

CCH® ProSystem fx® Tax

2020.03030

Release Notes

April 7, 2021



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Contact and Support Information

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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

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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 2020.03030

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Tax Updates

All Systems

Ongoing due date changes are now available. Please see the [Tax Product Updates](#) for changes to states across various return types and filings.



Note: To retain the April 15, 2021 due date references, use Federal > General > Return Options > Processing Options > Use original due dates (Interview Form 2).

Individual

Ongoing changes related to the American Rescue Plan Act (ARPA) unemployment compensation exclusion are available. Please see the [Tax Product Updates](#) for changes to states as a result of this new exclusion.

Electronic Filing Updates

Partnership

Louisiana Composite will be available April 5.

Tax Product Updates

Individual (1040) Product Updates

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Federal

Form 8915-E.

- Form 8915-E, Lines 1 through 3, Column A include the total distributions made.
- The amount of the IRA distributions reported on Form 8915-E and that are also included on Form 8606 are included only once on Form 1040, Lines 4a and 4b.
- The amount of the IRA distribution reported on Form 8915-E, Line 5 is included in Form 1040, Line 4b.

Tax Equalization. The TEQ keyword "Tax Liability After Refundable Credits - Hypothetical" includes the hypothetical recovery rebate credit.

Arizona

Arizona Schedule A (NR), Line 4a now limits taxpayers with an Arizona filing status of Single to \$10,000.

California

California has not conformed to the unemployment compensation exclusion. However, California does not tax unemployment compensation. Resident returns will include a subtraction for unemployment compensation on Schedule CA, Part I, Section B, Line 7, Column b. An addition for the UCE exclusion included in Federal AGI will appear on Schedule CA, Part I, Section B, Line 8f, Column c. Nonresident returns will include a subtraction for unemployment compensation on Schedule CA (540NR), Part II, Section B, Line 7, Column b. An addition for the UCE exclusion included in Federal AGI will appear on Schedule CA (540NR), Part II, Section B, Line 8f, Column c.

Colorado

Colorado electronic filing diagnostic 45187 for Form DR 1316 correctly references Section D instead of Section E.

Colorado Form DR 0104, Lines 3-5 will now print as blanks when overridden to zero. This will eliminate the possibility of having a 0 value in the electronic file for those lines.

Colorado Form DR 0104CR, Line 5 calculates using 100% whenever DR 0104PN, Line 34 is greater than 100%.

Colorado Form DR 0204, Line 8 presentation reflects four quarterly timely payments.

Colorado Form DR 104, Line 3 will only automatically calculate an addback for business interest expense if the actual deduction is claimed on the federal return.

Iowa

The Iowa Individual due date has been extended from April 30, 2021 to June 1, 2021. Penalties and interest will be calculated from June 2, 2021. First quarter estimate payment has been extended from April 30, 2021

to June 1, 2021.

Michigan - Michigan Cities

The due date to file and pay any balance due for Detroit returns is April 15. A number of Michigan cities have changed their due date to June 1, but some are still waiting for action from the state legislature. The due date for those cities that have not provided guidance is still April 30, and will be updated once we receive guidance from the state. The cities that have adopted the June 1 deadline include: Benton Harbor, Grand Rapids, Grayling, Jackson, Lansing, Portland, Springfield, and Walker.

Minnesota

Minnesota has not conformed to making a portion of unemployment compensation nontaxable. Minnesota Schedule M1NC (Non-Conformity Adjustments) calculates an amount automatically on Line 7 to addback the amount of unemployment compensation excluded from federal taxable income. An input override is located on Minnesota Income / Deductions > Schedule M1NC > Line 22 (Interview Form MN10A, Box 58).

Minnesota has not conformed to the Payroll Protection Payments nontaxable by federal. Minnesota Schedule M1NC (Non-Conformity Adjustments) has been updated to calculate an amount automatically on Line 9. The existing input field is no longer an input override and is located on Minnesota Income / Deductions > Schedule M1NC > Line 6 (Interview Form MN10A, Box 36).

The Minnesota Individual due date has been extended from April 15, 2021 to May 17, 2021. Penalties and interest will be calculated as of May 18, 2021. First quarter estimate payments originally due April 15, 2021 continue to be due on April 15. Voucher dates did not change.

Missouri - Kansas City

The Kansas City earnings tax deadline has been extended from April 15, 2021 to May 17, 2021. Taxpayers who request an extension now have an extension due date of November 15, 2021.

