CCH Axcess™ Tax

2013-1.0 Release Notes

December 2013

CCH Axcess™

At the Center of the Firm in Motion

Contact and Support Information

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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 are 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.

Important Note - Action May Be Required:

DNS Resolution

The maintenance completed for CCH Axcess may require an additional step for some firms, especially those on versions of Windows earlier than Windows 7. A planned DNS change may prevent you from connecting to CCH Axcess, requiring your DNS to be cleared. If you have an initial problem connecting to CCH Axcess, please do the following:

1. Open a command prompt via Start > Run > cmd.

2. Enter **ipconfig /flushdns**.

This will clear your saved DNS and allow you to connect to CCH Axcess. It should not affect any other programs you may run. If you have any additional issues, please contact CCH Axcess Support at 877-977-9739.

Technology Updates

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Tax Preparation

Items released include:

- The 2013 Tax application.
- Roll forward - you can now roll forward your returns to 2013.

Worksheets - Change Entity Attachment

The ability to change the entity attachment for assets, depletion, etc. is now available for worksheets.

Split Joint Returns

You can now split the return with the same client ID instead of creating a new client.

Consolidated Partnerships

You now have the ability to consolidate partnership returns.

- Transfer of Capital - Changes in Partners' Interest and Transfers of Capital input have been redesigned for 2013 effectively combining both aspects of the transaction. Separate input for transfer of capital is still provided but should generally not be needed.
- Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation - An informational copy of Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation and an option to print a copy of Form 926 at the partner level is now available.
- State Schedule K-1 Overrides - New state specific worksheets are available to override state Schedule K-1s on Worksheet Federal > Partners > Federal/State Schedule K-1 Overrides for the following states:
  - Alabama
  - California
  - Illinois
  - Massachusetts
  - Mississippi
  - New Jersey
  - New York
  - Pennsylvania
  - Wisconsin

Exempt Organization

New enhancements include:

- We have added a Functional Expenses percentage allocation option for Form 990, Page 10, Part IX.

- The following schedules are added for Form 990-T Exempt Organization Business Income Tax Return:
  - Schedule O (Form 1120) Consent Plan and Apportionment Schedule for a Controlled Group
  - Schedule I (Form 1041) Alternative Minimum Tax - Estates and Trusts

Tax Equalization (TEQ)

We have added many enhancements to TEQ, including:

- Provide variable boxes to be used as user-defined keywords for Correspondence Manager.
- Provide additional keywords for use in Correspondence Manager.
- Combine Common travel information for PPT and BFR into one location for entry.
- Tax Equalization will use state tax liability.
- Revise worksheet entries for Forms 114 (formerly 90-22.1) and 8938 to provide more understandable and logical input.
- Move 8938/114 (formerly 90-22.1) to the Foreign section.
- Move Tax Equalization to its own category.
- Add an option to include the allocation of compensation sourcing when no Form 2555 is present.
- Add new options to specify elective deferrals or difference between actual and Medicare wages.
- Add State sourcing for all compensation elements.
- Provide the ability to override state wages on the TEQ form.
- Form 1040NR, Line 8, for effectively connected income may be automatically filled with the amount from The Allocation of Compensation w/s, US columns for during foreign assignment plus before/after foreign assignment. Use current input on NR input form as an override.
- Provide the ability to override state wages on the TEQ form.

Navigation

Forms List

A new navigation menu displays worksheets and government forms in a list format. The current menu that displays worksheets and government forms in tree format remains available. You can switch between the two menus using the Forms List/WSV Form toggle button.

Note: You can also specify your default menu upon opening the return using User Options > Tax > Miscellaneous.

Tree View

We have enhanced the tree view navigation when switching views from Worksheets to Government Forms. New enhancements include:

- The highlighted form now displays in the navigation tree (Worksheet and Tax Form).
- We now highlight the main tax form when switching to Government Forms for the first time.

Interview View

As previously announced, you can no longer access Interview View for any year. CCH Axcess Tax was originally designed around Worksheet View, which has proven to be more intuitive, easier to learn, and requires fewer keystrokes. Worksheet View also allows us to provide functionality such as Worksheet Grid imports and exports, which are not available with interview forms.

Sizable Entity Panel

You can now increase and decrease the height of the entity panel to make it easier to see multiple entities.

Tax Options and Settings

Return Configuration Sets

We have added the following changes to 2013 return configuration sets:

- **Electronic Filing Options**. Multiple enhancements have been made to the electronic filing options. The dialogs are found at Dashboard > Configuration > return configuration sets > Electronic Filing Options. See the online Help for the carryover of particular fields from tax year 2012 to tax year 2013 and for specific overrides on the returns in Tax Preparation.
  - *Electronic filing rejection notification to signer* has been added to the tabs of Individual, Partnership, Corporation, S Corporation, Fiduciary, and Exempt. There is a drop-down menu from which to select the notification's recipient.
  - *Do not update electronic filing status in return* has been added to the General tab.
  - *Always product 8879-SO during export* has been added to the Individual tab.
  - *Electronically file city return* has been added to the Individual, Partnership, Corporation, and S Corporation tabs.
  - *Electronically file other returns* has been added to the Individual, Partnership, Corporation, S Corporation, and Fiduciary tabs.
  - *Electronically file composite returns* has been added to the Partnership and S Corporation tabs.
- **Miscellaneous Options**. The following changes have been made to the Dashboard > Configuration > Return Configuration Sets > return configuration > Miscellaneous Options tab:
  - *Use beneficiary/partner/shareholder name instead of number on K-1* has been added to use the name instead of a number.
  - *Default for 1099-B* has moved from the 1040/Individual options tab to the Miscellaneous Options tab. The default has changed to *1099-B basis reported to the IRS* and a new option, *1099-B Basis reported to IRS and reported on Sch. D*, has been added to the list.
  - *All Reserved for future use fields* have been reset to their initial defaults of blank or unchecked. See online Help for the carryover from tax year 2012 to tax 2013 of specific fields that are now used instead of the Reserved for future use fields.
- **1040 Options**. Three new options have been added to the Dashboard > Configuration > Return configuration sets > *return configuration set* > 1040/Individual Options tab:
  - *Suppress interest/dividend summary independent of Schedule B*
  - *Suppress K-1 print in client copy of the return*

- *State tax exempt interest/dividend assumptions*
- *Default for 1099-B* has been moved to the Miscellaneous Options tab

- **Print Options**. The following changes have been made to the Dashboard > Configuration > Return configuration sets > *return configuration set* > Print Options > Return Print Options tab:
  - The 2D barcode option has been removed, since moving forward the system will enforce the 2D barcode if appropriate.
  - Additional information has been added to the masking option to clarify what is being masked when selected.
- **Correspondence**. The following option was added to the Dashboard > Configuration > Return configuration sets > *return configuration set* > Correspondence > Letter Options tab: Use "prepared by" section for alternate filing instructions.
- **Signature Block**. The following fields for signer information have been added or updated. These fields have also been updated or added to the Dashboard > Configuration > Return configuration sets > *return configuration set* > Signature Block tab.
  - New Foreign province field
  - Firm phone number was increased to 15 characters
  - Zip code was increased to 16 characters
  - State and Country codes drop-downs had the following changes:
    - State code (CZ) Canal Zone was removed
    - Country code (MF) was removed
    - Country code (OD) South Sudan was added
  - Text changes from Print date signed to Print signed by signer/ERO under signer identification section.

Firm Tax Defaults

Pennsylvania Cities. New fields have been added to the Dashboard > Firm > Settings and Defaults > Tax > Pennsylvania Cities > Pennsylvania Tax Jurisdiction.

- PSD code (Political Subdivision)
- Work PSD
- New section added: Estimate: Tax collecting agency mailing address
  - Fields include: Name, Street Address, City, State, Zip

Staff Manager Tax Options

Staff profile signer options. The following fields for signer information have been added on Dashboard > Configuration > Staff Manager > Staff > Staff profile > Tax > Signer >:

- New Foreign province field
- New Country field
- Signer phone/fax number is increased to 15 characters
- Zip code is increased to 16 characters
- Signer Location

Tax Lists

- The Dashboard configuration link *Return Groups* has been renamed to *Lists*.
- We have added Signer Locations to Tax Lists that allows the system to pull signature block and EFIN information from the *location* associated with the signer instead of from the return configuration set. Locations configured here can be added to the signer profile, and then enabled using a new option located in Return configuration sets > Signature Block > *Use signer location for signature block*.

