

CCH® ProSystem fx® Tax

2021.03020

Release Notes

March 27, 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. 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 2021.03020

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Tax Updates

Individual

Alabama - Alabama has changed the federal tax deduction to include child tax, earned income and dependent care credits. Alabama DOR has set an effective date of March 29, 2022 at 3:00 p.m. CT for the new schema. After this time, returns cannot be uploaded until the program changes are available. The revised calculations and associated schema will be available Wednesday, March 30, 2022. Alabama returns in Ready to Release status will be moved to Stopped for State Schema Change if released on the old schema version until program changes are available. Alabama 1040 returns will need to be recalculated and resubmitted after the release if released on the old schema version. Alabama DOR indicates completed returns electronically filed with the current version of the schema will be automatically recalculated to reflect the new federal tax deduction. Amended returns must be filed if paper filing.

Individual, Corporation, Partnership, and S Corporation

Philadelphia - Philadelphia announced they are disabling their MeF system starting at 6:00 p.m. ET on Friday, April 1, 2022 to activate a new schema version. In anticipation of this change, CCH will release program changes that include the new schema version Wednesday, March 30, 2022. Once you update the software and recalculate returns on this new version, you will not be able to upload or release Philadelphia returns until 8:00 p.m. ET on Friday, April 1, 2022 when the new schema is activated by Philadelphia. Any returns calculated, uploaded and released on a prior release may be filed until 8:00 p.m. ET on Friday, April 1, 2022. After April 1, 2022 at 8:00 p.m. ET, you will need to update to the latest release to electronically file your Philadelphia returns. Any returns in Ready to Release status calculated using the prior version of the schema will be moved to Stopped for State Schema Change.

Electronic Filing Updates

Approved Products Available on this Release

The following products are approved and available on this release:

Individual

Arizona SBI Extension

Idaho Schedule K-1 has been added. Electronic filing for returns with the passthrough credit is now available.

Corporation

Alaska

Alaska Consolidated

Louisiana

Fiduciary

Massachusetts Form 63 D Extension

Exempt Organization

California

Tax Product Updates

Individual (1040) Product Updates

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Federal

Custom filing instructions for Michigan include the amount from MI-1040, Line 29 on the payments and credits line.

Form 8915-F. Form 8915-F now prints when there are amounts on Line 13 or 24 but no taxable amount.

Arizona

Form 140, Line 34a picks up the correct amount for 529 contributions when multiple contributions are present.

Colorado

Refundable credit amount on CO TEC worksheet now includes Colorado sales tax credit.

The Colorado Tax Equalization and Reconciliation worksheets account for the Colorado sales tax refund.

Delaware

Amounts from Delaware PIT-RES, Line 32 flow to Delaware Form PIT-RSS, Line 12.

Contributions from Federal 1040, Line 12a flow to Delaware Forms PIT-RSA and PIT-NSA.

District of Columbia

The Subtractions section on DC > Income / Deductions now includes input for Unemployment Insurance Benefits.

Idaho

Form ID K-1 is available to allow electronic filing when income tax payment from a pass-through entity or passthrough withholding is claimed on Form 40, Line 48 or Form 43, Line 68.

Michigan

Michigan forms MI-1040CR, Line 20, MI-1040CR-2, Line 19, MI-1040CR-7, Line 25, and MI-5049, Line 8 will use amounts from the Other Income section on Federal 1040 Schedule 1 when appropriate, particularly 1040 Schedule 1, Lines 8a (Net operating loss) and 8b (Gambling income).

Michigan Electronic Filing

Forms **MI-1040-H**, **MI-461 (Form 5595)**, and **MI-5606** are now available for electronic filing.

MI-461.

