ONESOURCE TRUST TAX

RELEASE NOTES

VERSION 22.01

Document Version 1

THOMSON REUTERS®

DOCUMENT HISTORY

VERSION NUMBER	VERSION DATE	SUMMARY
1	February 16, 2022	Initial publication.

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ONESOURCE TRUST TAX 22.01 RELEASE NOTES

For documentation and other product information, access [Customer Community] then search Knowledge Center. To read a digital version of Release Notes, click [here].

RELEASE HIGHLIGHTS

ONESOURCE Trust Tax version 22.01 includes bug fixes and introduces the following features:

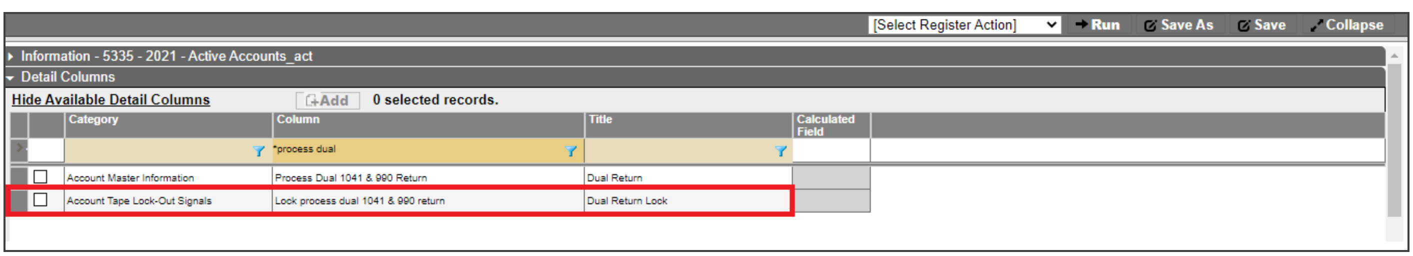
- State Pass-Through Entity (PTE) Elective Tax Credit
- Form 8882 - Credit for Employer-Provided Childcare Facilities and Services
- Form 990-T NOL Carryovers

NEW FEATURES

The topics below describe features added with this release.

Dual Return Lock

The **This trust files both a 1041 and 990** lock field was added to the **Account Tape Lock-Out Signals** category on the Register Properties page. The column is **Lock process dual 1041 & 990 return** and the title is **Dual Return Lock**.



Load Status Register

On the Register Properties page, the **OID Only** field was renamed to **Transaction Only** to more broadly identify transactional only data loads. This field is in the **Load Status** category.

Information - 5337 - 2021 - Load Status1

Detail Columns

Hide Available Detail Columns | Add | 0 selected records.

	Category	Column	Title	Calculated Field
☐	Product Access Number	Product Access Number	PAN	
☐	Load Status	Vendor ID	Vendor	
☐	Load Status	Sequence	SeqNo	
☐	Load Status	Transaction only option used	Transaction Only	
☐	Load Status	Current processing step (internal)	Proc Step	
☐	Load Status	Completion code of current step (internal)	Status	
☐	Load Status	VolSer of tape being loaded	VolSer	
☐	Load Status	Name of Load File As Received from Vendor	Received File Name	
☐	Load Statistics	Number of accounts added	# New Accts	

Options and Overrides

The **Method of distributing credit for employer-provided childcare facilities and services (Option applicable beginning with tax year 2021)** Compute-Federal option was added to Options and Overrides page.

Options and Overrides - SuperBank Options - 310C, 5006, 5007

Category	Description	Override	Text Value	Drop Down Value	U B
Compute - Federal					
Compute - Fe...	Method of offsetting expenses against classes of income - 1041 irrevocable accounts only (Section 652(b)))	Yes		Offset against lowest marginal tax rate in...	@
Compute - Fe...	Method of offsetting expenses against distributed gains - Irrevocable accounts only	Yes		Only offset excess expenses against distr...	@
Compute - Fe...	Method of offsetting expenses against classes of income - 5227 accounts	No		None, offset prorata among all classes of ...	
Compute - Fe...	Method of distributing depreciation	No		Allocate between trust/estate & beneficiar...	
Compute - Fe...	Method of distributing depletion	No		Allocate between trust/estate & beneficiar...	
Compute - Fe...	Method of distributing short-term capital loss carryover	No		Totally retain in trust/estate	
Compute - Fe...	Method of distributing long-term capital loss carryover	No		Totally retain in trust/estate	
Compute - Fe...	Method of distributing foreign taxes paid	No		Allocate between trust/estate & beneficiar...	
Compute - Fe...	Method of distributing work opportunity credit	No		Totally retain in trust/estate	
Compute - Fe...	Method of distributing credit for increasing research activities	No		Totally retain in trust/estate	
Compute - Fe...	Method of distributing credit for employer-provided childcare facilities and services (Option applicable beginning with tax year 2021)	No		Totally retain in trust/estate	