Client Common Data

New enhancements include:

- For 2013 Individual and Estate & gift returns, the First Name/Middle initial field and Last Name/Suffix field for both taxpayer and spouse, have been split into separate fields.
- For Partnership, Corporation, and Fiduciary client types, we have added foreign Province and foreign postal code as common data fields.

Tax Modules and Product Interfaces

DataScan

New enhancements include:

- You may now be granted permission to scan password protected returns.
- You may now be granted permission to view other staff members' scans and scan results.
- We added a new interface to define keywords.

Print

New enhancements include:

- You may now separately print estimate vouchers with the estimate reminder letter. You may select either specific quarters or all quarters.
- You are now able to include letters when printing just the state return.
- You are now able to include letters and the 1st quarter estimate voucher when printing extensions.

Tax Notebook

Tax Notebook and Tax Notebook Toolkit are now available to firms, allowing preparers to offer an electronic, interview type Organizer to taxpayers. New enhancements include:

- Tax Notebook allows you to eliminate paper Organizers, and import Tax Notebook data seamlessly into the tax application, virtually eliminating data entry.
- Tax Notebooks will contain last year's Pro Forma information.
- You can monitor and track the status of each client's tax notebook through the status system included within the Tax Notebook Toolkit.
- Firms can fully-customize Tax Notebook (classic, expanded or foreign versions), complete with a personalized Welcome Page with your firm name and logo.
- Staff members with the appropriate permission may access Tax Notebook Toolkit by select the Dashboard link *Launch Tax Notebook Toolkit* under Tax Processing.

Import/Export

New enhancements include:

- TaxTransfer - You can now export data from 1040 Federal Government forms.
- When importing into worksheets, you can now trigger a calculation of the return after an import.
- Form 8865 has expanded its import/export capability to include support of Federal Forms 4562, 4797, 8825, Schedule F, and Schedule D.

Correspondence Manager

We have made the following changes and improvements:

- **Delete Line Spacing between Repeating Paragraphs**. This new option allows you to delete line spaces between repeating paragraphs in letters and is available on the Paragraph Library context menu.
- **706/709 Cover Letter**. 706 Estate & 709 Gift cover letter content is available. You can now generate a cover letter for these returns.
- **5500 Federal Filing Instructions for Extensions**. 5500 Employee Benefit Plan federal filing instructions for extensions content is available. You can now generate federal filing instructions for extensions for these returns.

Batch Manager

- You may now filter the list of returns by return version for the following batch jobs:
  - Roll Forward > Returns
  - Electronic Filing > Extensions
  - Print > Extensions
- The ribbon options to download Tax Data Export, Large Returns, and Magnetic media have been removed. You may download the files by clicking the download link directly in the grid.

Electronic Filing

Electronic filing for the following returns is scheduled to be available in January 2014:

- Individual
- Corporation
- Employee Benefit Plan
- Fiduciary
- Partnership
- S Corporation
- Exempt Organization

FBAR - we will add the ability to electronically file FinCEN Form 114, Foreign Bank Account Report (previously Form TDF 90-22.1) in January 2014. As FBAR filings are transmitted and tracked separately from the main return (1040/1120/etc), there will be a separate transactional charge for each electronically filed FBAR.

We have improved the process of managing the progress of the electronic file export in Batch Manager.

- The Batch Manager job status will now reflect an exception if one has occurred.
- You can export job detail for multiple jobs.
- We will retain ELF jobs for sixty days.
- We will notify you (inside the return) if the ELF server is not available.

You can now batch e-file Alabama special state estimates and extensions.

Electronic Filing Status System (EFS)

We have added numerous enhancements to EFS, including:

- An option for the signer to receive a rejection notification when returns are rejected.
- New optional columns are available: one for bank information, indicating if the bank information is available in the return, and one for the amount of the state refund, or state amount due.
- The ability to customize the columns on the Release tab, similar to the functionality currently available on the Status tab.
- The ability to view an estimated payments grid for payments automatically withdrawn, which will display a list showing:
  - Amount and date of the scheduled Federal withdrawal for each payment
  - Amount and date of the scheduled state withdrawal for each payment, and for each state if applicable
  - Method of payment

Quick Reference Card

The CCH Axcess Tax Quick Reference Card for tax year 2013 that includes ribbon options, keyboard shortcuts, user options, and a glossary of terms is available using the following link:

CCH Axcess Tax Quick Reference Card

Tax Product Enhancements

Click one of the links below to read about the tax application updates included with release 2013-1.0.

Individual (1040) Product Enhancements

Partnership (1065) Product Enhancements

Corporation (1120) Product Enhancements

S Corporation (1120S) Product Enhancements

Fiduciary (1041) Product Enhancements

Employee Benefit Plan (5500) Product Enhancements

Exempt (990) Product Enhancements

Individual (1040) Product Enhancements

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Federal

High Profile Changes

Taxpayer and Spouse Names

In the 2012 system, fields were available on Basic Data > General to define the pro forma of taxpayer and spouse first name, middle initial, last name, and suffix.

If present, the 2012-2013 pro forma program will use them to populate the taxpayer and spouse names in the 2013 system. If they are not present, the pro forma program will use other fields to make a "best guess."

As a general rule when making this guess, a pro forma note will be generated in situations where it appears that there is something more than a first and last name for the taxpayer or spouse.

Form 114 and Form 114a

We will add the ability to electronically file FinCEN Form 114, Foreign Bank Account Report (previously Form TDF 90-22.1) in January 2014. As FBAR filings are transmitted and tracked separately from the main return (1040/1120/etc), there will be a separate transactional charge for each electronically filed FBAR.

Schedule 8812

To accommodate the needs of a wider range of tax firms, the following approach will be taken for situations where there is an applied for ITIN:

- If there is an applied for ITIN, and Form W-7 is in the return, Schedule 8812 will be prepared. No diagnostic will be issued.

Note: No change from current approach.

- If there is an applied for ITIN, and Form W-7 is not in the return, and the substantial presence test question has been answered, Schedule 8812 will be prepared. A diagnostic will be issued indicating that the preparer should 1) prepare a Form W-7 within the system, 2) prepare a Form W-7 outside of the system, or 3) suppress Schedule 8812.

Note: Preparation of the Schedule 8812 is new, the diagnostic is new, and the input is new.

- If there is an applied for ITIN, and Form W-7 is not in the return, and the substantial presence test question has not been answered, Schedule 8812 will not be prepared and a diagnostic will be issued.

Note: No change from current approach.

- If there is an applied for ITIN, a child tax credit, and suppression of Schedule 8812 occurred, a diagnostic will be issued.

Note: The diagnostic used in the current approach would have logic and text revisions.

Redesign of the Bank input

In an attempt to reduce errors by preparers, we have split out the direct debit/deposit selections into separate boxes and added a check box for the preparer to confirm the selections.

Form 14039

Form 14039, Identity Theft Affidavit, will be available in the 2013 system. Entries are available on Other > Form 14039, Identify Theft Affidavit.

Worksheet View Menu

The Tax Equalization worksheets now appear in the new Tax Equalization category.

The Foreign Assets worksheet now appears in the Foreign category.

Two methods are available for entry of depletion on the Rent and Royalty worksheet. The name of the section for the abbreviated method has changed from "Depletion (Simplified)" to "Depletion (Express Entry Method)."

Additional Enhancements

Form 1310 - Multiple State Occurrences

The states now allow for multiple copies of their version of Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer.

Form 2848

The following fields have been added to the staff profile:

- Foreign province
- Foreign country
- Increased ZIP code field to accommodate postal codes

Form 8621 - New Calculations

The following calculations have been added to Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund:

- Calculation of the increase in tax on Line 16c
- Calculation of the Section 1291 interest on Line 16e

Form 1098-MIS - Investment Interest and Expenses

Two new input fields have been added to Mortgage Interest > IRS 1098-MIS Additional Information, allowing classification of mortgage interest as investment interest.

- Investment interest
- Treat mortgage insurance premiums as Schedule A investment expense

Publically Traded Partnership Worksheet

An option is available to suppress this worksheet on Partnership Passthrough > Activity > Suppress printing of PTP statement.

New Input - Form 1098-E and Form 1099-SA

Facsimile input for Form 1098-E, Student Loan Interest Statement will be available in the 2013 system.

Facsimile input for Form 1099-SA, Distributions From an HSA, Archer MSA, or Medicare Advantage MSA will be available in the 2013 system.