Nebraska

The Social Security Number on Form PTC is now 11 characters long.

New York

At this time, New York State remains decoupled from the unemployment compensation income exclusion and an adjustment to income for New York is required. The Unemployment Compensation Exclusion Addback should be included on Form IT-558, New York State Adjustments due to Decoupling from the IRC and has been designated as A-011. The adjustment is calculated based on federal entries and can be overridden using NY input.

New York - New York City

The New York City Department of Finance (DOF) announced treatment for individual Unincorporated Business Tax taxpayers and return preparers to take advantage of this extended due date, if not be able to meet the April 15, 2021 filing and payment deadline for 2020 Unincorporated Business tax returns.

Individual taxpayers are encouraged to request an extension and pay any tax due by the April 15, 2021 deadline. Individual Unincorporated Business Tax taxpayers that file returns and make payments on or before May 17, 2021 will be allowed a waiver of certain penalties upon request. For these filings, while late filing and late payment penalties will be waived, interest, where applicable, will accrue at the appropriate underpayment rate on all tax payments received after the original due date, calculated from the original

due date to the date of payment. Requests for Penalty Abatement Individual Unincorporated Business Tax taxpayers may request to have the penalties waived (abated) in several ways:

- Use the portal at www.nyc.gov/eservices to file an annual return or extension and request that any penalties be waived. Enter the special condition code “21” in the space indicated near the top of the online form.
- Request a penalty abatement by sending an email to Penalty_Abatements@finance.nyc.gov
- If filing a paper return or extension request, write “21” on the top center of the front page. Request an abatement by writing to: NYC Department of Finance, P.O. Box 5564, Binghamton, NY 13902-5564.

The special condition code has been updated to mark "21" on top of the extension or return when code "21" is entered and/or populated.

North Carolina

Schedule PN, Line 15, column will not include the UCE addback to conform with the latest guidance released from North Carolina. An Unemployment Compensation Exemption override has been installed to override the automatic UCE calculation on Form D-400, Line 7 located on North Carolina > Income/Deductions > Additions (Interview Form NC2, Box 70).

Ohio

The Ohio Individual due date has been extended from April 15, 2021 to May 17, 2021. Penalties and interest will be calculated from May 18, 2021. First quarter estimate payments originally due April 15, 2021 continue to be due on April 15. Voucher dates did not change.

Ohio - Ohio Cities

Most Ohio cities do not tax unemployment compensation. As such, the Unemployment Compensation Exclusion will typically not have an impact on Ohio cities income. Those that do tax unemployment compensation start with the Ohio state adjusted gross income, therefore, they follow the state's conformity or non-conformity to the Unemployment Compensation Exclusion.

The Ohio Cities Individual due date has been extended from April 15, 2021 to May 17, 2021. Penalties and interest will be calculated from May 18, 2021. First quarter estimate payments originally due April 15, 2020 continue to be due on April 15. Voucher dates did not change.

Oregon - Multnomah/Portland/TriMet

The length of the Account Number on Oregon > Mul/Trimet > Multnomah/Portland > General > Line 14 (Interview Form MUL1, Box 33) has been extended.

Rhode Island

Rhode Island did not conform to the Unemployment Compensation Exclusion included on the Federal 1040, Schedule 1, Line 8. The amount of the unemployment exclusion is added back to the Rhode Island adjusted gross income on Schedule M, Line 2G. Part-year and nonresident returns include Rhode Island sourced Unemployment Compensation Exclusion on Schedule II, Line 11A or Schedule III, Line 11B.

Corporation (1120) Product Updates

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Michigan - Michigan Cities

The due date of Form CF-1120 has changed to June 1, 2021 for the calendar year end filers for the following cities: Battle Creek, Benton Harbor, Grand Rapids, Grayling, Jackson, Lansing, Springfield, Walker.

Nebraska

Form NE 1120NF will no longer appear on the Direct Debit / Deposit Report when it is not present in the return.

Oregon

Form OR-CAT Underpayment penalty calculation on Form OR-QUP-CAT is now using April 15, 2021 as due date.

Oregon Corporate Activity estimates do not print and are not listed in letters if the installment amounts are zero and the estimates are not forced.

Pennsylvania - Philadelphia

Philadelphia has waived interest and penalty on Business Income and Receipts Tax for Tax Year 2020 that are paid no later than May 17, 2021.

S Corporation (1120S) Product Updates

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Federal

Section 951A will allocate using code 5920.

