIC EIN or reference ID on 8865 K-2/K-3, 8621 section, Pages 12 and 13 of Schedule K-2 and Schedule K-3.
- Amount on Part II - Line 18(b) will flow to the total on Line 24(b).

**Schedule K and Schedule K-1, Line 20b** will no longer include the deductions - portfolio income amount when the option to not include it is checked on Partners > General Options > Schedule K-1 Calculation Options > Not to include the deductions - portfolio income in the investment expense calculation.

**Schedule M-3, Page 3, Line 30(d), Other Expense/Deduction Items with Differences (Deduction per Tax Return)** includes Form 1065, Page 1, Line 20, Energy efficient commercial buildings deduction.

**Schedule M-3.** The following Other Income and Other Deduction override items have been added to Schedule M-3:

- Gain from disposition of mineral, oil and gas properties
- Recoveries of tax benefit items
- Gambling gains and losses
- Gain from disposition of Section 751(b) items
- Gain or loss from farm recapture property
- Gain or loss from Fannie Mae or Freddie Mac preferred stock
- Specially allocated ordinary gain
- Soil and water conservation
- Film, television, and theatrical production expenditures
- Expenditures from removal of barriers
- Contributions to a CCF
- Interest expense allocated to debt-financed distributions
- Interest expense on working interest in oil and gas
- Deductions - portfolio income

Normally overrides do not appear on the Schedule M-3; however, these overrides do not have regular input, so the override is the only way to get them to appear on the Schedule K-1.

### Arizona

**Form 140NR.** When Line 55, Arizona taxable income is negative, the tax on Line 56 will be zero.

**Form 165**

- **Line 9, Items requiring separate computation.** PTE returns will exclude guaranteed payments.
- **Lines 14 and 18,** special allocation of income for residents and nonresidents is available.

## Colorado

Colorado letters have been updated to generate the CO webpay instructions when the appropriate Federal selection is made.

## Georgia

Credit code 119 can be specially allocated to Schedule 11.

## Hawaii

**Schedule PTE** is allocating the qualified income (Line 2) and PTE (Line 4) by the members' ownership percentage.

## Iowa

Filing instructions for Iowa estimates reflect information for Iowa estimates instead of Illinois information. The cover letter will display Iowa PTE-C instead of just 2024.

## Kentucky

**Form PTET-CR** prints in the government copy when electronic filing is selected for the return.

## Kentucky – Kentucky Cities

The Harrodsburg County Net Profit Tax Rate for 2023 is 1.5%.

## Maine

Customers are able to enter amounts in the Tax Credits for 1040C-ME grid in Maine > Composite Return without an error message appearing or the worksheet disappearing after recalculation.

## Maryland

**Schedule B** has been updated to match K-1 overrides when used.

## Montana

Filing instructions for Montana reflect the total tax amount.

### Montana Schedule K-1, Part 5,

- **Line 1** calculates the amount for PTET paid on behalf of the applicable nonresident owner from Part 4, Line 14, Column B.  
**Line 1** equals 0 when the PTET election box is not marked and the owner is not affected by PTE.
- **Line 4** now reflects amounts from Montana > Payments / Penalties > State Payments > Total Montana mineral royalty tax withholding.

## New Hampshire

**Form NH 1065, Line 2b** "bonus depreciation addback" has been updated to flow from Form 4562, Part 2, Line 14.

## New Mexico

An input override has been added on New Mexico > Income / Deductions > Distributive Share Overrides > Guaranteed payments with special allocation code 33018 for partners' share of guaranteed payments.

## New York – New York City

**Form 204, Page 6, Schedule G, Question 6** is blank if Question 5 is a "NO."

## Vermont

Correct percentage will now be used to calculate the pro rata share on VT Schedule K-1. A checkbox has been added to NOT use the calculated pro rata share on Vermont > General > Basic Data > Line 14.

## Virginia

1065 and 1120S Virginia electronic filing is updated to prevent the export of both Form 765 and Form 502PTET in the same return.

## Wisconsin

**Form 3, Page 3, Part II, Line 20c** has been updated to include the amount from the statement.

The website for Wisconsin letters has been updated.

## Fiduciary (1041) Product Updates

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### Federal

Amended returns will no longer include the original 2210 underpayment penalty paid as a balance due on the amended return.

**Form 4952AMT, Line 4g** will calculate when there is an ESBT in the return, but the 4952AMT is not ESBT and the tax at marginal rate option is selected.

**Schedule K-1.** Diagnostic 20154 has been added to caution against not specifically allocating all beneficiary income when using the specific allocations.

### Alabama

A diagnostic has been added to disqualify electronic filing when a Paid By FEIN is entered on the Schedule CPB that is the same as the FEIN of the estate or trust.

A diagnostic has been added to disqualify electronic filing when an entry on the Schedule CPB for composite payments is missing information.

### Arizona

**AZ Schedule K-1 and Schedule K-1(NR)** will fill page 2 with "0" for blank lines only in the electronic file to prevent schema validation errors. This change initially appeared in the 2023-3.5 release.

Customers must now enter a fiscal year ending date on the AZ 141 EXT to prevent schema validation errors. This change initially appeared in the 2023-3.5 release.

### California

Aggregate gross receipts are now reflected on the non-resident grantor letter. "State use 2" input can be used at the Federal beneficiary level to override the calculated amounts.

### Montana

**Schedule K-1.** PTET tax flows to Part 5, Line 3 on the K-1 instead of Line 1.

### New York

**Schedule K-1 Equivalent.** Other Subtractions statement now populates correctly for nonresident beneficiaries who are distributing code 214 - IRC section 168(k) property (year of disposition adjustment).

### North Carolina

**Schedule B, Line 1** on the D407 has been modified to prevent dividing by zero when apportioning.

### Ohio

A disqualifying diagnostic will issue when the return is amended and has a refund carry forward on the OH IT-1041.

A disqualifying diagnostic will issue when the OH IT1041, Line 87 has an amount that does not equal Line 15.

Diagnostic 62877 has been added for OH K-1 depreciation addback when dates are missing.

## Rhode Island

**Form RI 1041, Line 2** correctly matches Schedule M, Line 2I.

There will no longer be a schema validation error for missing information when using Form 1041MU.



## Exempt Organization (990) Product Updates

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### Federal

**Form 990-T, Line 1** can no longer be overridden to prevent rejection F990T-056.

**Form 2439** calculates when Form 990-T is not present.

**Form 8582-AMT** has been added and is available under the Form 8582 menu.

### Arizona

The letters for Form 99T will now show "as soon as possible" when the due date has passed and the extended due date has not been requested or the extended due date has also passed.

The return summary for electronic filing will no longer show the date filed from the Federal > Payments/Penalties/Estimates > Late Penalty and Interest for Form 990-T section as the due date of Form 99T.

### California

S Corporation K-1's received by the taxpayer will now flow to Line 5 of Form 109.

### Maryland

**Form MD 504E** calculates correctly if created after the extension due date.

### South Carolina

**Form 1120-TC, Corporate Tax Credits, TC-63 (South Carolina Housing Credit)** calculates in returns. Additionally, tax credits TC-4, TC-4SA, TC-4SB, TC-25, and TC-38 are limited to 50% and tax credit TC-57 is limited to 75%, per form instructions.

**Form I-349** is obsolete and will no longer print with return.

## Employee Benefit Plan (5500) Product Updates

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### Federal

**Schedule MEP, Lines 2e and 3a** allow the selection of "No."

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

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### Connecticut

**Form CT-706/709, Section 1, Line 4** accounts for the applicable threshold when calculating the gift tax due.