Depreciation

Added override box for NYC business income section 179 limitation.

The reduction in basis column on the Next Year Report will now subtotal and total.

Added IRC section code of 194 to calculate the amortization for reforestation expenditures.

Diagnostics

The following diagnostics updates will be available:

- **Diagnostic 33646**. Informs you that two exemptions are being taken when a filing status of "married filing separately - spouse not filing" is used.
- **Diagnostic 33822**. Informs you when there is a dependent that will be turning 17 in next year's return and that withholding or estimates may need to be adjusted due to a lack of a child tax credit.
- **Diagnostic 26363**. Informs you when the passthrough input's "state percent of federal" field is blank and zero is assumed.
- **Diagnostic 26369**. Informs you when more than one activity on a passthrough is coded to the home state.
- **Diagnostic 34046**. Informs you when there is a Roth IRA distribution on Form 8606 and there is no basis in contributions or conversions.

Form and Law Changes

Form 8959

Form 8959, Additional Medicare Tax, will be available in the 2013 system.

Form 8960

Form 8960, Net Investment Income Tax - Individuals, Estates, and Trusts, will be available in the 2013 system.

Form 8967

Form 8967, Paid Preparer's Child Tax Credit Checklist, will be available in the 2013 system.

State Law Changes

Alabama

The following items were added:

- PPT return to eFile.
- Multiple letters and filing instructions for returns which have multiple entities on form PPT/BPT-IN.
- Interest and penalty calculation for refund/balance due amended returns.

Arkansas

New government forms AR-AIS, Arkansas Additional Information Schedule; ARDD, Direct Deposit Information; AR1113, Phenylketonuria Disorder and Other Metabolic Disorders Credit were added.

New input for Printing Form AR-AIS in the accountants copy on Arkansas General Information > Options. By default this form will not print. The state is providing a paper version but it does not have to be filed. It will still be sent in the electronic file.

New input will be added for form AR1113.

Arizona

AZ 348, Credit for Contributions to Certified School Tuition Organization

California

California added 2D barcodes to Form 540, Schedule CA, Schedule P, Schedule D, Form 5805 and Schedule W-2. The addition of these new barcodes has made Form 3830 (2D coversheet) obsolete.

Added detail statements to S-Corp and Partnership basis limitation worksheets to allow clients to see breakdown of allowed/disallowed losses, section 179, etc.

We installed numerous interactive diagnostics for California.

We added new input on CA Income / Deductions > Other Income and Deductions for specific CA adjustments to wages, also added detail statement for Schedule CA, Line 7 (wages).

Delaware

Added multiple 1310s for returns which have taxpayer and spouse both deceased.

Georgia

The following forms were added:

- GA Form IT-QEE-TP2 Qualified Education Expense Credit Computation. Input is located on Georgia > Credits >Form IT-QEE-TP2.
- GA Form 5347. This is the GA equivalent of federal Form 1310, Statement of a Person Claiming a Refund Due a Deceased Taxpayer. All input is calculated from Federal\Other\Person Claiming Refund Due a Deceased Taxpayer.

Indiana

New government forms for the credit forms EDGE and EDGE-R were added.

Iowa

Iowa net operating loss carryover information now pro formas to Iowa > Income Deductions > NOL Computation From Carryover Years.

Kansas

A new government form, K-120EX, Recapture of Expensing Deduction, was added.

The following government forms are retired by the state:

- K-36, Telecommunications Credit
- K-37, Disabled Access Credit (Business) (Carryforward use only)
- K-47, Adoption Credit (Carryforward use only)
- K-62, Alternative Fuel Credit (Carryforward use only)
- K-75, Historic Site Contribution Credit
- Schedule RNT – taxpayers must own a home to claim the homestead credit on Form K-40H

Electronic Filing

At this time, for TY 2013, Kansas plans to only accept Linked submissions for the 1040 platform. If they are able to have a vendor fraud solution in place for the filing season, they may allow unlinked returns at some future date. This means they will not be able to accept Kansas return transmitted without the federal return (state-only returns).

New input to route heirs of a taxpayer or spouse to the appropriate RF-9 as well as the appropriate refund type Kansas Other > Decedent Refund Claim > TS Code and Form Fields.

Other noteworthy items include:

- Part C has been added to Supplemental Schedule (SCH S) to calculate itemized deductions
- Income not taxed by Kansas for TY 2013:
  - Rental real estate, royalties, partnerships, S corporations, trusts, etc. reported on Federal Schedule E and reported on Line 17 of Federal Form 1040
  - Farm income reported on Federal Schedule F and reported on Line 18 of Federal Form 1040
- Tax credits and subtraction modifications retired by the state:
  - Credit for Child and Dependent Care expenses
  - Qualified Long Term Care insurance premiums
  - NOL's from tax years 2012 and prior years
  - K-120EX Expensing Deduction
- K-89 Kansas Rural Opportunity Zone (ROZ) has added 23 counties to the existing 50 ROZ counties

Kentucky

The Kentucky 740-NP will be available for eFile for the 2013 filing season.

Louisiana

A state use box has been added to indicate if a W-2 is Non-NRPA wages for purposes of the Nonresident Professional Athlete Return. If this box is checked, then those wages will not be used in the calculation of

Line 4, Total Compensation of Schedule NRA-1. The input is on Income/Deductions > Wages Salaries and Tips > Detail IRS W-2 > Other > LA State Information – Non-NRPA Wages check box.

New Whitepaper Statements

- Line 42, Interest and Line 44, Delinquent Payment Penalty, of IT-540-2D and IT-540B-2D, prepare a detailed whitepaper of late interest and penalty for regular and amended returns
- Line 28, Interest and Line 30, Delinquent Payment Penalty, of IT-540B-NRA, prepare a detailed whitepaper of late interest and penalty for regular and amended returns

Maryland

Government forms 500CR and 502INJ will be added.

New input will be added to capture data for new Government Form 500CR and 502INJ.

The following new electronic filing forms will be supported:

- Form 500CR
- Form 502INJ
- Form 502X and 505X – standalone Amended electronic filing

New Whitepaper statement supporting Line 27 of Form 502X and Form 505X, Amended Resident return and Nonresident return, now have a detailed statement showing the calculation of interest and penalty.

Massachusetts

Massachusetts is the last state to transition from EDI to MeF.

Michigan

A new government form, MI-5049, was added. This will not be an e-fileable form, but an attachable form via PDF attachment. MI-5049 will be used to breakdown married filing separate income when computing the Michigan Property Tax Credit.

Items of interest

- Form MI-4884 Pension Deduction has been re-written by the state of Michigan. Michigan is attempting to make this form easier for software developers and preparers. MI Schedule 1 has a new section (lines 23 – 26).
- MI-1040CR-2 went from a 2-page form in 2012 to a 3-page form in 2013.

Minnesota

Minnesota will no longer conform with many federal tax provisions as they did previously in 2012. We will install Form M1NC to make these adjustments.

Minnesota has a new form this year, M1SA. This form will be used to calculate Minnesota allowable itemized deductions.

Mississippi

The following new forms have been added:

- Form 80-107, Income /Withholding Tax Schedule
- Form 80-155, NOL (Library)

Missouri – Kansas City

The following new forms have been added:

- Form RD-111, Extension – Profits Return Earnings Tax
- Form RD-112, Extension – Wage Earner Return Earnings Tax

Missouri – ST. Louis

Calculations were added for Form STL E-234, Earnings Tax Return, Page 2.

Montana

The state requires preparer prepared returns to not be mailed to the taxpayer next year.

New York

The following new forms have been added:

- Form IT-201-D, Resident Itemized Deduction Schedule
- Form IT-203-D, Nonresident Itemized Deduction Schedule
- Form IT-634, Empire State Jobs Retention Program Credit
- Form IT-634, NY Youth Works Tax Credit
- Form IT-636, Beer Production Credit

Oklahoma

We are adding OK Form 506 Investment/New Jobs Credit.

Pennsylvania

The following new government forms were added: REV-1175, RCT-101 Sch A-3, REV-798, REV-799, RCT-102, RCT-105, RCT-106, REV-934 CT

The following new input is available:

- General > Residency > Prepare a joint return when taxpayer or spouse are deceased field
- New RCT-101 input – Limited Liability Company Tax Report > New sections (TBD)
- Added foreign address information for Sch UE on Income/Deductions > Schedule UE Allowable Employee Business Expenses > Employer's foreign country code and Employer's foreign province/state/county fields

A new whitepaper statement for Schedule G-S & Schedule G-L Column A amounts when reduced by Schedule O deductions was added.

eFile for RCT-101 and related forms was added.

