

CCH® ProSystem fx® Tax

2020.02060

Release Notes

February 21, 2021



Contact and Support Information	2
Information in Tax Release Notes	3
Highlights for Release 2020.02060	4
Tax Updates	4
Electronic Filing Updates	4
Batch Electronic Filing of Extensions	5
Tax Product Updates	6
Individual (1040) Product Updates	6
Corporation (1120) Product Updates	8
S Corporation (1120S) Product Updates	9
Partnership (1065) Product Updates	10
Fiduciary (1041) Product Updates	12
Exempt Organization (990) Product Updates	13
Employee Benefit Plan (5500) Product Updates	14

Contact and Support Information

[Return to Table of Contents.](#)

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 Release Notes

[Return to Table of Contents.](#)

CCH® ProSystem fx® 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/Recall, Organizer, technology enhancements)
- Updates made to Tax products (form additions and updates, diagnostic updates, changes caused by regulatory updates)

To access a list of CCH ProSystem fx Tax Release Notes for the current year and for prior years, visit the [Release Notes](#) page on our Customer Support site.

Highlights for Release 2020.02060

[Return to Table of Contents.](#)

Tax Updates

Individual

- **Form 1040NR** electronic filing is activated for standard return filings. However, the IRS recently posted hundreds of new business rules that we are currently assessing and implementing. This may result in unanticipated rejections for returns electronically filed on this release. Our final analysis is in process, and related program changes will be available on February 28, 2021.
- **Forms 8995 and 8995-A** electronic filing are activated for standard return filings. The instructions for these forms have changed, including the addition of the “QBI Loss Tracking Worksheet.” The worksheet is not filed with the IRS, but is for record keeping purposes only. The change also includes guidance on partially allowed/disallowed losses and deductions attributable to QBI. This worksheet and calculation method are currently under development and will be available on a future release.
- **Tax Projector** updates for tax year 2020 are in process and are projected to be available on February 28, 2021.
- **Tax Equalization (TEQ)** is available with this release. A TEQ version of the Recovery Rebate Worksheet is projected for the February 28, 2021, release.

Electronic Filing Updates

Approved Products Available on this Release

The following federal and state products are approved and available on this release:

Individual

California LLC	Kentucky Cities - Louisville	Ohio Cities
California LLC Extension	New Hampshire BT Summary	
Kentucky	New York City Form 1127	

Corporation

Kentucky - Louisville	New Mexico Consolidated	New York City Estimates
Louisiana	New York City	New York City Extension
New Mexico	New York City Combined	New York City Additional Extension

S Corporation

Georgia	New York City	Ohio
Kentucky - Louisville	New York City Estimates	Ohio Composite
Louisiana	New York City Extension	
Missouri	New York City Additional Extension	

Partnership

California	District of Columbia Extension	New York City
District of Columbia Combined	Georgia	New York City Extension
District of Columbia D-30	Kentucky - Louisville	Ohio
District of Columbia D-65	Louisiana	Ohio Composite

Fiduciary

Ohio Form PTE

Exempt Organization

Florida	Virginia
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Batch Electronic Filing of Extensions

Batch electronic filing of extensions is available on this release for the taxing authorities listed below.

To process your e-file extensions, go to Production Processing > Extensions, Estimates & Electronic Filing > e-file > Extensions.

Corporation

Louisiana	New York City
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S Corporation

Louisiana	New York City
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Partnership

Louisiana	New York City
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Tax Product Updates

Individual (1040) Product Updates

Return to [Table of Contents](#).

Federal

Form 1040. Social security benefits worksheet, Line 6 uses Form 1040, Line 10b.

Form 8283. Lines 2b and 3e now include the Qualified Conservation check box and "how it was acquired" information.

Hawaii

Charitable contributions from Federal 1040, Line 10b are now subtracted from Form N-11, Line 21d.

Hawaii Electronic Filing

Schedule CR is now properly included in the e-file when there are only carryovers on the form. This prevents reject HICR-017-05.

Indiana

Indiana Form IT40-NOL, Line 1 will be adjusted to match the last line of Form 1045 for any return with PTP income or charitable contributions for non-itemizers.

Iowa

Charitable contributions from Federal 1040, Line 10b now show as an other adjustment if Iowa itemized deductions are not used.

Form 6251, Line 16 calculates correctly when a Federal Schedule A to claim an increased standard deduction is used.

Input was added for the Broadband Infrastructure Grant and the Iowa Small Business Relief Grant.

Michigan

Michigan Department of Treasury has granted an automatic waiver and is being granted for all penalty and interest related to estimated taxes owed by individual income taxpayers who received unemployment benefits during tax year 2020. If unemployment compensation and the MI-2210 are present in the return, diagnostic 29245 (starting with release 2020.02060) will issue indicating that the preparer can suppress the 2210 if necessary or desired on Michigan > Estimates/Underpayments > Underpayment Penalty Preparation > preparation option (Interview Form MI8, Box 50).

Montana

Charitable deductions are reduced by \$300 on Page 7 if taxpayers are itemizing MT and not federal.

New York - New York City

NYC 202, Part B, Line 1 now shows the amount on Federal Schedule C.

North Carolina

NC Schedule A, Line 6 includes contribution carryover amounts from Federal Schedule A, Line 13.

Ohio

Form SD 100 now includes Van Buren LSD.

Oregon

Charitable deductions will be reduced when the taxpayer uses the standard deduction at the federal level.

The federal tax subtraction should be reduced by any economic stimulus payment received in 2020.

Oregon - Multnomah/Portland/TriMet

Text fields on the SP-2020 will now print in all caps per agency specifications.

