ONESOURCE
TRUST TAX

RELEASE NOTES

VERSION 20.00.01

Document Version 1

DOCUMENT HISTORY

VERSION NUMBER	VERSION DATE	SUMMARY
1	January 15, 2020	Initial publication.

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ONESOURCE TRUST TAX 20.00.01 RELEASE NOTES

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RELEASE HIGHLIGHTS

ONESOURCE Trust Tax version 20.00.01 includes bug fixes and introduces the following features:

- Section 199A updates for qualified business income
- Other Schedule E changes
- 1042-S changes for 2019

NEW FEATURES

Section 199A-Qualified Business Income General Information

Beginning in tax year 2019, there are new **Section 199A-Qualified Business Income** collapsible sections for business, farm, rental and K-1 activities. Section 199A loss carryovers from the 2018 return must be entered in these sections because these values were not carried over from the 2018 tax return. See the *Section 199A Loss Carryovers* guide, which is available in Customer Community, for detailed instructions for determining carryover amounts.

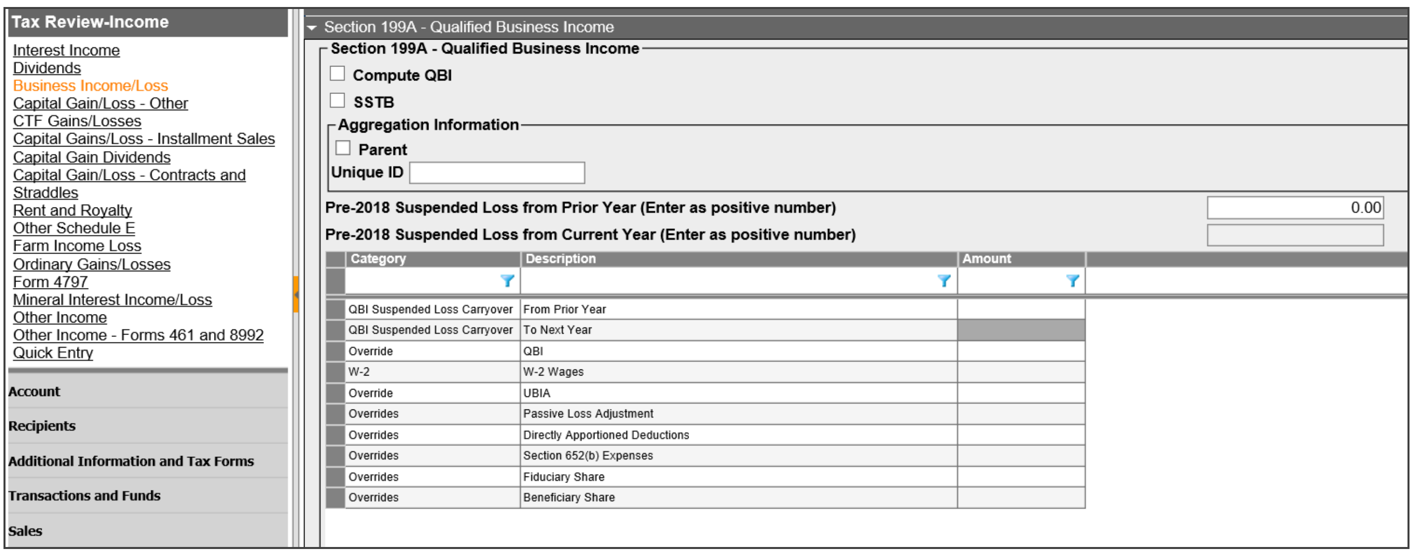
Computation changes associated with this new area of the application as well as additional K-1 activity Section 199A field changes will be available in a later release.

> Section 199A computations will be available in a future release.

Section 199A-Specific Information for Business, Farm and Rental Activities

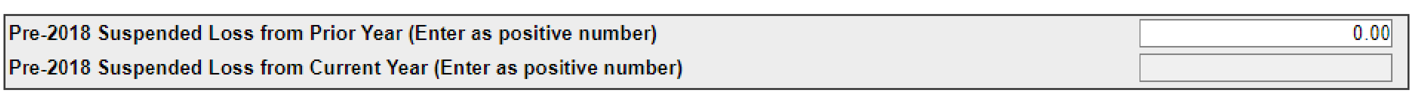
The **Section 199A-Qualified Business Income** collapsible sections for business, farm and rental activities include a check box to indicate whether to compute QBI and a check box to indicate if the activity qualifies as a specified service trade or business (SSTB). Both check boxes automatically roll to the subsequent year after the current year tax return is computed. Fields necessary for aggregation are available but will not be functional until a later release.