Oil and Gas Property Print Detail

When the Premium 1099 service level is selected, the Tax Summary page now includes line items for oil and gas income.

Tax Summary

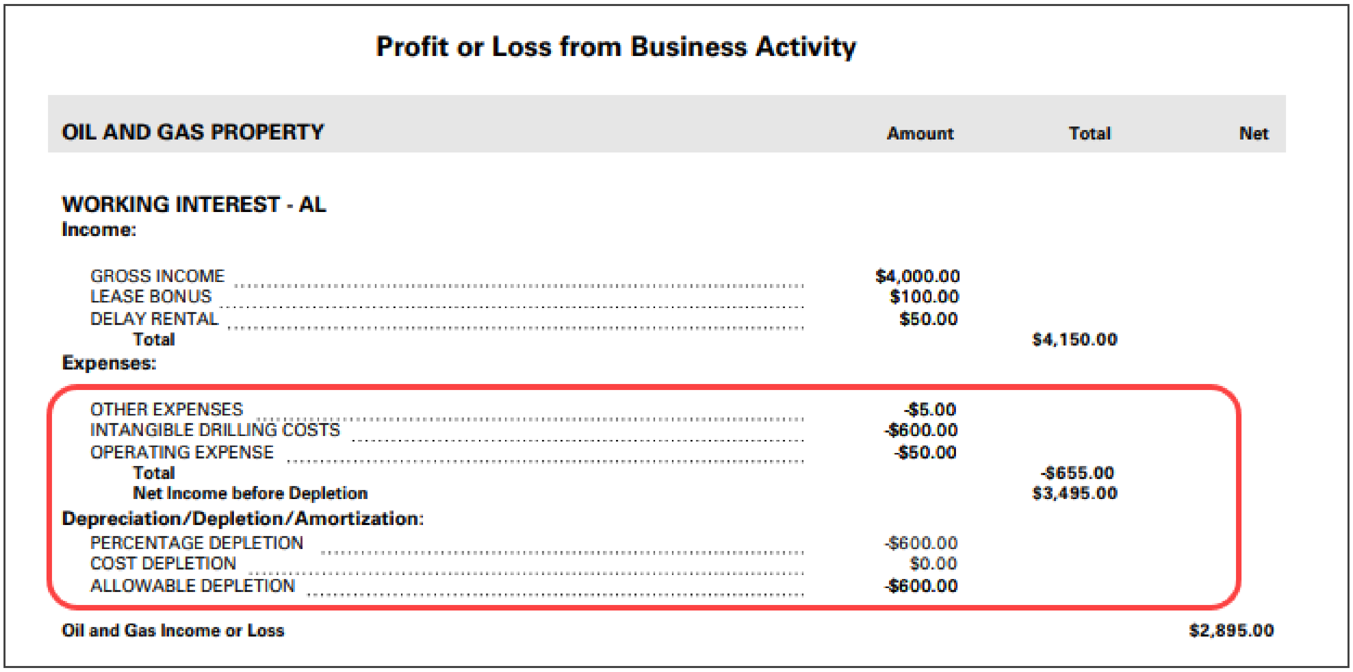
Listed below is a summarization of all items posted to your account. It includes items reported to the IRS on 1099 Forms INT, DIV, B and OID, items reported to the IRS by individual payers, and miscellaneous information you may need in the preparation of your federal and state income tax returns.