We changed the order in which donations are taken from Line 29 overpayment, PA Breast Cancer Coalition's Breast and Cervical Cancer Research Fund. This donation is now taken first. The other donations are moved down one line.

Schedule OC was updated with the following changes:

- Removed PA Alternative Energy Production Tax Credit and Organ and Bone Marrow Donation Tax Credit
- Added Historic Preservation Incentive Tax Credit and Community-Based Services Tax Credit

REV-1630 – Act 85 of 2012 – Tax Forgiveness credit (Sch SP) must be taken into account before determining any penalty for underpayment of tax.

Tennessee

New input was added for the FAE 173 (extension) lock option on Other > Limited Liability Company.

Wisconsin

WI Form I-804 is now repeating. You can have a taxpayer and spouse occurrence. This is the WI equivalent of federal Form 1310, Statement of a Person Claiming a Refund Due a Deceased Taxpayer.

West Virginia

A new government form WV 8379, West Virginia State Tax Department Injured Spouse Allocation, was added.

Existing input on West Virginia General > Basic Data for Filing Form WV-8379 as an injured spouse, will be repurposed to handle T/S entries.

Partnership (1065) Product Enhancements

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Federal

Transfer of Capital

Worksheet Federal > Partners > Transfers of Interest > Changes in Partners' Interest and Transferring Information - Changes in Partners' Interest and Transfers of Capital input have been redesigned for 2013 effectively combining both aspects of the transaction. Separate input for Transfer of Partner Capital is still provided but should generally not be needed.

Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation

An informational copy of Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation and an option to print a copy of Form 926 at the partner level is now available. The option is on Worksheet Federal > Other > 926 – Return by a U.S. Transferor of Property to a Foreign Corporation > Include Form 926 as an attachment to Schedule K-1.

Form 114, Report of Foreign Bank and Financial Accounts.

We will add the ability to electronically file FinCEN Form 114, Foreign Bank Account Report (previously Form TDF 90-22.1) in January 2014. As FBAR filings are transmitted and tracked separately from the main return (1040/1120/etc), there will be a separate transactional charge for each electronically filed FBAR.

Foreign Address

Foreign address information is added to federal input forms.

Form 1065, Line 16b, Depreciation Reported Elsewhere – Override

An input override is available on Worksheet Federal > Income/Deductions > Trade or Business > Deductions > Depreciation reported elsewhere - override.

Depletion

Improved Presentation of the Schedule of Mineral Interest Properties to make it easier to follow and verify the calculations.

- Items added to this schedule include:
  - Beginning Accumulated IDC
  - Cost Depletion Rate
  - Ending Recoverables
  - Ending Accumulated Depletion
- Added input for Accumulated IDC on Worksheet Federal > Income/Deductions > Depletion > Property and Cost Depletion.
- Provided a detail breakdown of other deductions from depletion properties.
- The landscape version of the Schedule of Mineral Interest Properties is now the default option.

Summary Detail Capital Account - Current Increases/Decreases Reconciliation Form

Added Summary Detail Capital Account – current increases/decreases reconciliation form. This is produced when the option is chosen to prepare the Schedule K to Schedule K-1 reconciliation.

- Worksheet Federal > General > Return Options > Processing Options > Schedule K to K-1 Reconciliation

Direct Deposit/Electronic Funds Withdrawal

The "Option code" is replaced in 2013 with " X to direct deposit refund" and "X to direct debit any amount due."

Passthrough Items

This worksheet is removed for 2013 from Worksheet Federal > Income/Deductions.

States

State Schedule K-1 Overrides

New state specific worksheets are available to override state Schedule K-1s on Worksheet Federal > Partners > Federal/State Schedule K-1 Overrides for the following states:

- Alabama
- California
- Illinois
- Massachusetts
- Mississippi
- New Jersey
- New York
- Pennsylvania
- Wisconsin

States added to State if Different Passthrough Input

The following states now use the state columns on passthrough input:

- Arizona
- Arkansas
- Delaware
- Illinois
- Missouri
- Mississippi
- South Carolina
- Utah
- Wisconsin

State K-1 Export to 1040

State K-1 export to 1040 is expanded to Connecticut and Oklahoma.

Alaska

The following forms are added to the Alaska product:

- Form AK 6320 - Gas Exploration and Development Tax Credit
- Form AK 6321 - Gas Storage Facility Tax Credit
- Form AK 6323 - Liquefied Natural Gas (LNG) Storage Facility Tax Credit
- Form AK 6325 - Veteran Employment Tax Credit

California

- CA 568 – Option to File as a Disregarded Entity is available on Worksheet California > General Information > Single Member LLC > Suppress forms for disregarded entity.
- Prior year Form 592 is now available in current year returns.
    - This option produces the 2013 version (Prior Year) of Form 592 and Form 592-V.
    - Worksheet California > Nonresident Withholding > Domestic Nonresident Information > Form 592 (2013)
- Ability to Produce Multiple Schedule R's to Support Schedule R, Line 11.
    - Worksheet California > Allocation and Apportionment > Nonbusiness Income > Separate trade or business field can be used to identify the separate trade or business and prints on the top of Schedule R. Multiple entities produce multiple Schedule R's.

Delaware

Form 1027, Application for Automatic Extension of Time to File a Delaware Individual Income Tax Return, to be used by composite returns.

Kentucky

- Form KY 62A500-M1 - Boat Dealer's Used Inventory Listing for Line 31 Tangible Personal Property Tax Return is available for processing. Input is available on Worksheet Kentucky > Tangibles > Tangible Property > Boat Dealer's Inventory Listing.
- Form LEX 228-S ENP V 2-4 - Lexington BOE - Net Profit Quarterly Estimate Form Voucher 2-4 is available for processing.
- Form LEX 228-S ENP V1 & WKST - Lexington BOE - Net Profit Quarterly Estimate Form Voucher 1 & worksheet is available for processing.
- Form NET PROFIT EXTENSION REQ - Lexington BOE - Net Profit Extension Request is available for processing.

Michigan

- MI 4 (EXT) (Fiscal Year) - Application for Extension of Time to File Tax Returns is available for processing.
- MI 807 (Fiscal Year) - Composite Return is available for processing.
- MI-1040H (Fiscal Year) - Schedule of Apportionment is available for processing.

Minnesota

- Form MN FLP ANNUAL RENEW - Foreign Limited Partnership Annual Renewal
- Form MN MNLP ANNUAL RENEW - Limited Partnership Annual Renewal
- Worksheet Minnesota > Other Returns > Qualification and Annual Registration Form Information

Missouri

Form MKC RD-111 - Extension - Profits Return Earnings Tax is available for processing.

New York

- Form IT 2658, Report of Estimated Tax for Nonresident Individual Partners. An override is now available for Amount of Estimated Tax Paid on Behalf of Nonresident Partner.
- Worksheet New York > Payments/Penalties > Estimates and Application of Overpayment Form IT-2658.

Oklahoma

- Form OK SOS 0097 - Annual Certificate Limited Liability Companies is available for processing.
- Form OK SOS 0098 - Annual Certificate Limited Partnerships is available for processing.

Oregon

- Form OR LTD-V - Oregon LTD Self-Employment Tax Payment Voucher is available for processing.
- Form OR LTD - Lane County Mass Transit District Self-Employment Tax is available for processing.
- Worksheet Oregon > Multnomah/Portland/Tri-County/Lane Transit > Lane Transit.

Tennessee

- Form IE-N, Intangible Expense – Notice of Deduction is available for processing.
- Worksheet Tennessee > Income/Deductions > Intangible Expense Deductions.

Corporation (1120) Product Enhancements

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Federal

Form 1120

The definition for “total receipts” on Schedule K, Page 3, Line 13, has been changed from “Line 1c plus Lines 4 through 10 on Page 1” to “Line 1a plus Lines 4 through 10 on Page 1.”

Schedule M-3 (Form 1120)

Line 29, Section 198, environmental remediation costs on Part III has been changed to a reserved line.

Schedule P (Form 1120-F)

Line 6, Net income (loss) reported on Schedule K-1, other than on Lines 1 through 3 has been added to Part II.

Form 1120-RIC

Line 10b for Section 852(g) election has been added to Schedule K, Page 3.

Form 1120-SF

Tax rate on Part II, Line 15, has been changed from 35% to 39.6%.

