

## CCH® Fixed Assets Manager Version 2018.03

Please review this bulletin carefully. For the full list of new and existing considerations for this tax year, launch the product and go to Help, Release Considerations from the main menu.

Installation and upgrade instruction can be found in the FADocuments folder of your electronic download.

If you have any questions, contact the Support Team at 800-739-9998 Option 5, then Option 2.

### Federal Tax Legislation

**Safe Harbor for Taxpayers Claiming 100 Percent Bonus Depreciation on Vehicles Subject to Luxury Car Depreciation Caps** - The safe harbor only applies to taxpayers that claim 100-percent bonus depreciation on a vehicle subject to the Luxury Car Depreciation Caps acquired and placed in service after 9/27/2017 and acquired and placed in service before 1/1/2023. Under the safe harbor, depreciation deductions after the first year are limited to the lesser of the applicable depreciation cap or depreciation computed using table percentages (MT200) on the cost of the vehicle as reduced by the first-year cap. The safe harbor does not apply if a taxpayer expenses any portion of the vehicle under Code Sec. 179.

A new checkbox has been added to Book Type Setup, 'Elect Safe Harbor-T.C.J.A. of 2017' for system tax, user-defined books, and state books that couple with Federal 100% bonus under the Tax Cuts and Jobs Act of 2017. The former 'Elect Safe Harbor' checkbox has been renamed to 'Elect Safe Harbor-J.C.A. of 2010,' this applies to 100% bonus autos and trucks placed in service during the period of 9/9/2010 to 12/31/2011.

The 'Elect Safe Harbor' field has been removed from the Update Book Import and the fields of 'Elect Safe Harbor-T.C.J.A. of 2017' and 'Elect Safe Harbor-J.C.A. of 2010' have been added.

Luxury auto limit assets that are acquired and placed in-service after 9/27/2017 and before 1/1/2023 that select the 'Elect Safe Harbor T.C.J.A. of 2017' will default to the MACRS Table method of MT200, if you unselect the 'Safe Harbor' you will need to select or import the appropriate method.

If you selected the 'Safe Harbor' checkbox in Book Type setup in the 2017.02 or later release for luxury auto 100% bonus assets that are acquired and placed in service after 9/27/2017 you will need to select the 'Elect Safe Harbor-T.C.J.A. of 2017' again in Book Type Setup. For this same category of asset if you had selected 'Safe Harbor' 'Yes' in asset input for the individual asset, you will not have to do anything, your choice will rollover from the previous release.

## Resolutions

**Inter-entity Transfer and Depreciation Reports** - Inter-entity transfers are correctly stating current depreciation in the destination entity. Calculating the entities will return the correct depreciation.

**Additions Report** - The Cost on the Additions report is displayed correctly on assets that change the Book Cost after the asset was intra-entity transferred.

**QIP Asset Types** – Assets using the asset types of Qualified Improvement Property (when selected to include property on entity setup) are correctly included in Section 179 on page one of the federal form 4562.