

CCH® ProSystem fx® Tax

2020.03031

Release Notes

April 11, 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 2020.03031

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Tax Updates

All Systems

The Comptroller of Maryland announced the implementation timing of the 2021 Maryland Relief Act, including the request for removal of new Forms 500LU and 502LU related to legislative updates from software programs. These forms have been removed for this release and will be reinstated according to the Comptroller's timing on our April 25, 2021, release. In addition, direct debit requests for payment after April 30, 2021, will not be accepted until that time.

Individual

- Federal - Form 8962, Premium Tax Credit (PTC) - Due to the recently passed American Rescue Plan Act of 2021, the Advanced Premium Tax Credit does not need to be repaid. Program changes are now available.
- Form 8915-E, 2020 Qualified Disaster Retirement Plan Distributions and Repayments, allows input of separate taxpayer and spouse entries in worksheet view.
- Additional state changes are available related to revised due dates and deconformity to the federal unemployment compensation exclusion.
- Massachusetts - The new unemployment compensation exclusion worksheet on this release is based on the first version that the Department of Revenue (DOR) released on April 2, 2021. The subsequent version released on April 6, 2021, will be available on April 25, 2021. Massachusetts DOR indicates that it will correct returns filed using the original version of the worksheet.

Corporation and Tax Exempt

Minnesota - On Release 2020.03030, Forms M15C and M15NP, Line 16 was updated for the underpayment penalty interest rate to calculate at 3% per communication by the state. After further discussion with the state, it was determined the rate should calculate at 5%. The forms have been updated to use 5% in the calculation.

Electronic Filing Updates

Corporation

New Jersey CBT-200-TC is now available for extending New Jersey Form CBT-100U.

Tax Product Updates

Individual (1040) Product Updates

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Federal

Form 1040-X now includes amounts from the Recovery Rebate Credit. Per IRS guidance, this will be listed on Line 15 with the "other" box checked, and "RRC" prints on the specify line.

Form 8915-E. Input in IRA, Pensions and Annuities (1099R) > 8915-E - Qualified 2020 Disaster Retirement Plan Information allows for input for both the taxpayer and spouse.

Form 8962, Premium Tax Credit (PTC) - Due to the recently passed American Rescue Plan Act of 2021, the Advanced Premium Tax Credit does not need to be repaid. Based on guidance from the IRS, where the advanced Premium Tax Credit or a portion of it would need to be repaid, Form 8962 is not to be filed with the return, and no amount is reported on Schedule 2, Additional Taxes, Line 2, Excess advance premium tax credit repayment. Form 8962 is prepared with zero (-0-) reported on Line 29. Form 8962 and the associated worksheets will be included in the Accountant and Client copies of the return, but will not be included with the Government copy or included in the electronic filed return per the IRS guidance.

Arizona

The Arizona 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.

Massachusetts

Schedule X, Line 2, Taxable IRA/Keogh and Roth IRA conversion distributions white paper statement, Line 1, pulls from Form 8915-E, Line 19, when present.

The new unemployment compensation exclusion worksheet on this release is based on the first version that the Department of Revenue released on April 2, 2021. On April 6, 2021 they updated the worksheet. Version 2 will be available on Release 2020.03040, scheduled for April 25, 2021. Overrides are available to change the initial version to yield the result of the second version on Massachusetts > Income / Deductions > Other deductions (Interview Form MA6A). These overrides are based on the original version of the worksheet, but can be used to produce the correct amount of exclusion. If the exclusion amount is not correct using this version, government form overrides on Schedule X/Y, Line 9 also can be used.

Please note that the worksheet is not included in the electronic file.

Michigan - Michigan Cities

The unemployment exclusion will no longer be shown as an other subtraction for Detroit resident returns.

The unemployment exclusion will not show as a reduction on Line 16C of the CF1040.

Minnesota

Code 9 charitable contributions will be limited to 50% instead of all being allowed at the 100% of AGI limit.

Minnesota transmittals and diagnostics no longer mention Form MN BANK, as it is now obsolete for tax year 2020 and beyond.

Schedule KSNC, Line 1, for the Paycheck Protection Program populates with amounts that are entered for section code 1106 on the Minnesota Schedule KSNC input.

Missouri - St. Louis

The St. Louis 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.