Schedule D

Line 1a has been added to report totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments. Line 8a has been added to report totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments. If you choose to report all these transactions on Form 8949, leave these two lines blank and go to Lines 1b and 8b, respectively.

Form 114

We will add the ability to electronically file FinCEN Form 114, Foreign Bank Account Report (previously Form TDF 90-22.1) in January 2014. As FBAR filings are transmitted and tracked separately from the main return (1040/1120/etc), there will be a separate transactional charge for each electronically filed FBAR.

Stmt 2009-20

This form is now Form 4868, Page 3.

Form 4626

Statement of “Adjusted Gain (Loss) Schedule” will be produced to support Line 2e of Form 4626. It is based on the information on the AMT versions of Form 4797 and Schedule D. This statement will not be produced if the override on Worksheet Taxes>AMT>Adjustments, Preference and Other Items> Adjusted gain or loss override is present. It also will not be produced for a consolidated return if any separate company has an override present.

Form 4868

Page 3, Section C, Theft Loss Deduction for Ponzi-Type Investment Scheme Using the Procedures in Revenue Procedure 2009-20, has been added.

Form 5884-B

This form is obsolete. The carryfoward of new hire retention credit must be reported on Form 3800, Part III, Line 1aa.

Form 6198

Use the worksheet Income / Deductions > Passive / At Risk Limitations and return information to produce Form 6198, At-Risk Loss Limitation. This applies only to closely held corporations. The at-risk limitation is on an activity-by-activity basis. Income or loss from one activity can not offset income or loss from another activity. Each activity has its own Form 6198. The limited losses of an activity are allocated according to the character of income.

Form 6478

The title of this form is changed from “Alcohol and Cellulosic Biofuel Fuels Credit” to “Biofuel Producer Credit.”

Form 8612

Use the worksheet Other Returns > 1120-REIT > Form 8612 produce Form 8612, Return of Excise Tax on an Undistributed Income of Real Estate Investment Trusts.

Form 8833

You now need to provide a reference ID number, if any, at the top of the form. The questions “Is the taxpayer disclosing a treaty-based return position for which reporting is specifically required pursuant to Regs. Sec. 301.6114-1(b)” and “If yes, enter the specific subsection(s)” have been added to Line 5.

Form 8834

Part I, Qualified Plug-in Electric Vehicle Credit, will no longer be applied. The carryfoward of qualified plug-in electric vehicle credit must be reported on Form 3800, Part III, Line 1z.

Form 8912

Page 4, Part V, Bond credit(s) from partnerships, S corporations, regulated investment companies, real estate investment trusts, estates, and trusts not reported to you on Form(s) 1097-BTC, has been removed.

Form 8916-A

Line 2i, Section 198, environmental remediation costs on Part I, has been changed to a reserved line.

Form 8926

Use the new option added to the worksheet Other > 8926 – Disqualified Corporate Interest Exp Disallowed Under Sec 163(j) > Line 13 to carry net interest expense from Form 8926, Line 2a minus Line 7 to Form 1120, Line 18, as the interest expense.

Form 8949

The default option for this form has changed from code “B” (1099-B basis not reported to IRS” to code “A” (1099-B basis reported to IRS). You can override this processing on the worksheet General > Return Options > Processing Options > Line 53.

Depletion Expenses in the Statement of Other Deductions

The depletion expenses are more detailed in the statement of “Other Deductions”. In 2012, there was only one line of “Other deductions from depletion schedules”. In 2013, it has been further broken down into “Allocated overhead expenses,” “Dry hole costs,” “Intangible drilling costs,” “Operating expense,” “Other expense,” “Royalty paid,” etc.

Allocation and Apportionment Total Everywhere Override Options

The options have been expanded from 10 to 99 on the worksheet Common State > Allocation and Apportionment – Total Everywhere Overrides.

General > Basic Data > General

Input fields “Foreign province” and “Postal code” for corporation address have been added.

General > Return Options > Processing Options

- Use Line 20 to print general carryover data report in the client copy.
- A new code “D” (1099-B basis reported to IRS and reported on Schedule D) has been added to Line 53 (Code for Form 8949 1099-B default). The code entered in this field is used to determine the type of Form 8949 that is prepared. If no return configuration set option is present, the default is to prepare Form 8949 using a 1099-B code of “A.”
- Use Line 21 to elect printing only the last four digits of the officers’ SSNs in Column (b) of Form 1125-E.

General > Return Options > Preparer Information

Input field on Line 10, “Firm foreign province,” has been added.

General > Basic Data > Miscellaneous Information

The “Suppress Printing of Statements” section has been moved to the worksheet General > Return Options > Processing Options. The field to suppress Schedule D statements has been added.

General > Basic Data > State Information

New fields have been added to enter total 50% and 100% bonus depreciation taken in 2012, and Section 179 deduction taken in 2012. These fields are for state use only.

General > Two-Year Comparison > Taxable Income

Input field Line 13, “Deductions for tax imposed under Sections 851(d)(2) and 851(i) - 1120-RIC,” has been added.

General > Two Year Comparison > Schedule M-3, Part II

Input field Line 8, "Dividend equivalent payments received - 1120-F," has been changed to "Dividend equivalents received - 1120-F."

General > Tow Year Comparison > Schedule M-3, Part III

Input field Line 44, "Dividend equivalent payments - 1120-F," has been changed to "Dividend equivalents - 1120-F."

Basic Data > Direct Deposit/Electronic Funds Withdrawal

Input field "Option code" has been removed and fields "X to direct deposit refund", "X to direct debit any amount due," and "X to confirm options selected above" have been added.

Basic Data > Direct Deposit/Electronic Funds Withdrawal

New input fields have been added to process Forms 114 and 8938.

Other > 5452 > Worksheet for Figuring Current Year Earnings and Profits

Input field "X NOT to Pro Forma" has been added to not pro forma Form 5452 worksheet(s).

Income/Deductions>Gains and Losses

New code M for "Multiple transactions" has been added to Options/Other Information>Schedule D special print information for a group of transactions reported on Form 8949. Codes 9 and 10 are inactive for 2013.

Income/Deductions>Theft Loss Statement

Input field "Foreign country cod," has been added to the "Individual or Entity that Conducted the Fraudulent Arrangement" section.

Income/Deductions > Rent and Royalty > General

Input field Line 8, "Province," has been added.

Income/Deductions > Depletion > Property and Cost Depletion

Input field Line 18, "Accumulated IDC," has been added.

General > Electronic Filing > General

Input field Line 25, "Suppress Form 114 for electronic filing," has been added.

Other > Extensions > State/City Extension Information

Input field Line 9, "X if first time filer," has been added.

Income/Deductions > Farm/4835 > General

Input field Line 4, "Foreign Province," has been added.

Other > 8926 – Disqualified Corporate Interest Exp Disallowed Under Sec 163(j)

Use Line 13 to carry net allowed interest from Form 8926, Line 2a less Line 7 to the return.

Income/Deductions>Fiduciary Passthrough

- Input field “Foreign province” has been added for the Fiduciary’s address.
- Input fields “City,” “State,” “ZIP code,” “Foreign province,” “Foreign country code,” and “Foreign postal code” have been added to the “U Recapture of credits” section.
- Input field “Investment expense” has been added to the “Additional K-1 Information” section.
- Input fields for Form 8082 information have been added.

Income/Deductions>Partnership Passthrough

- Input field “Foreign province” has been added for the Partnership’s address.
- Input field “Asset sales from nonpassive activity” has been removed.
- Input field “Post 1986 circulation expenditures” has been changed to “ACE adjustments”.
- Input fields for “F,G,H Recapture of Investment credit” have been removed.
- Input field “Y Net investment income” has been added to the “20 Other information” section.
- Input fields “Accelerated depreciation of real property placed in service before 1987”, “Accelerated depreciation of leased personal property before 1987,” “Cash contributions made in subsequent year (50%)," and “Qualified conservation property (100%)” have been added to the “Additional K-1 Information” section.
- Input fields for Form 8082 information have been added.

Income/Deductions>Partnership Passthrough

Input field “Foreign Province” has been added to the “Form 8082 - General Information” section.

Income/Deductions>Charitable Contributions>Form 8283 Noncash Contributions

- Input for “Foreign Country Code” has been added to the “Donated Property” section.
- Input for “Foreign Province” has been added to the “Donated Property” section.
- Input field “Foreign province” has been added to the “Other Information - If Less than the Entire Interest Contributed” section.

