

CCH® ProSystem fx® Tax

2021.04030

Release Notes

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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 2021.04030

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Tax Updates

Tax updates have occurred for Individual, Corporation, S Corporation, Partnership, Fiduciary, Exempt Organization, as well as Estate & Gift products.

Form 709. Generation-skipping transfer tax reporting at the close of an Estate Tax Inclusion Period (ETIP) has been added to the Estate & Gift program. This option can be selected at Gift Tax > Gifts > Generation-Skipping Transfer Tax > Close of ETIP (Interview Form GIFT-4, Box 51). To review how to report GST at the close of an ETIP, please refer to the IRS instructions on page 4 located [here](#).

Electronic Filing Updates

Approved Products Available on this Release

The following products are approved and available on this release:

Partnership

Schedule K-2/K-3. XML limit is increased to 5,000 partners up from 1,000 partners on previous releases.

Tax Product Updates

Individual (1040) Product Updates

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Arizona

Form 352 includes 2016 carryovers in the calculation.

Delaware

Form PIT-CFR is correctly referenced in the letters.

Idaho

Schedule ID K-1, Part II. PTE filing codes 2 and 3 match input under Idaho Worksheets > Other > Section 5 - Idaho Schedule K1 Information > Line 6 - PTE filing code (Interview Form ID16, Box 36).

Michigan - Michigan Cities

Detroit Form 5119. The Net Operating Loss no longer appears on Line 13 when it is included elsewhere on the return.

Minnesota

Schedule M1SA, Line 12 now reflects Federal Schedule A amounts from Lines 8b and 8c.

Montana

Form MT 2, Page 4, Recovery of Federal Income Tax Deducted in 2020 now uses the correct minimum and maximum values for Line 13.

NOL for years covered by the CARES act now report as Class B NOLs on Form MT NOL, Page 4.

New Jersey

Schedule NJ-COJ, Line 9a now includes the state's PTE tax that was paid.

New Mexico

The calculation of New Mexico late payment interest now accounts for overrides present on the Federal Penalties > Interest Rate Overrides (Interview Form T-3).

Ohio

The interest rate for OH IT 2210, Line 7 has been changed from 5% to 3%.

Virginia Electronic Filing

Amended returns reflect the balance due including any applicable penalties and interest on the direct debit report, letters, and financial transactions. Additionally, the payment voucher no longer produces when the amount due is being electronically withdrawn.

Corporation (1120) Product Updates

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Federal

Form 1120, Line 19 amount now matches the drill down calculations for this line.

Kentucky Consolidated

Consolidated returns filing the 720U and completing the 2220-K use the total combined tax liability amounts computed on Schedule U9, Section A, Line 6, and Section B, Line 8 to compute the estimated tax penalty for the combined group, and each member's share of the penalty is reported on Schedule U9, Section A, Line 17.

Massachusetts Electronic Filing

Diagnostic 45656 now allows new format for Historic Rehabilitation Credit certificate number.

Nebraska

Form 1120N, Schedule I, Line 13b now prints the total of all "Other Income" amounts when there is more than one source of other income. Schedule I, Line 13a now prints the "Type" as "Other Income" when there is more than one source of other income.

New York

Form CT-3M prints total receipts when all New York State-sourced receipts are 100% within the MTA surcharge district and the input checkbox is used.

North Carolina

Form CD-405, Schedule H, Line 1h no longer adds back business meals expense.

South Carolina

Adjustments on Page 2, Lines 8 and 9, Form 1120 no longer double at the top level of a combined return.

S Corporation (1120S) Product Updates

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Federal

Form 7203, Part III will no longer include prior year carryover amounts from state only shareholder basis input.

Maryland filing instructions for Form 511 will no longer include the balance due amount from Form 510.

8865 Schedule K-3

Form 8865, Schedule K-3, Part II will be completed based on relevant input for each entity when there are multiple Form 8865 entities and numbers for certain entities are keyed in out of sequence.

When multiple Forms 8865 are present along with multiple Schedules K-3, Page 6, Part III, Section 1 attached to 8865's, then Form 8865, Schedule K-3, Page 6, Part III, Section 1 will now fill out based on corresponding input.

Alabama

Form EPT, Line 5c extension payment can now be entered on Alabama > Basic Data > EPT extension payment (Interview Form AL2, Box 83).

Kentucky

Composite non-resident K-1 will no longer double the apportionment of Kentucky source income in the tax calculation on the composite K-1 and the resulting Sch NP for the composite return.

Form NP-WH, Sch K-1 entity type is now updated to fill correctly.

Louisiana

CIFT-620 Federal Income Tax Deduction Worksheet, Line 7 is the result of dividing Line 3 by Line 6.

Massachusetts Electronic Filing

Diagnostic 44487 now allows new format for Historic Rehabilitation Credit certificate number.

New Jersey

Form PTE-100, Line 1. Distributive Proceeds can now be allocated using three-factor apportionment from Form NJ-NR-A by entering New Jersey > 1-Pass-Through Business Alternative Income Tax > 10-Calculate New Jersey distributive proceeds using Form NJ-NR-A (Interview Form NJ26, Box 39).

