

2018.04030
Release Notes

September 22, 2019



Contact and Support Information	2
Information in Tax Year 2018 Release Notes	2
Highlights for Release 2018.04030	3
2018 Tax Updates	3
Product Updates	4
Individual (1040) Product Updates	4
Corporation (1120) Product Updates	5
S Corporation (1120S) Product Updates	6
Partnership (1065) Product Updates	8
Fiduciary (1041) Product Updates	9
Estate & Gift (706/709) Product Updates	10

Contact and Support Information

Product and account information can be accessed by visiting Customer Support online at support.cch.com. 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. Access to these features is available 24/7.

The following website provides important information about the features and updates included in all CCH® ProSystem fx® Tax releases: [Release Notes](#)

Visit the [Application Status](#) web page to view the current status of our CCH applications. The Application Status web page is updated every 15 minutes.

Go to [Contact Us](#) to find information on topics such as Sales and Billing, as well as options to Open a Support Case or Chat with a Representative if you need assistance.

Information in Tax Year 2018 Release Notes

Tax Release Notes inform you of the enhancements and updates that have been made to Tax products and systems with the current release.

Updates provided in the Release Notes include the following:

- Contact and Support information
- Updates to the Tax technology (electronic filing updates, Pro Forma/Roll Forward, Organizer, technology enhancements)
- Updates made to Tax products (form additions and updates, diagnostic updates, changes caused by regulatory updates)

2018 Tax Updates

Corporation, S Corporation

New Jersey - New Jersey has made Schedule A-6 concerning global intangible low-taxed income (GILTI) and foreign derived intangible income (FDII) obsolete. The form will no longer be completed, and amounts computed on that schedule will no longer carry to other schedules.

Taxpayers that already filed a 2018 CBT-100 or 2018 BFC-1 for their 2018 tax year ending before July 31, 2019, may need to file an amended return. If an amended return is required, write "GILTI Amended Return" at the top of the return. For more information, see New Jersey Division of Taxation Technical Bulletin TB-85(R).

S Corporation

Massachusetts - Massachusetts has finalized Technical Information release TIR-19-11 regarding the treatment of provisions in the federal Tax Cuts and Jobs Act. GILTI income and Section 965 income from Line 4 of the Computation of federal taxable income are part of the adjustments that carry to Form MA 355S, Schedule E, Line 4. These dividends are now added to the dividends deduction calculation on Form 355S, Schedule E-1, Line 1. For financial institutions, the adjustments go to Form 63FI, Schedule A, Line 10, and the dividend calculation is on Schedule D, Line 1. No input is needed for these changes.

Estate and Gift

Federal and Illinois - Final forms are now available for dates of death in 2019.

Product Updates

Individual (1040) Product Updates

Return to [Table of Contents](#).

Federal

Form 1040-V. Form 1040-V will not print if the late filing / late payment penalties do not exceed the amount to be refunded.

Form 2555. Housing expense limitations are calculated for Singapore based on Notice 2019-24 when the option to use Form 2555 instructions to calculate the housing limitation is not selected.

Form 965-A, Part III, Column F will now only "X" the No column if the 965(i) election is marked as "No" on Form 965.

Connecticut

CT-1040, Pg 4, Schedule 4, Line 69d or CT-1040NRPY, Pg 4, Schedule 3, Line 62d and Use Tax Worksheet, Section D, Column 5 will calculate at correct 2.99% rate.

Montana

Other subtractions are properly excluded from Form 2, Page 4, Subtractions, Line 35.

Corporation (1120) Product Updates

Return to [Table of Contents](#).

Federal

Consolidated 1120-C Income and Deduction Workpaper will now crossfoot when combined total deductions include DPAD.

Form 5471, Schedule E prints when required to be included with Form 5471.

Form 965-B: An issue was resolved for Part III which prevented deductions for Line 1b to calculate correctly.

Consolidation

Consolidated manual eliminations for interest expense will now adjust interest expense on Line 1 of Form 8990 - Limitation on Business Interest Expense Under Section 163(j).

Indiana Electronic Filing

Direct Deposit is not allowed for the state of Indiana.

Kentucky

The LLET tax on gross profits for economic development projects will now calculate correctly when the gross profits fall in the range of \$3,000,000 to \$6,000,000.

Maine

Form 1120B-ME, Page 2, Line 5b penalty will be deducted from Line 6 correctly.

Nevada

Commerce Tax Return. Form will no longer print when gross revenue is \$4,000,000 or less unless an option on NV State worksheet > General Information > Basic Data (Interview Form NV_1, Box 47) to print the commerce tax return regardless of applicability is checked.

New Jersey

Changes have been made to more accurately report basis of disposed assets on Form CBT-100, Schedule F, Line 12(f).

Estimated tax amounts on Forms CBT-150 and BFC-150 will now default to include the surtax on allocated net incomes over \$1 million shown on Forms CBT-100 and BFC-1, Page 1, Line 12.

North Carolina

Input override entered on Interview NC5, Box 72, carries to Form CD-405, Sch. B, Line 17, and to Form CD-405CW, Schedule E, Column E, Line 9.