Income/Deductions>Charitable Contributions>Form 8283, Sec B, Part I –Donated Property (Over $5000)

Input field “Foreign province” has been added to the “Donee Acknowledgement” section.

Other>8822

- Input fields “Old name of responsible party” and “Old SSN, ITIN, or EIN of responsible party” have been added to the “Old address” section.
- Input fields “New name of responsible party” and “New SSN, ITIN, or EIN of responsible party” have been added to the “New address” section.

Other>2848

- Code field “Acts authorized code” has been removed and check box fields “Disclosure to third parties,” “Signing a return,” and “Substitute or add representatives,” have been added.
- Input for “Foreign Province” has been added to the “Representative(s)/Appointees Individuals” section.

Other>8821

Input for “Foreign Province” and “Foreign Postal Code” have been added to the “Appointees Individuals” section.

Other>8275/8275R

- Input field “Foreign province” has been added to the “Part III - Information About Passthrough Entity” section.
- Section for “If Form 8275/8275-R Related to an Information Return for a Foreign Entity” has been added to this form.

Other>8832

Input fields “Message at the top of the form code” and “Reasonable cause statement print options” have been removed and “Classification relief option(s) and “Foreign province” have been added to the “Form 8832 - Entity Classification Election” section.

Credits>Credits Summary

Input field “X to print Form 3800 regardless of applicability” has been changed to “X to print Form 3800 when NOT required.”

Credits>8912

Input for “City or Town” has been added for Passthrough Credit from Other Entities.

Credits>8909

Input fields “Amount from Line 21b of prior year Form 8909” and “Amount from Line 21c of prior year Form 8909” have been removed and “Amount from Line 22a of prior year Form 8909,” “Amount from Line 22b of prior year Form 8909,” and “Amount from Line 21h of prior year Form 8909” have been added.

Credits>Other Enacted Credits

Input field “New hire retention credit, Form 5884-B” has been removed.

Taxes>Personal Holding Company Tax>Excess of Expenses Over Income from Property NOT Allowable

Input field to enter address from whom rent was received has been broken down into “Street address,” “State,” “ZIP,” “City,” “Country,” and “Province.”

Income/Deductions>Passive/At-Risk Activity Limitations>Passive/At Risk Activity

Use new input and return information to produce Form 6198, At-Risk Loss Limitation.

Foreign>1118

- Input for “Identifying Number (if any)” and “Reference ID Number” have been added to Schedule C.
- Input for “Section 960(c) Limitation” has been added to Schedule C.

- Input field “X if the corporation paid or accrued foreign taxes that were suspended due to the rules of Section 909” has been removed and “Foreign taxes paid or accrued that were suspended due to the rules of Section 909” has been added to Schedule F and G>Schedule G Other information.

Other>926>Transferee Foreign Corporation Information

Input field “Reference ID number” has been added.

Taxes>Recapture of Low Income Housing Credit

Input for “Foreign Province” and “Foreign Postal Code” have been added to the “Form 8611 - Recapture of Low-Income Housing Credit” section.

Other > 1120X Amended Returns > Miscellaneous Information

Input field “City, State, ZIP code if different” has been broken down into fields for “City,” “State,” “ZIP code,” “Foreign province,” and “Foreign country.”

Common State>State/City Common Data

Input fields “Successor EIN” and “Country” have been added to the “General Information” section.

Common State>Allocation and Apportionment – State Specific Information

This form has been redesigned to enter the appropriate detail apportionment and allocation code for the state apportionment and allocation purposes.

Common State>State Intercompany Elimination for Apportionment

These new forms are added for the consolidated return.

Foreign>8865>Schedule K – Partners’ Share of Income, Credits, etc

Input field “Name of foreign country or U.S. possession” has been changed to “Foreign country code” on Foreign Tax Information. This field is a mandatory entry.

Other Returns>1120-F

- The “Province or State” fields for the location of corporation’s primary books and records, and principal location of worldwide business have been changed to “State” only and fields for “Province” have been separately added to Worksheet General.
- ID number, “X if taxpayer is disclosing a treaty-based return position for which reporting is required pursuant to Regs. Sec. 301.6114-1(b),” “If yes, enter subsection(s), as well as “Foreign province” for address in country of residence and address of payor of income have been added to Worksheet Form 8833.
- Input field “Total interest paid or accrued on U.S.-booked liabilities of partnership interests - override” has been added to Worksheet Schedule I – Interest Expense Allocation Under Regs. Sec.1.882-5 to override Schedule I, Line 9, Column (b).
- Input for “Foreign Province” has been added to the “General Partnership Information” section and input for “Net Income (Loss) Reported Elsewhere on Schedule K-1 has been added to the “Foreign Partner Income and Expenses” section of Worksheet Schedule P – List of Foreign Partner Interests in Partnerships.

- Use Worksheet Schedule H>Home Office Deductible Expenses and Expenses from Other Non-US Locations Allocated and Apportioned to ECI to provide detail information for Schedule H, Part II, Lines 16 and 19. Input on Worksheet Schedule H>Home Office Deductible Expenses Allocated and Apportioned to ECI have been changed to override fields.
- Input field “Dividend equivalents received” has been changed to “Substitute dividend payments received” on Worksheet Schedule M-3 – Part II, Income (Loss) Items and “Dividend equivalents” has been changed to “Substitute dividend payments” on Worksheet Schedule M-3 – Part III, Expense/Deduction Items.

Other Returns>1120-REIT>Book/Tax Unique Reconciliation Items

Input “Section 4981 tax” has been changed to an override field.to override Form 1120-REIT, Page 4, Schedule M-1, Line 5b.

Other Returns>1120-REIT>Form 8612

Use this form to prepare Form 8612, Return of Excise Tax on Undistributed Income of Real Estate Investment Trusts.

Other Returns>1120-RIC>General

Input field “X if fund meets requirements of Section 852(g) and elects the application of Section 853” has been added.

Other Returns > 1120-SF Settlement Funds > US Income Tax Return For Settlement Funds

Input field on Line 10, “Foreign province” has been added for address of administrator.

Insurance>Annual Statement – Parts and Exhibits>Capital Gains (Losses)

Column for “Exclude” has been removed and columns for “Option,” “1099B,” “F/S,” and “State” have been added.

Consolidated/Combined Returns

Consolidated State Intercompany Elimination of Apportionment Factors

- **Common State>State Intercompany Elimination for Apportionment>Sales Factor, Property Factor and Payroll Factor**. The “State intercompany Elimination Apportionment” series of input addresses the situation of eliminating inter-company transactions at the consolidated level which affect apportionment factors. These forms are only entered at the consolidated level. The company number field is a mandatory entry.
- **Common State>State Intercompany Elimination for Apportionment>Total Everywhere Override Options, Total Everywhere Override - Sales Factor, Total Everywhere Override - Property Factor, and Total Everywhere Override- Payroll Factor**. Use these forms to override total everywhere apportionment property, payroll, and sales on a per state/city, per factor basis. State code field is a mandatory entry.

Consolidated State and City Tax Accrual Analysis

The first page is for states and second page is for cities. This form is only produced when the State Tax Accrual option is selected with the consolidated return. It shows taxes automatically accrued by the system.

It does not include taxes manually entered by the preparers. You may suppress printing and preparation on Consolidated>Options.

Consolidated Expanded STLO Capability

New option "Accrue State Taxes from States NOT Submitted with this Consolidated Return" has been added to Consolidated>Options. When the STLO option is selected at the consolidated level, the default treatment is to only accrue the state taxes from the states that are also submitted with the consolidated return. If the STLO option was selected at the separate company level along with a state that does not exist at the consolidated level, that state's accrued tax would be reversed out on the consolidated return. If you wish for the state taxes to NOT be reversed out in this scenario, use this option.

Consolidated Elimination Forms

Consolidated>Eliminations and Adjustments have been redesigned. Only one F/S entry is required instead of an F/S entry for each line. It affects Income and Deductions, Dividends, Balance Sheet, Schedule M-1 and M-2 Eliminations and Adjustments.

Consolidated FORM 4562 SUMMARY - DEPREICATION/AMORTIZARION (ALL TYPES)

Indicators have been added for the current year convention used at the separate company and consolidated return. If not all the same, an automatic adjustment will be made to reflect convention used at the consolidated level.