Electronic Filing

Form 8881 has been updated for electronic filing to include the new Line 8.

Kentucky

Schedule Q, Section 3 the pass-through entity's books are in care of. The successor EIN will now print in the PDF copy.

Massachusetts

The Forms NRCR and M-4868 due dates have been updated from 4/15/2021 to 5/17/2021. The extended due date (10/15/2021) and first quarter estimated payment date (4/15/2021) remain unchanged.

Michigan - Michigan Cities

The due date of Form CF-1120 has changed to June 1, 2021 for the calendar year end filers for the following cities: Battle Creek, Benton Harbor, Grand Rapids, Grayling, Jackson, Lansing, Springfield, Walker.

New Jersey

Form PTE-100 is no longer suppressed when the extension Form PTE-200-T is produced. (Included with Release 2020.03020)

Oregon

Oregon Corporate Activity estimates do not print and are not listed in letters if the installment amounts are zero and the estimates are not forced.

SC-2020 return overpayment toward estimate vouchers with an overpayment to one city and an underpayment to a second city will work correctly.

Pennsylvania - Philadelphia

Philadelphia has waived interest and penalty on Business Income and Receipts Tax for Tax Year 2020 that are paid no later than May 17, 2021.

Partnership (1065) Product Updates

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Electronic Filing

Form 8881 has been updated for electronic filing to include the new Line 8.

Massachusetts

The Forms NRCR and M-4868 due dates have been updated from 4/15/2021 to 5/17/2021. The extended due date (10/15/2021) and first quarter estimated payment date (4/15/2021) remain unchanged.

Michigan - Michigan Cities

The filing deadline and payment due date has been changed to June 1, 2021 for the following cities: Battle Creek, Benton Harbor, Grayling, Grand Rapids, Jackson, Lansing, Springfield, Walker.

New Jersey

Form PTE-100, Line 24, Payments, is carried from Pass-Through Business Alternative Income Tax > 3 - Payments > Total Payments > Total if 4 equal, timely installments made (Interview Form NJ26, Box 68). Pass-Through Business Alternative Income Tax > 3 - Payments > Quarterly Tax Payments (Interview Form NJ26, Boxes 60 - 88) is reserved for future implementation of the 2021 underpayment penalty form. (Included with Release 2020.03020)

NJ PTE-100.

- Line 1 reflects amount from Federal Schedule K-1, Line 1.
- Line 15 correctly reflects amount for BAIT deduction.

Oregon

OR-CAT, Line F, Combined Oregon return will check and Line 1 will pull the total from OR-AF-CAT when OR-AF-CAT is present.

OR-CAT-V EST letters will not generate when OR-CAT has not been activated.

OR-TM, OR-LTD, OR-TM-V EXT, and OR-LTD-V EXT due dates were updated to May 17, 2021.

Pennsylvania - Philadelphia

Philadelphia has waived interest and penalty on Business Income and Receipts Tax and Net Profit Tax for Tax Year 2020 that are paid no later than May 17, 2021.

Fiduciary (1041) Product Updates

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Federal

Form 8621, Line 16f. The rates to automatically calculate the increase in tax and interest have been updated through 2021.

Electronic Filing

Estimated tax payments for electronic filing include Section 643(g) payments.

Idaho

The Idaho Fiduciary tax return has been extended to May 17, 2021. Estimate payments are not extended at this time.

Kentucky - Kentucky Cities

Extension versions of all taxpayer correspondence letters for calendar year and fiscal year returns now mention the extended due date.

Nebraska

Schedule K-1, Line 17 now shows the 6% PTC credit amount instead of the full amount of property tax paid that is allocated to the beneficiary.

Oklahoma

Oklahoma has moved the date to pay to June 15, 2021. The interest and penalties will start after June 15, 2021.

Vermont

The Vermont Fiduciary Tax due date is changed to May 17, 2021. The due date for first quarter 2021 estimated payments has not been extended. The estimated payments are still due on April 15, 2021.

Virginia

Virginia has limited the PPP expenses allowed to be deducted to \$100,000. Any expenses over the limit will be added back as a Fixed Date Conformity Addition on Form 770, Page 2, Schedule 3, Line 3.

Exempt Organization (990) Product Updates

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Minnesota

Form MN15NP (and worksheet) interest rate has been updated from 5% to 3%.

Wisconsin

Transmittal letters now show "Wisconsin Dept. of Revenue."