

CCH[®] ProSystem *fx*[®] Fixed Assets

Welcome to CCH[®] ProSystem *fx*[®] Fixed Assets 2017.01020

This bulletin provides important information about the 2017.01020 release of CCH[®] ProSystem *fx*[®] Fixed Assets. Please review this bulletin carefully. If you have any questions, additional information is available on CCH [Support Online](#). As previously communicated, we now provide software downloads for all releases. For more information on how to use Software Delivery Manager, [click here](#).

Federal Tax Updates

Form 4562

The Federal Depreciation and Amortization form has been updated to the final 2017 version.

Form 4797

The Federal Sales of Business Property form has been updated to the final 2017 version.

Qualified Improvements placed in service in 2018 will be depreciated over a 39 year recovery period. If the ADS method is chosen, a 40 year recovery period will apply. Qualified Improvements placed in service in the 2018 portion of a 2017 fiscal year are ineligible to claim Section 168(k) bonus depreciation or Section 179 expensing. Qualified Improvements placed in service in a 2018 tax year are eligible for Section 179 expensing.

Safe Harbor guidance from the IRS is still pending. For property subject to 280F limits that claim 100% bonus depreciation, the safe harbor method in Fixed Assets has been updated to default to 'No.'

Budget Act of 2018

- ◆ Accelerated depreciation for Indian Reservation Property has been extended through 2017.
- ◆ Cellulosic Biomass Bonus depreciation has been extended through 2017.
- ◆ Enhanced Section 179 expensing for Empowerment Zone has been extended through 2017.
- ◆ The following Income Tax Credits have been extended through 2017:
 - Enhanced Oil Recovery
 - Microturbine property credit
 - Alternative fuel refueling property credit
 - Hydrogen Refueling Property
 - Combined heat and power systems credit
 - Small wind property credit
 - Geothermal heat pump systems credit
 - Plug in vehicle credit
 - Alternative motor vehicle conversion credit

State Tax Updates

Conformity to 280F Auto Limits

As of the 2017.01020 release, the states listed here do not conform to the 280F luxury auto limits as updated in the Tax Cuts and Jobs Act. These states will use the previous limits adjusted for inflation.

Arkansas, Arizona, California, Georgia, Hawaii, Indiana, Iowa, Kentucky, South Carolina, Virginia and Wisconsin.

Conformity to Section 168(k) 100% Bonus Depreciation

As of the date of this release, **Arizona** does not recognize the 100% bonus depreciation from the Tax Cuts and Jobs Act. When 100% Section 168(k) bonus is claimed in the Federal tax book, Arizona will default to the previous 50%, 40% or 30% Section 168(k) bonus options.

Tips

Like Kind Exchanges

Like Kind Exchange treatment should only be elected for Real property in tax years after 2017. Some states still allow other property to qualify for like kind exchange treatment.

To dispose of property as an exchange for a state book, but as a sale for the Federal book, please utilize the partial disposition button on the disposition tab.

Qualified Improvement Property

To exclude improvement property from Section 179 calculations for a specific state select 'No' on the Section 179/Bonus tab of Book Setup.

Important: The 2017 versions of Fixed Assets will only open files last saved in Fixed Assets v2015.01000 or later. Please ensure you have saved all of your existing Fixed Assets client files in the 2015 or 2016 versions before installing a 2017 version. Support will not be able to open any files last saved on a version prior to Fixed Assets Release 2009.01000.

Conversion Notes

At the time of this release, the last supported versions of the following third party fixed assets software are:

- Asset Keeper Pro v2016
- BNA v2017.1.0.20
- Fixed Assets CS v2016.1.07
- Sage® Fixed Assets v2017.1