Consolidated INCOME AND DEDUCTIONS Worksheet

The "Eliminations" column has been added. A breakout now is provided between automatic system adjustment and preparer manual elimination. The automatic system adjustment will flow to the "Adjustments" column and The preparer entry will flow to the "Eliminations" column.

States

New Consolidated/Combined State Forms

You can now process Illinois Tax for a Unitary Business Group with Foreign Insurer Members (Schedule UB/INS), Oklahoma Computation of Oklahoma Consolidated Taxable Income (Form 512, Line 1) (Form 512-TI), and Oregon Combined Income and Deductions worksheet.

New State Forms

You can now process the following forms:

- Arizona Additional Credit for Increased Research Activities for Basic Research Payments (Form 346)
- Arizona Credit for Qualified Health Insurance Plans (Form 347)
- District of Columbia SUB Corporation Franchise Tax Return (Form D-20)
- Oklahoma Investment/New Jobs Credit (Form 506)
- South Carolina Public Utility Tax Return (Form SC 1120U)
- Tennessee Intangible Expense - Notice of Deduction (Form IE-N)
- Tennessee Apportionment Schedules for Captive REITs (Schedule N)
- Virginia Telecommunications Companies Minimum Tax (Form 500T)
- Virginia Electric Suppliers Corporation Minimum Tax and Credit Schedule (Form 500EL)

S Corporation (1120S) Product Enhancements

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Federal

Schedule B-1 (Form 1120S)

For completion of Schedule B, Question 3, any shareholder of a considered disregarded entity, a trust, an estate, or a nominee or a similar person is required to report on this schedule - Information on Certain Shareholders of an S Corporation.

Form 1125-E

Compensation of Officers will be reported on this form when total receipts are $500,000 or more.

Section 1377(a)(2) Election

This “Election and Consent to Use the Interim Closing of the Book Method” is prepared for internal use only.

Schedule D

Line 1a is added to report totals on Form 1099-B of all short-term transactions for which basis was reported to the IRS and for which you have no adjustments. Line 8a is added to report totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments. If you choose to report all these transactions on Form 8949, leave these two lines blank and go to Lines 1b and 8b, respectively.

Form 114

We will add the ability to electronically file FinCEN Form 114, Foreign Bank Account Report (previously Form TDF 90-22.1) in January 2014. As FBAR filings are transmitted and tracked separately from the main return (1040/1120/etc), there will be a separate transactional charge for each electronically filed FBAR.

Statement 2009-20

Information on this form is reported on Form 4684, Page 3.

Form 4684

Page 3, Section C, “Theft Loss Deduction for Ponzi-Type Investment Scheme Using the Procedures in Revenue Procedure 2009-20,” is added.

Form 5884-B

The form is obsolete.

Form 6198

Use Worksheet Income/Deductions> Passive/At Risk Activity Limitations>Passive/At-Risk Activity and return information to produce Form 6198, At-Risk Loss Limitation. This applies only to closely held corporations. The at-risk limitation is on an activity-by-activity basis. Income or loss from one activity cannot offset income or loss from another activity. Each activity has its own Form 6198. The limited losses of an activity are allocated according to the character of income.

Form 6478

The title of this form is changed from “Alcohol and Cellulosic Biofuel Fuels Credit” to “Biofuel Producer Credit.”

Form 8916-A

Line 2i, Section 198, environmental remediation costs on Part I, is changed to a reserved line.

Form 8949

The default option for this form is changed from code “B” (1099-B basis not reported to IRS” to code “A” (1099-B basis reported to IRS). You can override this processing on Worksheet General>Return Options>Processing Options or in the return configuration set.

Depletion Expenses on the Statement of Other Deductions

The depletion expenses are broken out on other expenses statement. One line of other depletion expenses will now show the detailed description such as “Allocated overhead expenses,” “Dry hole costs,” “Intangible drilling costs,” “Operating expense,” “Other expense,” “Royalty paid,” etc.

Allocation and Apportionment Total Everywhere Override Options

The override options are expanded from 10 to 99 on Worksheet Common State>Allocation and Apportionment – Total Everywhere Overrides.

General>Basic Data

Input fields “Foreign province” and “Postal code” for corporation’s address are added.

General>Return Options>Processing Options

- A new option is added to print general carryover data report in the client copy.
- A new option (1099-B basis reported to IRS and reported on Schedule D) is added to (Code for Form 8949 1099-B default). The code entered in this field is used to determine the type of Form 8949 that is prepared. If no return configuration set option is present, the default is to prepare Form 8949 using a 1099-B code of “A.”
- A new option to elect printing only the last four digits of the officers’ SSNs on Column (b) of Form 1125-E is added.

General>Return Options>Preparer Information – Overrides Office Manager

Input field “Firm foreign province” is added.

General>Return Options>Processing Options

The field to suppress Schedule D, Page 1 statements is added.

General>Basic Data>Miscellaneous and Schedule B-1 Information

The detail input for certain reporting entities if different than shareholders on Schedule B-1 is provided on this form.

General>Section 1377(a)(2) Election

The detail entries for 1377(a)(2) Election are added.

General>Basic Data>State Information

New fields are added to enter total 50% and 100% bonus depreciation taken in 2012, and Section 179 deduction taken in 2012. These fields are for state use only.

General>Basic Data>Direct Deposit/Electronic Funds Withdrawl

Input field “Option code” is removed and fields “X to direct deposit refund,” “X to direct debit any amount due,” and “X to confirm options selected above” are added.

Foreign>114/8938>Financial Accounts Information

New input fields are added to process Forms 114 and 8938.

Other>5452>Worksheet for Figuring Current Year Earnings and Profits

Input field “X NOT to Pro Forma” is added to not pro forma Form 5452 worksheet(s).

Income/Deductions>Gains and Losses>Options/Other Information

New code M for “Multiple transactions” is added to Schedule D special print code for a group of transactions reported on Form 8949. Codes 9 and 10 are inactive for 2013.

Income/Deductions>Theft Loss Statement

Input field “Foreign country code” is added to the “Individual or Entity that Conducted the Fraudulent Arrangement” section.

Income/Deductions>Rent and Royalty

Input field “Province” is added.

Income/Deductions>Depletion>Property and Cost Depletion

Input field “Accumulated IDC” is added.

General>Electronic Filing>General

Input field “X to suppress Form 114 for electronic filing” is added.

Other>Extensions>State/City Extension

Input field “X if first time filer” is added.

Income/Deductions>Farm/4835

Input field “Province” is added.

Income/Deductions>Fiduciary Passthrough

- Input field “Foreign province” is added for the Fiduciary’s address.
- Input fields “City,” “State,” “ZIP code,” “Foreign province,” “Foreign country code,” and “Foreign postal code” are added to the “Recapture of Tax Credits” section.
- Input field “Investment expense” is added to the “Additional K-1 Information” section.
- Input fields for Form 8082 information are added.

Income/Deductions>Partnership Passthrough

- Input field “Foreign province” is added for the Partnership’s address.
- Input field “Asset sales from non-passive activity” is removed.
- Input field “Post 1986 circulation expenditures” is changed to “ACE adjustments."
- Input fields for Box 20 Other Information code “F,G,H Recapture of Investment credit” are removed.
- Input field for Box 20 Other Information, code “Y Net investment income” is added.
- Input fields “Accelerated depreciation of real property placed in service before 1987,” “Accelerated depreciation of leased personal property before 1987,” “Cash contributions made in subsequent year (50%)," and “Qualified conservation property (100%)” are added to the “Additional K-1 Information” section.
- Input fields for Form 8082 information are added.
- Columns for “City,” “State,” “ZIP,” “Foreign Province,” “Foreign Country,” and “Foreign Postal Code” are added to the “Recapture of Low-Income Housing Credit” section.
- Input field “Foreign Province” is added to the “Form 8082 - General Information” section.

Income/Deductions>Charitable Contributions>Form 8283 Noncash Contributions

- Input for “Foreign Country Code” is added to the “Other Information on Donated Property” section.
- Input for “Foreign Province” is added to the “Donated Property” section.
- Input field “Foreign province” is added to the “Other Information - If Less than the Entire Interest Contributed” section.

Income/Deductions>Charitable Contributions>Form 8283, Section B, Part I – Donated Property (Over $5000)

Input field “Foreign province” is added to the “Donee Acknowledgement Information” section.

Other>8822-B

- Input fields “Old name of responsible party” and “Old SSN, ITIN, or EIN of responsible party” is added to the “Old address” section.
- Input fields “New name of responsible party” and “New SSN, ITIN, or EIN of responsible party” is added to the “New address” section.