INCOME	**Reported on Combined 1099**	**Not Reported on Combined 1099**	**Total**	*1040 Reference*
Domestic Interest	$565.00	$0.00	$565.00	*Sch B, Part I, Line 1*
Market Discount	$0.00	$60.00	$60.00	*Sch B, Part I, Line 1*
Bond Premium	$0.00	$1,816.50	$1,816.50	*Sch B, Part I, Line 1*
U.S. Government Interest	$185.00	$0.00	$185.00	*Sch B, Part I, Line 1*
Foreign Interest	$190.00	$0.00	$190.00	*Sch B, Part I, Line 1*
Tax-exempt interest (not subject to Alt Min Tax):				
Territorial Interest	-$34.50	$0.00	-$34.50	*Form 1040, Line 2a*
Taxable in Alabama	$439.50	$0.00	$439.50	*Form 1040, Line 2a*
Tax-exempt Interest (subject to Alt Min Tax):				
Territorial interest	-$17.00	$0.00	-$17.00	*Form 1040, Line 2a & Form 6251*
Taxable in Alabama	-$60.00	$0.00	-$60.00	*Form 1040, Line 2a & Form 6251*
Oil and Gas Income from Working Interests	(N/A)	$28,698.00	$28,698.00	*See Sch C Instructions*
Royalty Income - Mineral (Active/Passive Activity)	(N/A)	$820.00	$820.00	*Sch E, Part I*

The **Oil and Gas income from Active\Passive Activities** line item was changed to **Oil and Gas Income from Working Interests**.

The following changes were made to the Profit or Loss from Business Activity page under the **OIL AND GAS PROPERTY** section:

- The **Net Income before Depletion** subtotal was added under the **Expenses** heading.
- The **PERCENTAGE DEPLETION** and **COST DEPLETION** line items were added under the **Depreciation/Depletion/Amortization** heading.
- The **ALLOCATED DEPLETION** line item was changed to **ALLOWABLE DEPLETION**.
- The **Total** line item was removed under the **Depreciation/Depletion/Amortization** heading.



Profit or Loss from Business Activity

OIL AND GAS PROPERTY	Amount	Total	Net
WORKING INTEREST - AL			
Income:			
GROSS INCOME	$4,000.00		
LEASE BONUS	$100.00		
DELAY RENTAL	$50.00		
Total		$4,150.00	
Expenses:			
OTHER EXPENSES	-$5.00		
INTANGIBLE DRILLING COSTS	-$600.00		
OPERATING EXPENSE	-$50.00		
Total		-$655.00	
Net Income before Depletion		$3,495.00	
Depreciation/Depletion/Amortization:			
PERCENTAGE DEPLETION	-$600.00		
COST DEPLETION	$0.00		
ALLOWABLE DEPLETION	-$600.00		
Oil and Gas Income or Loss			$2,895.00