The graphic below shows the **Section 199A-Qualified Business Income** collapsible section for a farm activity. The collapsible sections for business and rental activities have similar input fields.



The **Pre-2018 Suspended Loss from the Prior Year (Enter as positive number)** field contains the amount of pre-2018 suspended loss from 2018 to 2019. See the *Section 199A Loss Carryovers* guide for details about how this field was computed and possible limitations in the computation.

The **Pre-2018 Suspended Loss from Current Year (Enter as a positive number)** field cannot be modified and will be populated after the 2019 return is computed.

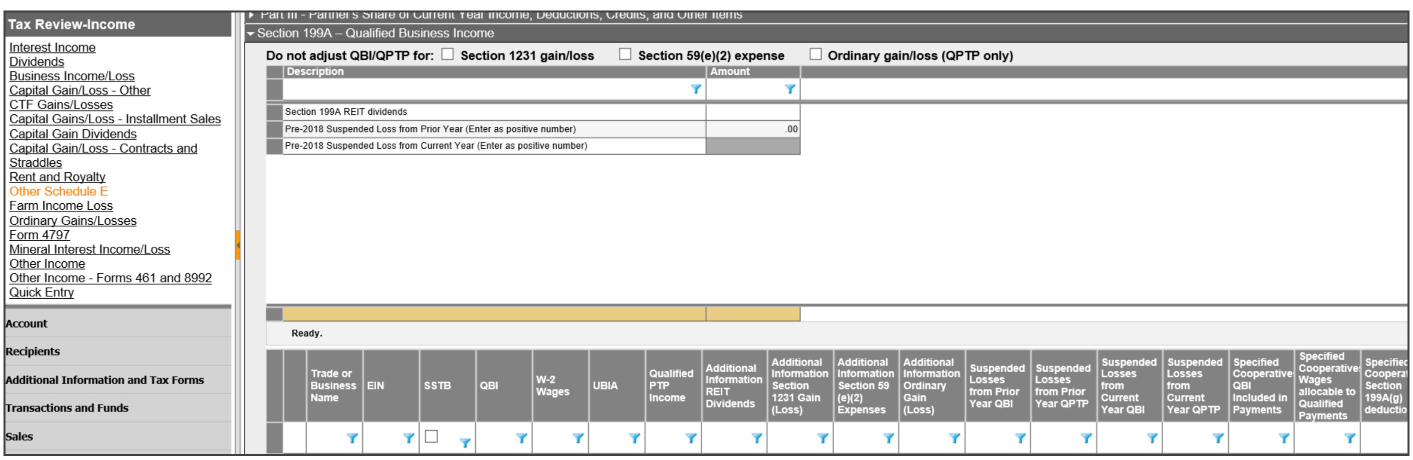


The grid under the new **Section 199A-Qualified Business Income** collapsible section includes fields for QBI suspended loss carryovers, W-2 wages and various overrides. Any QBI suspended loss carryover from the prior year must be entered as instructed in the *Section 199A Loss Carryovers* guide. The suspended loss carryover amount from the prior year is not automatically populated.

Category	Description	Amount
QBI Suspended Loss Carryover	From Prior Year	
QBI Suspended Loss Carryover	To Next Year	
Specified Cooperatives	QBI Included in Pymts	
Specified Cooperatives	Wages allocable to Qualified Payments	
Specified Cooperatives	Section 199A(g) deduction	
Override	QBI	
W-2	W-2 Wages	
Override	UBIA	
Overrides	Passive Loss Adjustment	
Overrides	Directly Apportioned Deductions	
Overrides	Section 652(b) Expenses	
Overrides	Fiduciary Share	
Overrides	Beneficiary Share	

Section 199A-Specific Information about Other Schedule E Activities

The **Section 199A-Qualified Business Income** collapsible section was added, and is shown in the following graphic:



Information Pertaining to the Schedule K-1 Activity

- Three check boxes were added. If selected, they will override automated QBI/QPTP computation adjustments for Section 1231 gain/loss, Section 59(e)(2) expense, and ordinary gain/loss (QPTP only). The check boxes automatically roll to the subsequent year after the current year tax return is computed.
- The **Section 199A REIT dividends** field was added.
- The **Pre-2018 Suspended Loss from the Prior Year (Enter as positive number)** field contains the amount of pre-2018 suspended loss from 2018 to 2019. See the *Section 199A Loss Carryovers* guide for details about how this field was computed and possible limitations in the computation.
- The **Pre-2018 Suspended Loss from Current Year (Enter as a positive number)** field cannot be modified and will be populated after the 2019 return is computed.

Information Pertaining to Section 199A Trade or Business Detail

The grid under the new **Section 199A-Qualified Business Income** collapsible section provides input for multiple trade or businesses for a specific K-1 activity. The details, including QBI and QPTP suspended loss from prior year (tax year 2018), must be entered in tax year 2019 as instructed in the *Section 199A Loss Carryovers* guide. Values in the **Trade or Business Name**, **EIN** and **SSTB** fields for each trade or business automatically roll to the subsequent year after the current year tax return is computed. The grid provides the following fields for each trade or business:

General information:

- **Trade or Business Name** and **EIN**, **SSTB** check box
- Amount fields for QBI, W-2 wages, UBIA, QPTP

For a future release:

- Based on the 2019 1065, 1041 and 1120-S Instructions, additional fields will be added to this grid for various types of Section 199A income and deduction as well as a PTP designation.
- The QBI and QPTP fields will be treated as overrides.

Additional Information (May Be Provided on a Separate Statement with the 1065, 1041 or 1120-S Schedule K-1)

- Section 199A REIT dividends
- Section 59(e)(2) expenses
- Ordinary gain (loss)

Suspended Losses

- QBI
- QPTP

Section 199A Specified Cooperatives Information

- QBI included in payments
- Wages allocated to qualified payments
- Section 199A(g) deduction

Aggregation Information

- Aggregation ID
- Aggregation Parent

QBI Overrides

- Section 1231 gain(loss) adjustment
- Section 59(e)(2) expense adjustment
- Passive loss adjustment
- Section 652(b) expense adjustment
- Fiduciary Share

- Beneficiary Share

For a future release:

- Based on the 2019 1065, 1041 and 1120-S Instructions, the QBI amount field will be moved to QBI override section.
- The **Beneficiary Share override** field will be renamed to **Beneficiary Share-Ordinary business**, and the **Beneficiary Share-Rental** override field will be added.