Montana

The add back for the unemployment exclusion already taken at the federal level is limited to \$10,200 per taxpayer and spouse.

New York - New York City

The New York City extension form has been updated to include a special condition code of 21, indicating the request for waiving the late interest and late penalty when filed by May 17, 2021.

North Carolina

North Carolina Form Schedule S, Line 14, pulls amounts entered in state use input for expenses paid with federal nontaxable Paycheck Protection Program (PPP) loans.

Oregon

The calculation for non-resident and part-year returns of unemployment exclusion on Line 19 of the OR40N and OR40P has been corrected so that the exclusion is only taken once.

The Oregon CAT Estimated Tax worksheet is available. The form calculates the tax from Oregon Commercial Activity and divides the total by four for the Estimate Vouchers. Voucher overrides are still available if a different calculation is desired.

Oregon - Multnomah/Portland/TriMet

Form AER will no longer appear under the Worksheet menu/tree, and Form SP-2020 will now produce in returns claiming an exemption.

The Form OR-TM, Line 6, rate calculates the rate listed on the form.

On Form BZT, the tax due reported on Lines 2 and 5 reflects the correct amounts. This will change the amount shown on the estimate vouchers and Lines 3, 3A, 6, 6A, and 7. The interest rates for Forms OR-LTD and OR-TM reported on Line 9 reflect the correct amounts and will change the amounts on Line 10 and 11, as well as the amounts on the OR-TM-V and OR-LTD-V.

Corporation (1120) Product Updates

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Minnesota

Information from the state indicated the rate used for Line 16 of Minnesota Forms M15C and M15NP should be 3% instead of 5% for 2020. This calculation was updated on Release 2020.03030. After further discussion with the state, it was determined the rate should be 5% and the rates have been updated to 5% in 2020 and 3% in 2021 for the release that will be available April 11, 2021.

Oklahoma

Form OW-8-ESC, first quarter due date of estimate changed to June 15, 2021 for calendar year filers.

Pennsylvania - Philadelphia

Philadelphia Forms BIRT and BIRT-EZ due date are extended to May 17, 2021. First quarter estimate due date is also extended to May 17, 2021. There will be no interest and penalty for the returns filed on or before May 17, 2021. However, interest and penalty will be calculated back from April 15, 2021 for the returns filed after May 17, 2021.

S Corporation (1120S) Product Updates

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Oklahoma

Oklahoma has extended the first quarter due date for estimate Form OW-8-ESC to June 15, 2021.

Oregon

Form OR-CAT extension check box will only be filled when OR-CAT-EXT is present, not based on the presence of the federal extension.

Pennsylvania - Philadelphia

Forms BIRT, and BIRT-EZ, and BIRT EXTT due date of has changed to May 17, 2021 for the calendar year filer. The first quarter estimate due date also changed to May 17, 2021 for the calendar year filer.

Wisconsin

Form 1CNS due date has been extended to 5/17/21.

Partnership (1065) Product Updates

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Michigan

Forms 807 with more than 15 nonparticipating nonresident partners on Page 4, Schedule B, the partner's income for the seventh partner will print the correct income for that partner on all pages.

Oklahoma

Form OW-8-ESC, first quarter due date of estimate has changed to June 15, 2021 for the calendar year filer.

Oregon

OR-CAT, Page 6, Preparer Signature print has been updated.

Pennsylvania - Philadelphia

Philadelphia Forms BIRT, BIRT-EZ, and NPT due dates are extended to May 17, 2021. The first quarter estimate due date is also extended to May 17, 2021. There will be no interest and penalty for the returns filed on or before May 17, 2021. However, interest and penalty will be calculated back from April 15, 2021, for the returns filed after May 17, 2021.

Wisconsin

Form 1CNP due date has been extended to 5/17/21.

Fiduciary (1041) Product Updates

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North Carolina

Form D-407TC, Part 5, B, Line 2, now subtracts the amount that is attributable to the beneficiaries from Federal 1041, Line 9, when calculating this amount.

Pennsylvania

Disallowed interest is no longer included in calculations for Pennsylvania forms.

Exempt Organization (990) Product Updates

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Minnesota

Form MN15NP (and worksheet) interest rate has been updated from 3% to 5% for 2020 dates and 3% for 2021 dates.

South Carolina

Form SC 990-T, Page 3, laser is updated.