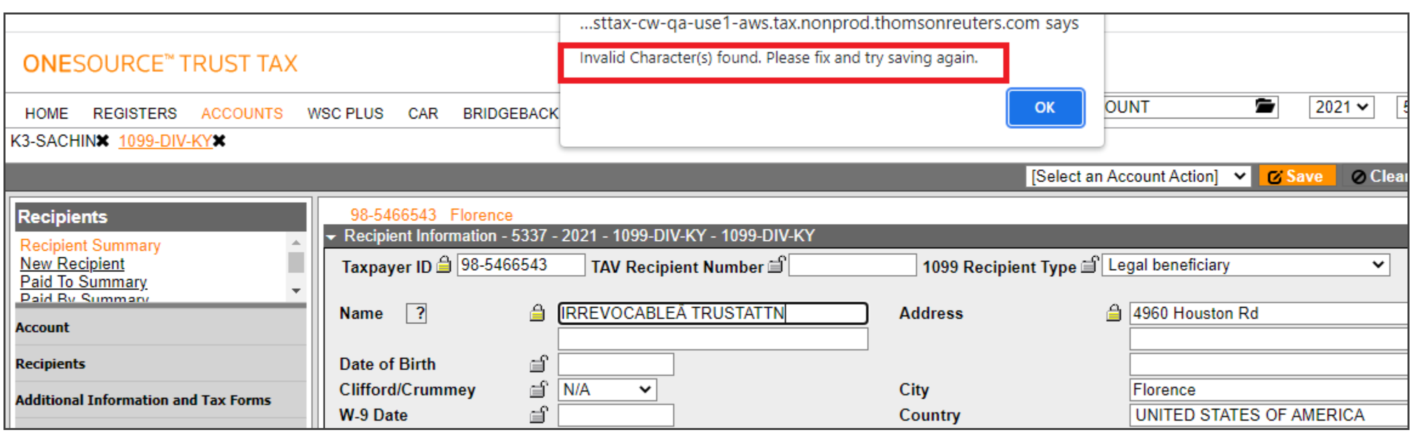
Recipients

Validation was added to prevent invalid characters from being stored in the **Name**, **Address**, and **City** fields for recipients. The following error message displays when text that includes invalid characters is entered in these fields:

> Invalid Character(s) found. Please fix and try saving again.

This is often a result of copying and pasting from other sources rather than typing directly into the fields.

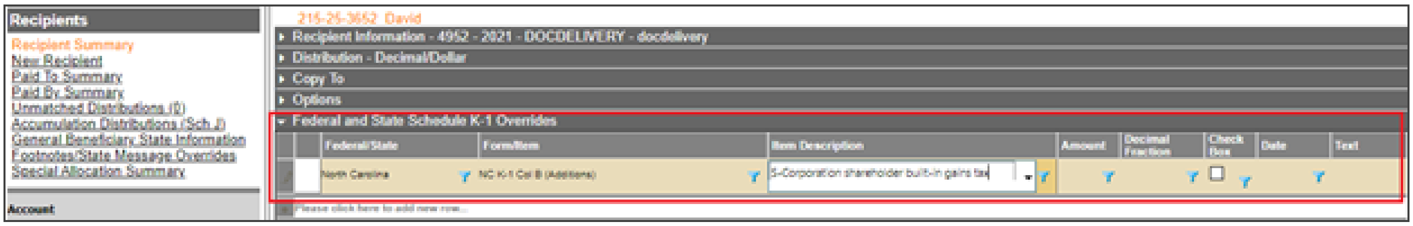
The following graphic shows the error message:



Beneficiary K-1 Overrides

The grid options in the **Federal and State Schedule K-1 Overrides** collapsible section on the Recipient Summary page were updated for the following states:

- Massachusetts
- North Carolina

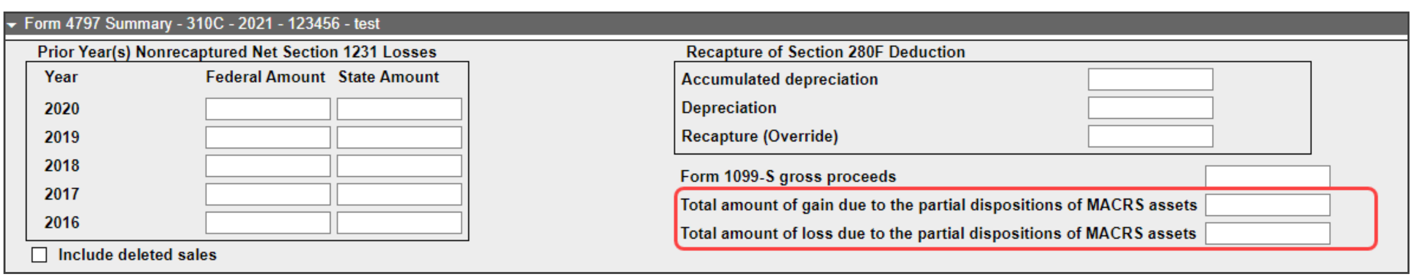


Form 4797

Beginning in tax year 2021, the fields listed below were added to the **Form 4797 Summary** collapsible section on the Form 4797 page. The fields apply to both 1041 and 990 entity types.

