

CCH® ProSystem fx® Tax

2021.02051

Release Notes

February 15, 2022



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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](http://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 2021.02051

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### Tax Updates

**UPDATE: Mid-Week Release Maintenance Window Begins Wednesday, 2/16/22, 12:00 AM CST**

As announced in Thursday's CCH Software News, we will begin regular mid-week updates this week. To accommodate the fiscal year filing deadline, the maintenance window for this week is Wednesday, 2/16/22, between 12:00-1:30 AM CST.

Next week, we will resume our regularly scheduled mid-week release maintenance windows on Tuesdays, 10:00-11:30 PM CST.

### Notable Forms in this Release

Items listed below are in addition to the Federal and State forms listed under the Electronic Filing section:

#### Federal

- Automatic attachment of Schedules K-2 and K-3 (see below)
- Forms 990, 990EZ, 990-N, 990-T
- Form 1116 for Individual

#### State

- Alabama PPT- Partnership and S Corporation (paper file)
- Minnesota - Partnership and S Corporation
- New York PTET Worksheet - Partnership and S Corporation
- Texas - Individual, Corporation, S Corporation, Partnership and Fiduciary

## In this Release (Ahead of Schedule): Automatic Attachment of Schedules K-2 and K-3 and e-File Limitations

We are releasing the automatic attachment of Schedules K-2 and K-3 PDF attachments with 2.5.1/.02051 releases, ahead of the date we projected last week. If you did not see our announcement of this feature in the 2.5/.02050 CCH Software News, here is an overview:

When the IRS introduced Schedules K-2 and K-3 in 2021, they announced that full e-File support would not be available at the beginning of the tax season. As a result, they are allowing for the addition of PDF attachments of Schedules K-2 and K-3 for filing purposes.

The IRS has provided tax software vendors with the following dates for e-File schema delivery, after which time we will need to incorporate and test the schema in our software before release. Projected dates are as follows:

Entity	Estimated dates IRS delivers eFile schema to Tax Software Vendors	WK releases full e-file functionality for Sch K-2/K-3
1065	March 20, 2022	Post 4/18 - release date TBD
1120S	June 2022	Summer 2022
8865**	None in 2021	N/A

**CCH Access™ Tax will automatically attach Schedules K-2 and K-3 for up to and including 50 partners/shareholders in 1065, 1120S and 8865 returns.** Returns with more than 50 partners/shareholders will not be able to be e-filed at this time due to size constraints. We have conducted performance testing to ensure that returns with these PDF attachments will be transmitted successfully.

We plan to release the automatic generation of Schedules K-2 and K-3 PDF attachments on our CCH Access Tax 2021-2.6 release on February 20, 2022.\*

### Important Notes:

\*Once we have implemented the schema, the automatic PDF attachments will no longer generate.

\*\*The IRS has indicated they will not provide a schema for 8865 for tax year 2021. We have outlined our concerns and raised them to the IRS and they acknowledge receiving the same concerns from others in the tax industry. We have no additional news to report at this time, but we will keep you informed as we learn more.

We continue to update [KB 136731](#) as our primary source of topics on K-2/K-3.

## Electronic Filing Updates

### Approved Products Available on this Release

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

#### Individual

Kansas City Form 108 Extension	Missouri	Texas
Kansas City Form 109 Extension	Montana	Texas Extension
Maine	North Dakota	West Virginia

#### Corporation

Connecticut Extension	Missouri	New York City Additional Extension
District of Columbia Combined	Missouri Consolidated	New York City Combined
Iowa Consolidated	Nebraska	Ohio Cities Municipal Net Profit
Maine	Nebraska Consolidated	Texas
Maine Consolidated	New Jersey Combined	Texas Combined
Massachusetts Extension	New York City	Texas Extension

#### S Corporation

Alaska	Minnesota	Ohio Cities Municipal Net Profit
District of Columbia Combined	Missouri - Kansas City	Ohio Composite
Illinois (PTE not available on this release)	New Jersey Combined	Texas
Kansas	New York City	Texas Extension
Massachusetts Composite Extension	New York City Additional Extension	Vermont
Massachusetts Extension	Ohio	Vermont Extension

## Partnership

Alaska	Indiana	Ohio Cities RITA
Arkansas	Kansas	Ohio Composite
Arkansas Composite	Minnesota	Texas
California Extension	New York City	Texas Extension
District of Columbia Combined	Ohio	Vermont
Idaho	Ohio Cities Municipal Net Profit	Vermont Extension
Illinois (PTE not available on this release)		

## Fiduciary

Connecticut	New Mexico	Texas
Connecticut Extension	New Mexico Passthrough Entity	Texas Extension
Indiana		

## Exempt Organization

Federal 990	Federal 990-N	Federal 990-T
Federal 990-EZ		

## Tax Product Updates

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#### Federal

**Schedule 8812, Part I-C, Line 15c** is loaded with Part II-C, Line 27 when the Part II-A, Line 20 "Yes" box is X.



## S Corporation (1120S) Product Updates

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### Federal

**Revenue Procedure 2021-48.** The statement will allow for multiple sections to apply to the taxpayer. Check boxes for Section 3.01(1), Section 3.01(2), Section 3.01(3), and Section 3.03 are available.

**Schedule K-1.** The deferred obligation worksheet from Form 6252 will not print for shareholders when there are no installment sales with deferred obligation calculated.

**New York PTET Worksheet** - A NY PTET worksheet to calculate PTE due is now available. For information on how to generate and process the NY PTET Worksheet for Online Submission to NY state, see:

[KB 000138208](#).

- 1120S - New York > PTET Worksheet Options /Export (Interview Form NY14, Boxes 140-143).

### Vermont

**Form BI-472, Line 5.** Net Short Term and Long Term Capital Gains and Losses no longer include federal Schedule K, Lines 8b and 8c.

## Partnership (1065) Product Updates

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### Arkansas

**Schedules K and K-1.** Disallowed meals and entertainment expense from federal deductions will be added back on.

### Georgia

**Form GA-8453 P ERO's Use Only section.** FEIN/PTIN and SSN/TIN Lines have been corrected to print the appropriate identification number.

### Minnesota

**Schedule KPI.** All nonresident partners with will have a composite source income form.

### New York

**New York PTET Worksheet** - A NY PTET worksheet to calculate PTE due is now available. For information on how to generate and process the New York PTET Worksheet for Online Submission to New York state, see:

[KB 000138208](#).

- 1065 - New York > PTET Worksheet Options/Export (Interview Form NY2, Boxes 70 - 72).

### West Virginia

**Schedules SP, K-1 and K-1C and Form NRW-2** now use the percentage of ownership override entered on West Virginia > K1C Information > Corporate Partner's Information (Interview Form WV12, Box 41) to calculate the owners' share.

## Fiduciary (1041) Product Updates

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### Federal

**1116 Schedule B.** The 1116 Schedule B will no longer print in returns where Form 1116 is not printing.

**Form 8995/8995A.** For return types G, A, C, U, R and L when it is a grantor charitable lead, the QBI amount from C, E page 1, F and 4835 will include all income, expenses and any PAL carryovers input. The QBI amount will not double.

**NOL.** Federal NOL forms will no longer print when the type of trust is a grantor.