Wisconsin

Form 6, Page 6, Line 2h-k, Manufacturing and Agriculture credit populates with amounts from the respective subsidiary or parent return.

Schedule ED, Line 5, Carryover of Economic Development credit produces a carryover amount if there is an applicable amount present on Schedule CF.

S Corporation (1120S) Product Updates

Return to [Table of Contents](#).

Federal

Excess business interest expense that came from a partnership passthrough will no longer appear on the Schedule K or Schedule K-1 of the Form 1120S. If an S-Corp receives excess business interest expense, they are required to report the amount on the Form 8990, Schedule A. The amount carries over from there until Excess business taxable income or excess business interest income from the same partnership is passed through.

The amortization of loan fee allowable interest expense calculated on the Form 8990 Business Interest Expense schedule will no longer be reported as investment interest expense on Form 1120S, Schedule K, Line 12b.

Consolidated

Form 8858. Consolidated return entries may now be suppressed by checking the box in Consolidating > Options > 1-Options > Do NOT carry > Form 8858 (Interview Form CC-1, Box 127).

The consolidated Schedule K-1 supporting statement for Section 199A Items, Box 17 (Codes V through Z) now prints once per activity.

Massachusetts

Massachusetts has finalized Technical Information release TIR-19-11 regarding the treatment of provisions in the federal Tax Cuts and Jobs Act. GILTI income and Section 965 income from Line 4 of the Computation of federal taxable income are part of the adjustments that carry to Form MA 355S, Schedule E, Line 4. These dividends are now added to the dividends deduction calculation on Form 355S, Schedule E-1, Line 1. For Financial institutions, the adjustments go to Form 63FI, Schedule A, Line 10 and the dividend calculation is on Schedule D, Line 1. No input is needed for these changes.

Minnesota

Form AWC will be produced for grantor trust shareholders when the appropriate input is present.

Schedule EST data is no longer included in the electronic file.

The Section 179 expense from the depreciation state totals input will show the appropriate amount on Schedule KS, Line 4.

Nevada

Commerce Tax Return. Form will no longer print when gross revenue is \$4,000,000 or less unless an option on NV State worksheet > General Information > Basic Data (Interview Form NV_1, Box 47) to print the commerce tax return regardless of applicability is checked.

New Jersey

Changes have been made on Forms CBT-100 and BFC-1 to better reconcile book income and taxable income.

North Carolina

Diagnostic 60421 is replacing diagnostic 40467. Diagnostic 60421 will issue when an invalid shareholder percentage is present on Form CD-401S, Schedule K, Line 4.

Wisconsin Electronic Filing

The TPOS credit will no longer be applied at the entity level or carried to Schedule 5K-1 for each taxpayer in the electronic file when the election to file Form 5S-ET is made and TPOS credit input has been entered for both Form 5S and Form 5S-ET.

Partnership (1065) Product Updates

Return to [Table of Contents](#).

Federal

The additional pages of the Qualified Business Income (Section 199A) Aggregation Worksheet will be included in both the Accountant and Client copies.

The allowable interest expense from amortization of loan fees calculated on Form 8990, Business Interest Expense schedule, will not be reported as investment interest expense on Form 1065, Schedule K, Line 13b and Schedule K-1, Line 13 under Code H.

Minnesota

Minnesota Form KPI will no longer include Section 163(j) excess business interest expense.

Montana

The amount on Form PR-1, Line 17d will not be allocated to Schedule K-1, Part 5, Line 4.

Nevada

Commerce Tax Return. Form will no longer print when gross revenue is \$4,000,000 or less unless an option on NV State worksheet > General Information > Basic Data (Interview Form NV_1, Box 47) to print the commerce tax return regardless of applicability is checked.

Ohio - Ohio Cities

Columbus Form BR25, Page 1, Schedule Y, Column E will now account for the 2017 NOL deduction in its calculation.

Oklahoma

Oil and Gas Depletion for Oklahoma has been updated to automatically calculate with a limitation of 50% of net income if the company is a major oil company. Otherwise, the depletion will be 22% of the gross income from the property if an entry is made on the Oklahoma > General > Basic Data > Mark if partnership does NOT qualify as a major oil company field (Interview Form OK-1, Box 70).

Fiduciary (1041) Product Updates

Return to [Table of Contents](#).

Kentucky

Kentucky K-1 Line 6a will now take into account the adjustment for deductions taken on federal but disallowed by the state. (Update released on 2018.04020).

Ohio

Form IT-1041. Line 1 amount will now display the same amount listed on the Federal 1041, Line 22.

Estate & Gift (706/709) Product Updates

Return to [Table of Contents](#).

Federal

The following Final forms are available for dates of death in 2019:

- Form 706
- Schedule A
- Schedule A-1
- Schedule B
- Schedule C
- Schedule D
- Schedule E
- Schedule F
- Schedule G/H
- Schedule I
- Schedule J
- Schedule K
- Schedule L
- Schedule M
- Schedule O
- Schedule P/Q
- Schedule R
- Schedule U
- Schedule PC

The following Preliminary form is available for dates of death in 2019:

- Schedule R-1

Illinois

The following final Illinois form is available for dates of death in 2019:

- Form 700