

CCH® Fixed Assets Manager Version 2022.01

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.

New Items

Deleting a Selected Asset Type - You will receive a warning when deleting an Asset Type from your database that you have previously selected. If you have already assigned this Asset Type to assets, you should not delete it.

ITC Credits - Credit selection has been simplified on the ITC tab. Credits can now be selected by the Type of credit and the Percentage of the credit.

Federal Tax Legislation

2022 Tax Year Forms included in this release:

- Federal Form 4562, Depreciation and Amortization
- Federal Form 4684, Casualties and Theft
- Federal Form 4797, Sales of Business Property
- Federal Form 6252, Installment Sale Income

2023 Section 179 Limitations – The 2023 Federal Expense Limitation is \$1,160,000 and the Investment Limitation is \$2,890,000.

2023 Estimated Federal Luxury Auto Limits – The IRS has not released the 2023 limits at this time. CCH

has calculated the 2023 rates and will adjust these rates in a future release if there is a difference.

Autos and Trucks

Year 1 - \$12,200, \$20,200 with bonus depreciation

Year 2 - \$19,500

Year 3 - \$11,700

Year 4 - \$6,960

Clean Vehicle Credit - If you bought and placed in service a new qualified plug-in electric vehicle (EV) or fuel cell vehicle (FCV) on January 1, 2023 or later and meet certain limitations, you may be eligible for a clean vehicle tax credit up to \$7,500 under Internal Revenue Code Section 30D. The eligible credit amount is entered in Asset Input in the 'Credit 30D' row. Current depreciation is calculated on the basis of the asset after Section 179, the 30D credit, and Bonus Depreciation.

Advanced Manufacturing Investment Credit (CHIPS Act) - A 25% ITC credit option will be available on the ITC tab in Asset Input. To apply this credit select 'Advanced Energy 25%' from the Investment Type Credit dropdown.

AMT and ACE Books - Corporate entities created in your database with a Current Accounting Year Start Date after 2022 will automatically add the AMT and ACE Books.

State Tax Legislation

2023 Section 179 Limitations – The Federal Expense Limitation of \$1,160,000 and the Investment Limitation of \$2,890,000 has been updated to those states that comply with the Federal limits. The Federal Section 179 limitations do not apply to;

CA, DC, HI, IN, KY, MD, NH, NJ, TX.

OK Bonus Depreciation - Assets placed in service in 2021 can optionally take 100% bonus depreciation. If you wish to use 100% Bonus for Oklahoma in 2023 and after, on the OK Book Type Setup dialog, change the Bonus Percentage to 100%.

Resolutions

HI Section 179 Property - The Include Property checkbox has been corrected to include real property in the total of Section 179 property.

CO QIP - Colorado Qualified Improvement Property assets placed in service in 2018 and 2019 are depreciated over a 39-year life. Colorado Qualified Improvement Property assets placed in after 2019 are depreciated over a 15-year life.

IA QIP - Iowa Qualified Improvement Property assets placed in service after 2019 are depreciated over a 15-year life.