New York

Changes have been made on Form CT-60, Affiliated Entity Information Schedule, to ensure the top unit information is not reported on Part I, QSSS Inclusion, when there are intercompany eliminations.

Ohio

Form IT K-1. Prior year addback and related deduction amounts will clear when input is removed.

Oklahoma

SSN will be the only information masked on Form 200, Schedule A or the supporting statement when the mask option is selected.

Partnership (1065) Product Updates

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Federal

Partner Basis Worksheet. The partner basis worksheets will be suppressed from printing when both the print order options and the option to suppress partner basis worksheets are present.

The amounts on Schedule K-1, Item M Statement will no longer have a line printing underneath them.

The diagnostic 39435 text has been updated to include the correct Knowledge Base article number.

California

The "See Statement" notification has been added back to Schedule L, Lines 8 and 13.

Hawaii

Hawaii does not support optional PDFs except when using PDF code HI19. All optional PDFs should be combined into one PDF file and attached using code HI19.

Louisiana

Form IT-565 box for Composite Partnership return attached will automatically mark when the Schedule 6922 is generated and included in the return.

Massachusetts Electronic Filing

Diagnostic 45339 now allows new format for Historic Rehabilitation Credit certificate number.

Mississippi

Form 84-132, Line 15 will now display amounts and codes A, B, and C.

North Carolina

Form D-403, Page 3 partner's share of income now can be adjusted using special allocation.

Special allocation code 35539 controls the allocation for the North Carolina K-1 Supplemental, Line 4, Column A.

South Carolina

Form SC1040, Line 32 will now calculate penalties and interest.

Fiduciary (1041) Product Updates

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Federal

ESBT Schedule I, Line 21 will no longer have amounts related to Schedule C included.

Form ESBT.

- ESBT Tax will no longer include a 461 adjustment calculated for regular tax purposes.
- The non-taxable interest statement will no longer include amounts not applicable to the ESBT.

Form 1116.

- Section 1202 gains that are marked as 100% exclusion from installment sales will correctly present in the gross income from all sources calculation.
- U.S. Obligations dividends from a passthrough will no longer double on Line 3e if the gross income from all sources field is entered on the passthrough.

Form 1116, Schedule B AMT. 2012 AMT if different carryover amounts will carry to the 1116 Schedule B AMT instead of the regular 2012 carryover amounts.

Schedule K-1. The Schedule K-1 statement for the business interest expense has been updated to calculate at the 30% rate instead of the 50% rate.

Federal - Foreign Financial Assets

Form 8938. Box 32c prints correctly.

New Jersey

Passthrough entity information (name and address) will now correctly tie to the credit amount for Schedule PTE-K-1.

Schedules PTE-K-1 and K-1 (1065) will now print for grantor trusts.

South Carolina

SC has reduced their income tax rates for 2022. The estimate calculation on Form SC 1041 ES has been updated to use the new rates. Diagnostic 39756 will issue when the new rates apply. The calculation will no longer match the rates listed on the form. The rates used are listed below.

Taxable Income:

At Least But Less Than Tax

\$0	\$3,200	0% times the amount
\$3,200	\$16,040	3% of the amount over \$3,200
\$16,040 or more		\$3825.20 + 6.5% of the amount over \$16,040

Wisconsin

On the Schedule CF, all occurrences will show the correct amount on the last line if code 34a is present on WI Credits > Schedule CF (Interview Form WI11).

Exempt Organization (990) Product Updates

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Federal

Diagnostics 39457 and 39458 have been added to inform that footnotes do not go with the electronic file. Part V of Form 990-T Supplemental Information is to be used for this feature.

Form 4720 Electronic Filing. The transmittal letter and filing instructions will indicate the return is being filed electronically when there is no balance due.

Section 1231 amounts that are fully allowed from Form 8582 will now show on Form 4797 when there is enough income from other activities.

California

Form 109, Page 5, Schedule I now has data flow into Columns 4 and 5.

Form RRF-1, Part A. Program Expense amount now pulls Form 990-PF, Part I, Line 26(d) when Form 990-PF is filed.

The Tax Tables have been updated to reflect the 2021 rates for Form 109.

Virginia

Form 500, Line C will no longer generate if there is no NOL present in the Federal 990T, Line 6 and 990T, Sch A, Line 17.

Estate & Gift (706/709) Product Updates

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Federal

Form 706. The following final forms with August 2019 version date are available for dates of death in 2022:

Form 706	Schedule F	Schedule M
Schedule A	Schedule G/H	Schedule O
Schedule A-1	Schedule I	Schedule P/Q
Schedule B	Schedule J	Schedule R
Schedule C	Schedule K	Schedule U
Schedule D	Schedule L	Schedule PC
Schedule E		

Form 709. GST tax reporting at the close of an ETIP is available. Use Gift Tax > Gifts > Generation-Skipping Transfer Tax > Close of ETIP to request close of ETIP treatment of a transfer.

Illinois

The following final Illinois form is available for dates of death in 2022:

Form 700

Minnesota

The following preliminary Minnesota form is available for dates of death in 2022:

Form M706