Other>2848

- Code field “Acts authorized code” is removed and check box fields “Disclosure to third parties”, “Signing a return”, and “Substitute or add representatives” is added.
- Input for “Foreign Province” is added to the “Representative(s)/Appointees Individuals” section.

Other>8821

Columns for “Foreign Province” and “Foreign Postal Code” are added to the “Appointees Individuals” section.

Other>8275/8275-R

- Input field “Foreign province” is added to the “Part III - Information about Passthrough Entity” section.
- Section for “If Form 8275/8275-R Related to an Information Return for a Foreign Entity” is added to this form.

Other>8832

Input fields “Message at the top of the form code” and “Reasonable cause statement print options” are removed and “Classification relief option(s) and “Foreign province” are added to the “Form 8832 - Entity Classification Election” section.

Credits>8912

A column of “City or Town” is added for reporting credits from pass-through entities.

Credits>8909

Input fields for prior year amounts on Form 8909 are added.

Credits>5884-B

Input field “New hire retention credit, Form 5884-B” is removed.

Foreign>926>Transferee Foreign Corporation Information

Input field “Reference ID number” is added to “Transferee Foreign Corporation Information” section.

Taxes>Recapture of Low Income Housing Credit

Input for “Foreign Province” and “Foreign Postal Code” is added to the “Form 8611 - Recapture of Low-Income Housing Credit” section.

Common State>State/City Common Data

Input fields “Successor EIN” and “Country” is added to the “General Information” section.

Common State>Allocation and Apportionment –State Specific Information

This form is redesigned to enter the appropriate detail apportionment and allocation code for the state apportionment and allocation purposes.

Foreign>8865>Schedule K – Partners' Share of Income, Credits

Input field "Name of foreign country or U.S. possession" is changed to "Foreign country code" on Foreign Tax Information. This field is a mandatory entry.

State Composite Returns

All state composite returns can now be navigated on a single line on Federal worksheet menu.

States

States Added for Electronic Filing

- New Jersey
- Virginia

New State Forms

You can now process the following forms:

- Arizona Additional Credit for Increased Research Activities for Basic Research Payments (Form 346)
- Arizona Credit for Qualified Health Insurance Plans (Form 347)
- District of Columbia SUB Corporation Franchise Tax Return (Form D-20)
- Oklahoma Investment/New Jobs Credit (Form 506)
- South Carolina Public Utility Tax Return (Form SC 1120U)
- Tennessee Intangible Expense - Notice of Deduction (Form IE-N)
- Tennessee Apportionment Schedules for Captive REITs (Schedule N)
- Virginia Telecommunications Companies Minimum Tax (Form 500T)
- Virginia Electric Suppliers Corporation Minimum Tax and Credit Schedule (Form 500EL)

Employee Benefit Plan (5500) Product Enhancements

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Federal

Plan and Participant Information

A new field has been added to Federal > Return Type > 5500, 5500-SF, and 5500-EZ - Annual Return/Report > Plan and Participant Information for "If the plan is a defined benefit plan, is it covered under the PBGC insurance program?". This input carries to Schedule H, Line 5c, and Schedule I, Line 5c.

Preparer Information

A new field has been added to Federal > General > Return Options > Preparer Information for Firm foreign province. This input carries to Form 5500, Form 5500-SF, and Form 5500-EZ preparer information.

Fiduciary (1041) Product Enhancements

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General Input Changes

Return Options > Form Printing Options > Extensions

An input field, State extension (resident state automatic extension of time to file), has been added to either make the printing of the resident state extension mandatory or suppress the printing of all state extensions present in the return.

Income/Deductions > Deductions > Deductions/Mortgage Insurance Premiums

An input field, Prevent automatic flow of state estimated tax to form 1041, has been added to suppress the automatic flow of state estimated taxes to Form 1041.

Income/Deductions > Fiduciary Passthrough > Activity

An input field, Investment interest expenses (Schedule E), has been added for Schedule E Investment Interest Expense. This entry is deducted as a nonpassive loss on Schedule E after the Form 4952 limitations. Passive Schedule E investment interest should be entered as an "Other Adjustment."

Other Returns > Electing Small Business Trust > ESBT Income, Deductions, Form 8582, Taxes and Credits

An input field, Percentage of state taxes paid in the current year attributable to ESBT income, has been added to allocate state estimated taxes between ESBT income and non-ESBT income.

Beneficiaries > Beneficiaries Information (Detail Worksheet) > General

An input field, Adjustment for Section 1411 Net Investment Income or Deductions, has been added to override the calculated amount for each beneficiary that flows to Schedule K-1, Box 14, Code H, for the adjustment for Section 1411 net investment income or deductions. This entry does not override Schedule K-1, Box 14, Code E.

Taxes > Net Investment Income Tax > Adjustments/Overrides

Input fields have been added for Form 8960 adjustments and overrides.

New or Modified Federal Forms

- Form 1116, Foreign Tax Credit, and all supporting schedules has been added to the ESBT calculations.
- Form 4972, Tax on Lump-Sum Distributions, has been added.
- Form 8960, Net Investment Income Tax - Individual, Estates, and Trusts, has been added.
- Form 114, Return of Foreign Bank and Financial Accounts, has been added.

States

New state forms were added for California and Maryland.

California

Schedule P, Alternative Tax and Credit Limitations - Fiduciaries, has been added to the California ESBT calculation.

Maryland

Form 504CR, Business Income Tax Credits For Fiduciaries, has been added.

Exempt (990) Product Enhancements

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New Worksheets

Unrelated Business Tax worksheet, Controlled Groups Information section have been added to prepare Schedule O (Form 1120) - Consent Plan and Apportionment Schedule for a Controlled Group.

Form 990 Return of Organization Exempt from Income Tax worksheet, Functional Expenses - Allocation by Percentage section has been added to prepare Form 990 Functional Expenses Allocation by Percentage.

Unrelated Business Tax worksheet, Schedule I - Alternative Minimum Tax section has been added to prepare Schedule I (Form 1041) - Alternative Minimum Tax - Estates and Trusts.

A new box has been added toReturn Options worksheet, Preparer Information - Overrides Office Manager section, firm foreign province field for Firm foreign province. This will be included in the preparer signature block section on all federal and state returns.

Schedule K Pro Forma

Schedule K - Supplemental Information on Tax-Exempt Bonds - all amounts will now Pro Forma from the prior year.

Form 2848

The following fields have been added to the staff profile:

- Foreign province
- Foreign country
- Increased ZIP code field to accommodate postal codes

Form 114 and Form 114a

We will add the ability to electronically file FinCEN Form 114, Foreign Bank Account Report (previously Form TDF 90-22.1) in January 2014. As FBAR filings are transmitted and tracked separately from the main return (1040/1120/etc), there will be a separate transactional charge for each electronically filed FBAR.

Form 8949 - New Default

The 1099-B default within Office Manager has been changed to "1099-B basis reported to the IRS."

Issues Addressed

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Issues for the following CCH Axcess Tax modules were resolved and are included in release 2013-1.0.

Batch Manager

Exporting a batch of extensions to EFS no longer terminates the job unexpectedly. (66573)

Correspondence Manager

A "The file appears to be corrupted" error no longer displays when attempting to edit custom letter templates. (74117)

Electronic Filing Status System (EFS)

You no longer have to close all Internet Explorer tabs and window to log in to EFS after the Web page times out due to inactivity. (74444)

Import/Export

- Importing Fixed Assets data into a return no longer causes an exception error. (75747)
- Using Quiklink from CCH Axcess Tax to Engagement no longer causes a conversion error. (77636)

Print

- Extensions that have been uploaded to EFS no longer print slowly. (52311)
- Printing returns no longer causes the system to close unexpectedly and no longer causes loss of return data. (74594)
- Printing returns to PDF and a printer no longer causes Axcess to close unexpectedly. (77423)

Return Manager

Custom views now sort in a consistent manner. (69880)

Tax Returns

- The Page Up and Page Down keys function properly when working in worksheets. (46473)
- Invoices are now successfully sent from CCH Axcess Tax to Practice. (71956)
- Double-clicking in a worksheet Summary grid cell now adds a tick mark instead of expanding to the Detail grid. (72890)
- Right-clicking in a worksheet grid cell now enables the Delete Row and Delete Column options. (73307)
- Returns now reopen on the same monitor where they are closed. (76792)
- Tax return history is no longer updated to show invalid staff information. (88739)