

# CCH<sup>®</sup> ProSystem fx<sup>®</sup> Fixed Assets

## Welcome to CCH<sup>®</sup> ProSystem fx<sup>®</sup> Fixed Assets 2019.02020

This bulletin provides important information about the 2019.02020 release of CCH<sup>®</sup> ProSystem fx<sup>®</sup> 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](#).

## New in this Release

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### State CARES Act Conformity

**Colorado** does not recognize CARES Act provisions for tax years ending prior to 3/27/2020. Qualified improvement property should be classified as 39-year property for any tax year ending prior to 3/27/2020. Qualified improvement property placed in service in tax years ending on or after 3/27/2020 may be classified as 15-year property.

**Iowa** treats qualified improvement property placed in service during tax years 2016-2019 as 39-year property. Iowa will conform to Section 2307 of the CARES Act which treats qualified improvement property as 15-year property for tax years beginning on or after January 1, 2020.

**Maine** does not conform to the CARES Act and treats qualified improvement property placed in service during tax years after 2017 as 39-year property.

**Minnesota** does not conform to the CARES Act resulting in an addback to taxable income. To maintain the proper depreciable basis of property, Fixed Assets will show as conforming. The adjustment to income will be automatically calculated in the Tax system.

### Other States

Many states have tied their tax legislation to a specific Federal Internal Revenue Code (IRC) date. The date of the IRC alone makes these states non-conforming to the CARES Act.

We anticipate the following states which are tied to an IRC date pre-dating the CARES Act to update their IRC date retroactively. Fixed Assets 2019.02020 will treat these states as conforming to the CARES Act, 15/20 year life for Qualified Improvement Property (QIP).

- Arizona, Florida, Hawaii, Idaho, Indiana, South Carolina, Vermont, Virginia, West Virginia

We anticipate the following states to continue not conform to the CARES Act 15/20 year life for Qualified Improvement Property (QIP) for the foreseeable future.

- Arkansas, California, Kentucky, New Hampshire, New York, Texas

### Basis Reduction Issue

An issue has been identified with CCH<sup>®</sup> ProSystem fx<sup>®</sup> Fixed Assets versions 2019.02000 and 2019.02010. The basis reduction may have excluded the Section 179 deduction allowed on specific assets placed in service in prior years. This has been corrected on version 2019.02020. If a file contains assets that were impacted, a message will display alerting you to that effect. A list of the assets identified will

be created in a file named "Your filename" Assets for Review.txt located in C:\FixedAst\Work. It is highly recommended you review each of the assets listed to verify the proper basis reduction and depreciation are reported.

Potentially impacted asset types are as follows:

- Computer Software
- Farm Equipment
- Custom Type - if AR, CA, GA, KY, NJ or TX are selected in the file.

#### **Windows Compatibility**

CCH ProSystem *fx* Fixed Assets 2019.02020 is compatible with Windows 10 2004.

**Important:** The 2019 versions of Fixed Assets will only open files last saved in Fixed Assets v2017.01000 or later. Please ensure you have saved all your existing Fixed Assets client files in the 2017 or 2018 versions before installing a 2019 version. Support will not be able to open any files last saved on a version prior to Fixed Assets Release 2011.01000.