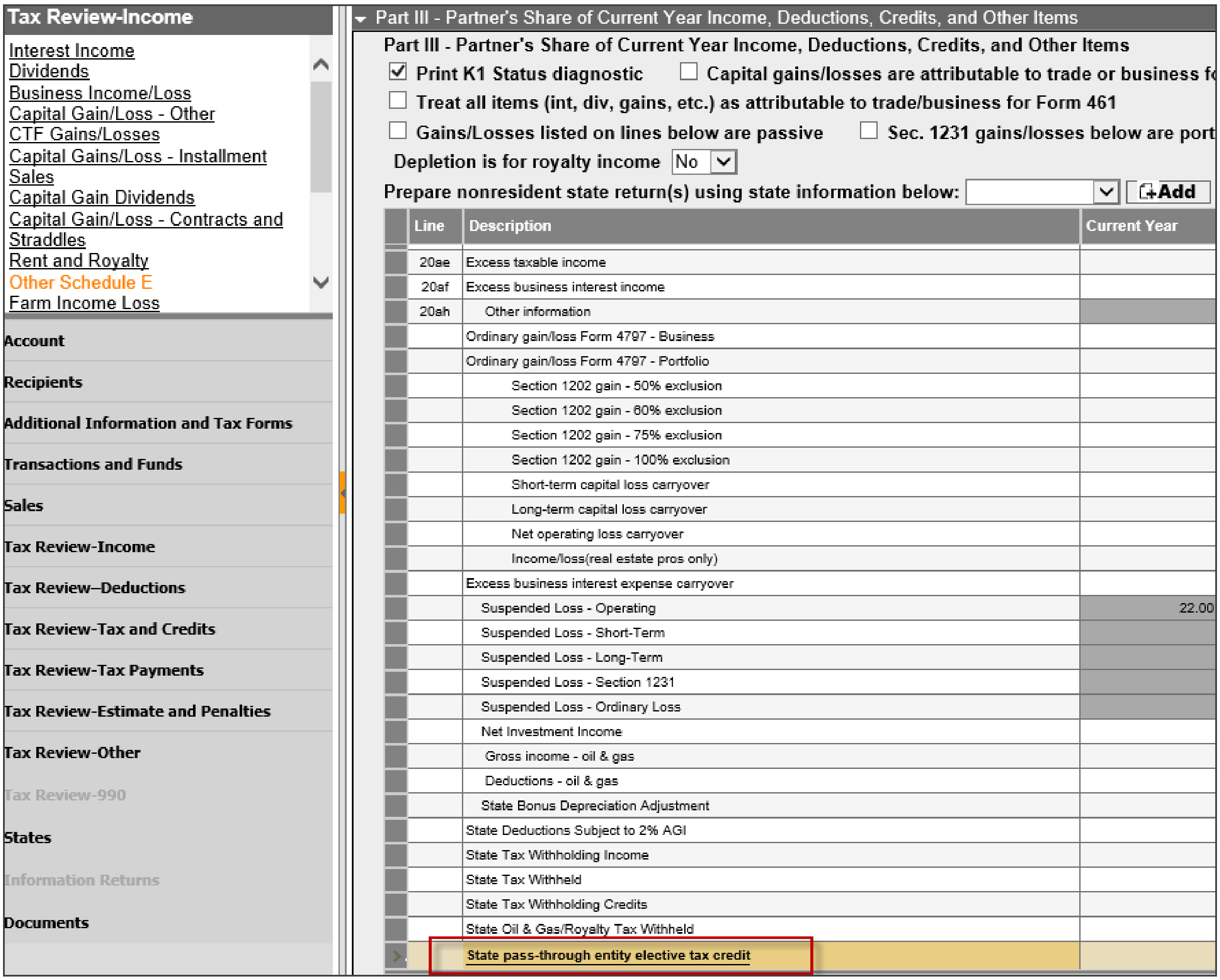
- **Total amount of gain due to the partial dispositions of MACRS assets**
- **Total amount of loss due to the partial dispositions of MACRS assets**

The values in these fields do not roll to subsequent tax years.

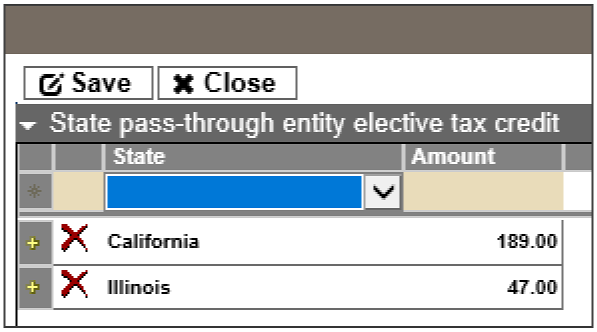


State Pass-Through Entity Elective Tax Credit

Beginning in tax year 2021, a detail pop-up window now displays when the new **State pass-through entity elective tax credit** link is clicked from Partnership, S-Corp and Estate/Trust K-1 activities. The link and pop-up window were added to provide input fields for state tax credit amounts associated with state taxes paid by PTEs and reported on K-1 tax information packages. The graphic below shows the **State pass-through entity elective tax credit** link, which is included in the grid under the **Part III** collapsible section on the Other Schedule E page, for a Partnership K-1 activity:



The graphic below shows the new detail pop-up window. Tax credit amounts for multiple states may be entered.



Depending on the state, the credit may or may not be allocated between the trust and the beneficiaries. Typically, the trust portion is reported on either a separate state schedule or line item on the state return. Additionally, the credit may be limited depending on the state. The beneficiary portion is typically reported on the beneficiary's state K-1 equivalent.

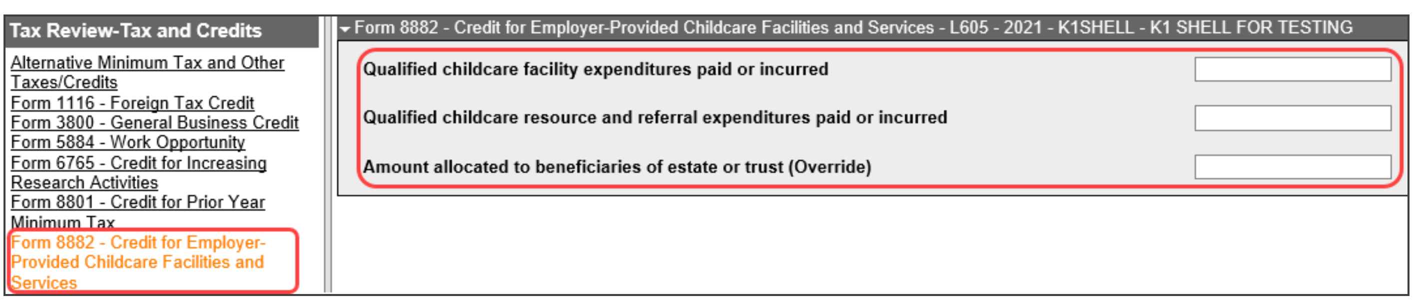
> ONESOURCE Trust Tax does not assume that the PTE state tax credit entered reduces federal taxable income and does not automatically adjust state taxable income. Any adjustments to state taxable income must be entered (for example, in the **Other Additions** category) on the state income tax page.

Form 8882

Beginning in tax year 2021, the Form 8882 - Credit for Employer-Provided Childcare Facilities and Services page was added. Click **Tax Review-Tax and Credits > 8882 - Credit for Employer-Provided Childcare Facilities and Services** to access the page. The following fields are included:

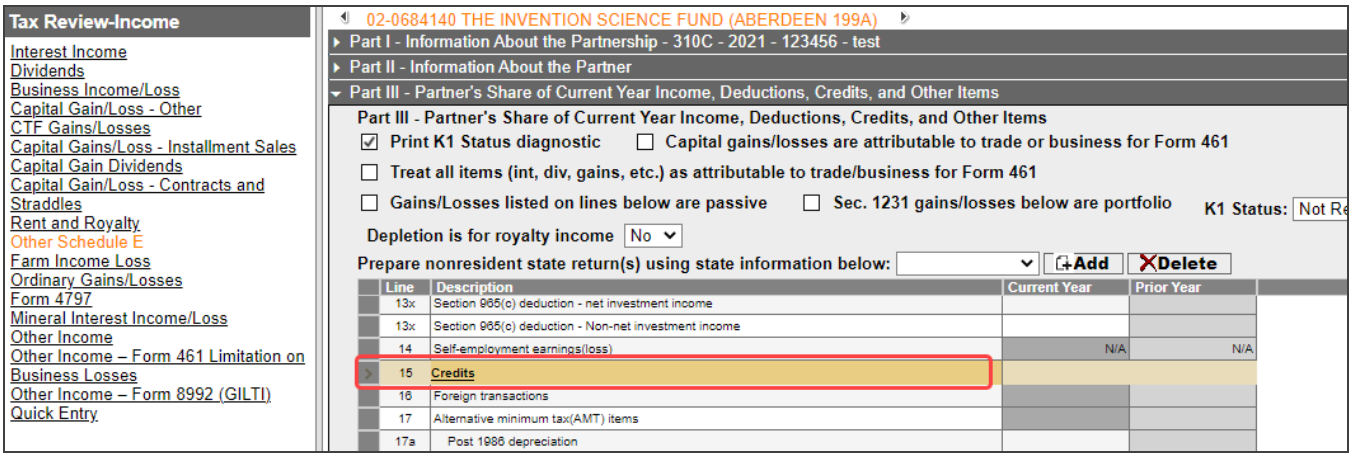
- **Qualified childcare facility expenditures paid or incurred**
- **Qualified childcare resource and referral expenditures paid or incurred**
- **Amount allocated to beneficiaries of estate or trust (Override)** - Use to enter an override to the beneficiary allocation of this credit.