- The MI-461 uses the same input for Federal Schedule C, Schedule E, Schedule F and the K-1 series for the Business name, FEIN/SSN, and Federal Income (Loss) amounts. The Michigan amount will either use 100% if the entity is assigned to Michigan (using normal FS/ST rules) or 0% otherwise. Apportionment on Column C is from Line 8 of the MI-1040H assigned to the same entity.
- According to the MI-461 instructions, Guaranteed payments to partners are not considered business income for Michigan purposes. Guaranteed payments, however, are not automatically subtracted from income when the amounts from the Federal return are used. This adjustment should be made manually using the MI-461 overrides.
- MI-461 overrides are located on (Michigan worksheets > Income / Deductions > Section 7 - Excess Business Loss MI-461 (Interview Form MI3, starting at Box 70).
- To override an existing entry on MI-461, enter the attachment code for the type of entity as well as the entity name (if using Worksheet View) or entity number (if using Interview Forms). The remaining input fields are all optional.
- If an override entry is entered that does not contain the required entries, or has entity information for an entity that does not exist, then a new entry on MI-461 will be created.
- A field for guaranteed payments is also located just above the MI-461 overrides. An entry here will create a line item on the MI-461 with the business name "Guaranteed Payments," the taxpayer's SSN, and the amount entered as 100% apportioned to Michigan.

Montana

Line 3b of the Partial Pension, Annuity, and IRA Income Exclusion Schedule on Form MT2. page 6 is now limited to 8800 when both taxpayer and spouse have pension income and are married filing jointly.

North Dakota

The tax relief credit will not calculate if a state reciprocity is indicated.

North Dakota Electronic Filing

Diagnostic 44836 issues when the ZIP code is not 5 digits long or 10 digits long (counting the hyphen). A hyphen should be used if using the 4 digit ZIP extension.

Oklahoma

Form 511 Schedule B, Line 4 now pulls federal NOL amount correctly from Schedule 1, Line 8a.

Virginia

Casualty loss carries to Virginia Schedule A, Line 16b.

Corporation (1120) Product Updates

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Iowa

Form IA 1120, Schedule A, Line 16 will no longer contain the amount for Form IA 163. This amount will only be included on Schedule A, Line 6.

S Corporation (1120S) Product Updates

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Federal

Form 8916-A, Part III, Line 4, Other Interest Expense now includes floor plan financing interest expense, without regard to the business interest expense limitation, when entered in Income/Deductions > Business > Deductions > Floor plan financing interest expense (Interview Form A-3, Box 192).

Maryland

Schedule K-1, Line 2 for resident members will use the apportionment percentage from Form 511, Schedule A when Form 511 is requested.

Rhode Island

If the federal input for Rhode Island taxes - Based on income is removed, then RI-1065, Schedule C, Line 1d will be 0.

The URL given in the transmittal letters and filing instructions for electronic funds transfer to pay the amount due on BUS-EST will match what is shown on the form.

Partnership (1065) Product Updates

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DC - Electronic Filing

Diagnostic 61744 will issue if Form D-30, Schedule K disregarded entity EIN is missing or invalid.

Kansas

Form K-40. Preparer name now prints on the preparer signature line.

Massachusetts

Form 63D-ELT, Section 1, Line 5 will no longer include amounts from Schedule 3K-1, Line 3.

New Jersey

NJ PTE-160 Line 7 Column A will now take input from New Jersey > PTE General Information > Pass-Through Business Alternative Income Tax > Payments > Prior year overpayment applied.

NJ PTE-160 will now allow Exception 1 in the calculation of the penalty.

New York

Form IT-204-IP nonresident copy, Line 19c statement prints zeros when the options to suppress Column C have been selected.

North Carolina

North Carolina payment voucher D-403V prints when payments are not made electronically, and there is tax due.

Fiduciary (1041) Product Updates

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Form 8960

Form 8960. Charitable deductions for other portfolio income from passthroughs will be included in Line 18b when the income is investment.

New York

New York ESBT. Lines 9 and 10 now calculate correctly on Tax Computation Worksheet 2 for NY ESBT tax.