Oregon - Multnomah/Portland/TriMet Electronic Filing

If an OR-TM or OR-LTD balance due return is selected to be e-filed and banking information has been entered for that return, the vouchers for that return (OR-TM-V or OR-LTD-V) will no longer be produced.

Tennessee

Diagnostic 31336 has been replaced with diagnostic 29246, which issues when Obligated Member Entity is selected on Form FAE 183 and a copy of a supporting document is not attached.

Diagnostic 31342 has been replaced with diagnostic 29247, which issues when Qualified Low-Income Community Historic Structure Owner or Lessee is selected on Form FAE 183 and a copy of a supporting document is not attached.

Virginia Electronic Filing

Diagnostic 40782 issues for all part-year resident returns to prevent reject 760PYINC-010.

Corporation (1120) Product Updates

Return to [Table of Contents](#).

Federal

Schedule N will be printed when Line 4b is not blank, but other questions are marked "No."

Taxpayers can now elect out of the CARES Act NOL provisions with respect to farm losses. By electing out of these provisions, their 2018 and 2019 NOLs will be subject to the 80% of taxable income limitation. These farm losses can be entered by selecting code F on Income / Deductions > NOL Carryover / Carryback > SRLY / Section 382 / Farm (Interview Form A-5, Box 44).

The MN State 4562 now has the same Section 179 limits as the Federal 4562.

Florida

Schedule II statement showing prior year NOL for will now print if the return has a current year loss on F-1120, Page 1, Line 4.

Montana Electronic Filing

Disqualifying diagnostic 45215 will require Schedule M for Form CIT, Page 2, Questions H through N.

Pennsylvania - Philadelphia

BIRT Estimated Payments. Second year filers can elect to make four quarterly estimated payments. To produce the vouchers, please go to Philadelphia > General > 1 - Option > Line 7 (Interview Form PHI3, Box 100).

S Corporation (1120S) Product Updates

Return to [Table of Contents](#).

Federal

Schedule N will be printed when Line 4b is not blank, but other questions are marked "No."

Indiana

Caution diagnostic 29223 will no longer issue when a county code is entered for shareholders.

Kentucky Electronic Filing

Diagnostic 47051 has been removed.

Maryland

Form 510, Page 2, Lines 7, 8a and 9 will now be blank if income on Lines 6a and 6c is negative.

Michigan - Michigan Cities

CF 1120, Sch S, Line 1 will now calculate from Federal 1120S ordinary income.

Texas

Final reports will no longer show July 15th date for calendar year returns.

Partnership (1065) Product Updates

[Return to Table of Contents.](#)

Federal

Schedule M-3, Part II, Lines 7-9, Column (a). A new option has been added in Sch L/M > Schedule M-3 > 20. Include passthrough excess business interest expense in income per income statement (Interview Form L-5, Box 112).

Kentucky

Form PTE, Line 9 is adjusted to the new 2020 limit for Section 179 deduction of \$100,000.

Michigan

Form 807 signature block will print in the correct place.

Other subtractions for the Composite Individual Income Tax Return Partner's Information worksheet that are input on the Michigan > Composite Tax > Composite Return > Composite Return Additions and Subtractions worksheet in the Other Subtractions fields (Interview Form MI31, Boxes 91 - 98) will carry to the Partner's Information Worksheet and be allocated either 100% to the member selected or a ratio ID can be used to allocate the amount to the various partners.

Michigan - Michigan Cities

City of East Lansing

- Footnote will not be printed on multiple lines now.
- K-1 will be printed in the K-1 package.
- CF-1065 Schedule C, Column 7 is coming from Schedule B, Line 11, column now.

New York

New York IT-204-LL will now show on the direct debit report when entity is a LLC/LLP completing Part 3 of the form.

Ohio - Ohio Cities

A negative amount entered on OHC > City Detail (OHC3, Box 40) for separate accounting income is now a valid entry.

Net Operating Loss statements have been updated to correctly reflect the amount of NOL used and carried forward and the amount used on the statement will now match the amount of NOL being deducted on the return.

The filing instructions for the Columbus BR return will now show the amount of overpayment applied to estimates even when estimates are not present in the return.

The NOL will now be limited to taxable income when an amount for NOL entered on Ohio Cities > City Detail (Interview Form OHC3) exceeds taxable income.

Pennsylvania - Philadelphia

BIRT Estimated Payments. Second year filers can elect to make four quarterly estimated payments. To produce the vouchers please, go to Philadelphia > General > 8 - BIRT Credits and Payments > Lines 3 - 5 (Interview Form PHI3, Box 100 - 112).

Fiduciary (1041) Product Updates

Return to [Table of Contents](#).

Federal

Form 2210. The short method is used when four equal timely estimate payments along with dates have been entered for each quarter.

Form 8821. Designee name now prints when preparer codes are used on Other > 2848/ 8821 - Power of Attorney and Tax Information Authorization > Representatives/ Appointees (Interview Form S-5).

Transmittal Letter. The capitalization for the address to mail Form 706-GS (D-1) to is now mixed case.

Exempt Organization (990) Product Updates

Return to [Table of Contents](#).

Electronic Filing

Disqualifying diagnostics will no longer be issued for EINs that begin with 96.

Employee Benefit Plan (5500) Product Updates

Return to [Table of Contents](#).

Federal

Form 2848. The taxpayer's signature can be printed on Form 2848 by making an entry in Basis Data > General > Print taxpayer signature on Form 2848 field (Interview Form 1, Box 65). The date that the taxpayer signed the return will be printed on Form 2848 if the date is entered in Basis Data > General > Taxpayer signature date on Form 2848 field (Interview Form 1, Box 66).