QPTP Overrides

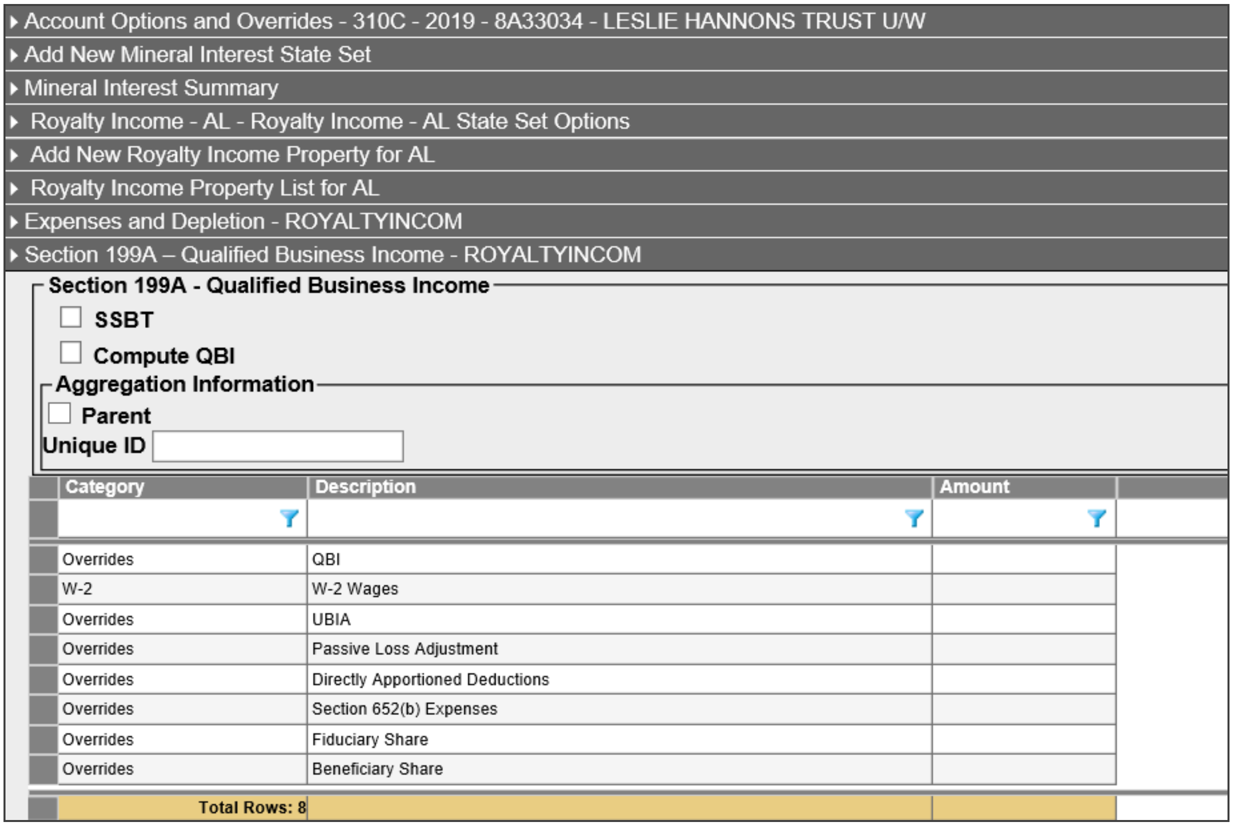
- Section 1231 gain(loss) adjustment
- Section 59(e)(2) expense adjustment
- Ordinary gain (loss) adjustment
- Passive loss adjustment
- Section 652(b) expense adjustment
- Fiduciary Share
- Beneficiary Share

For a future release:

- Based on the 2019 1065, 1041 and 1120-S Instructions, the QPTP amount field will be moved to QPTP override section.
- The **Beneficiary Share override** field will be renamed to **Beneficiary Share-Ordinary business**, and the **Beneficiary Share-Rental** override field will be added.

Section 199A-Mineral Interest

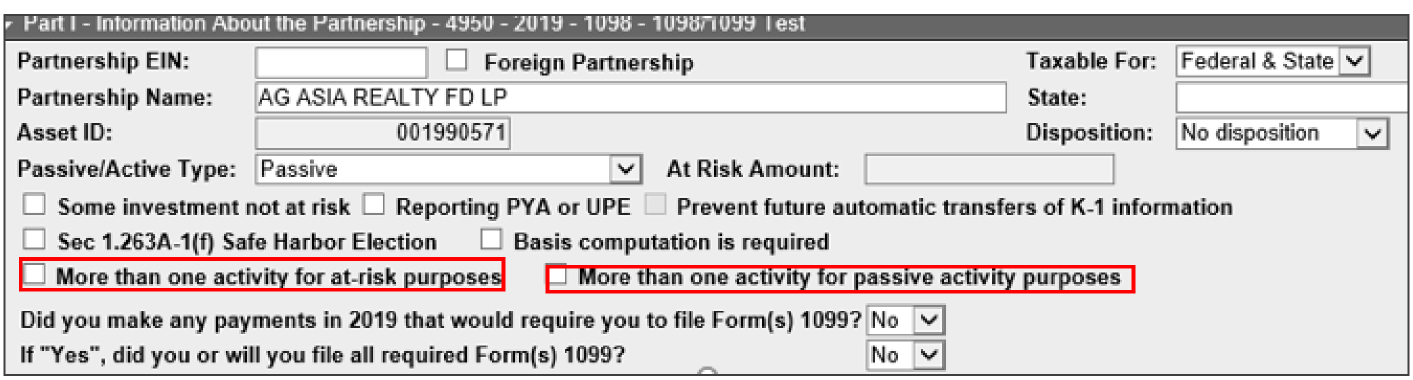
For 2019 and forward, **Section 199A-Qualified Business Income** group box was removed from the **Expenses and Depletion** collapsible section and the **Section 199A-Qualified Business Income** collapsible section was added to the Mineral Interest Income/Loss page. The following graphic shows the new **Section 199A-Qualified Business Income** collapsible section:



Other Schedule E

For Partnership K-1s Only

The **More than one activity for at-risk purposes** and **More than one activity for passive activity purposes** check boxes were added to the Part I collapsible section. The following graphic shows the new check boxes:



The following fields were added to the Part III collapsible section and are available for adding to a custom Schedule K-1 register:

- **11f-Section 743(b) positive adjustments**-Treated as other income.
- Charitable deduction fields for partnerships (these are added to the amount in the existing charity field):
    - **13a-Cash contributions (60%)**
    - **13b-Cash contributions (30%)**
    - **13c-Noncash contributions (50%)**
    - **13d-Noncash contributions (30%)**
    - **13e-Capital gain property to a 50% organization (30%)**
    - **13f-Capital gain property (20%)**
- **13v-Section 743(b) negative adjustments**-Treated as other expense.
- **20ab-Section 751 gain (loss)**-Treated as indicated by the **Gains/Losses listed on lines below are passive** check box in the Part III collapsible section.
- **20ac-Section 1(h)(5) gain (loss)**-Treated as 28% capital gain (loss).
- **20ad-Deemed section 1250 unrecaptured gain**-Treated as Unrecaptured 1250 gain (line 9c).
- **20ah-Ordinary gain/loss Form 4797-Business**-Renamed from **Ordinary gain/loss Form 4797**. Treated as indicated by the **Gains/Losses listed on lines below are passive** check box.
- **20ah-Ordinary gain/loss Form 4797-Portfolio**-Ignores the **Gains/Losses listed on lines below are passive** check box.
- **Excess business interest expense carryover**-Flows to Form 8990.

For S-Corp K-1s Only

The following fields were added to the Part III collapsible section and are available for adding to a custom Schedule K-1 register:

- Charitable deduction fields for S-Corps (these are added to the amount in the existing charity field):
  - 12a-Cash contributions (60%)
  - 12b-Cash contributions (30%)
  - 12c-Noncash contributions (50%)
  - 12d-Noncash contributions (30%)
  - 12e-Capital gain property to a 50% organization (30%)
  - 12f-Capital gain property (20%)
- **17ac-Ordinary gain/loss Form 4797-Business**-Renamed from **Ordinary gain/loss Form 4797**. Treated as indicated by the **Gains/Losses listed on lines below are passive** check box in the Part III collapsible section.
- **17ac-Ordinary gain/loss Form 4797-Portfolio**-Ignores the **Gains/Losses listed on lines below are passive** check box.

K-1 Beneficiary Overrides

K-1 beneficiary overrides for the following states were updated to comply with 2019 form changes:

- Alabama
- Idaho
- Illinois
- Massachusetts
- Minnesota

1042-S

Beginning with 2019, the IRS changed their validation rules and now requires the Unique Form Identifier for new originals and corrections for tax years prior to 2017 (as was already required for tax years 2017 and after). Since the Unique Form Identifier was not required on the printed Form 1042-S for tax years prior to 2017, it is not generated during processing. Therefore, the ten-digit identifier must be entered in the **1042-S Income Information** grid on the Form 1042-S NQI and Filing Information page in tax years prior to 2017 if filing corrections or new originals. A diagnostic error will be generated when this identifier is missing-even on previously filed records (for example, records with filed dates). There is no action needed for this missing identifier on these records.

FIXES

For a complete list of ONESOURCE Trust Tax fixes (closed issues), search Trust Tax Known Issues.

KNOWN ISSUES

For a complete list of ONESOURCE Trust Tax known (open) issues, search Trust Tax Known Issues.

ONESOURCE TRUST TAX INSIGHT 20.00.01 RELEASE NOTES

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RELEASE HIGHLIGHTS

ONESOURCE Trust Tax Insight version 20.00.01 includes bug fixes and a version change.

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