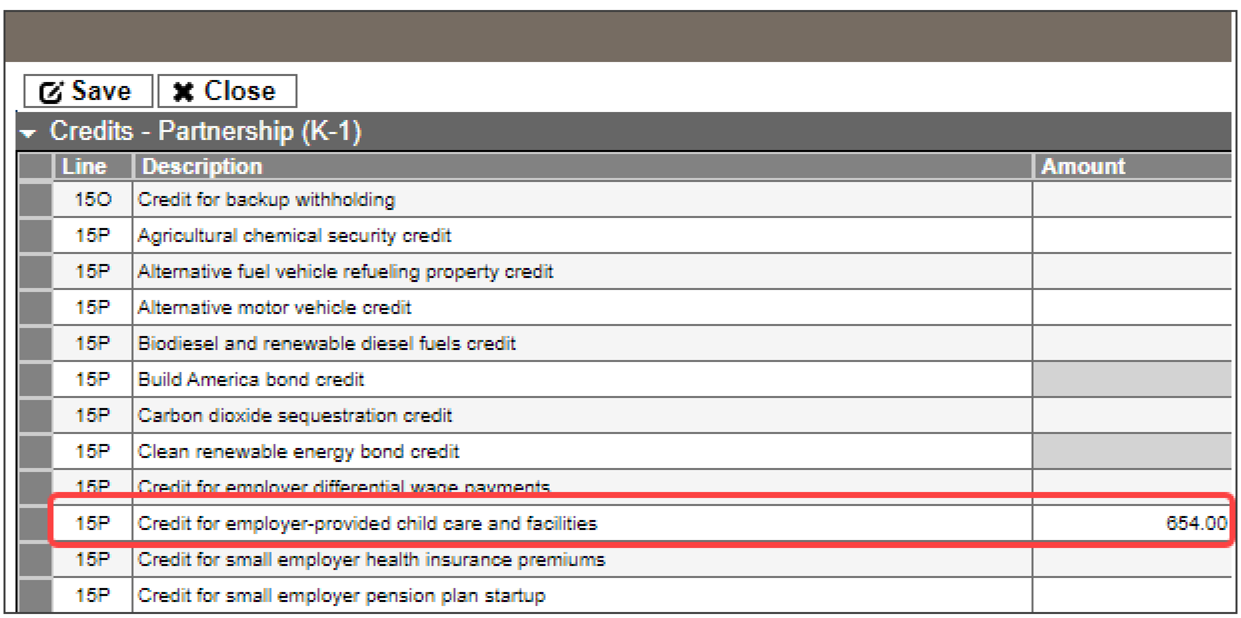
Entries on this page are considered credits from non-passive activity for purposes of Form 3800.



Form 8882 is generated if at least one of the following conditions is met:

- An amount is entered in the **Qualified childcare facility expenditures paid or incurred** field or the **Qualified childcare resource and referral expenditures paid or incurred** field as shown in the above graphic.
- An amount is entered in the **15P section Credit for employer-provided childcare and facilities** line item on the detail pop-up window accessed by clicking the **15 Credits** link in the grid under the **Part III - Partner's Share of Current Year Income, Deductions, Credits, and Other Items** collapsible section for a Schedule K-1 activity.





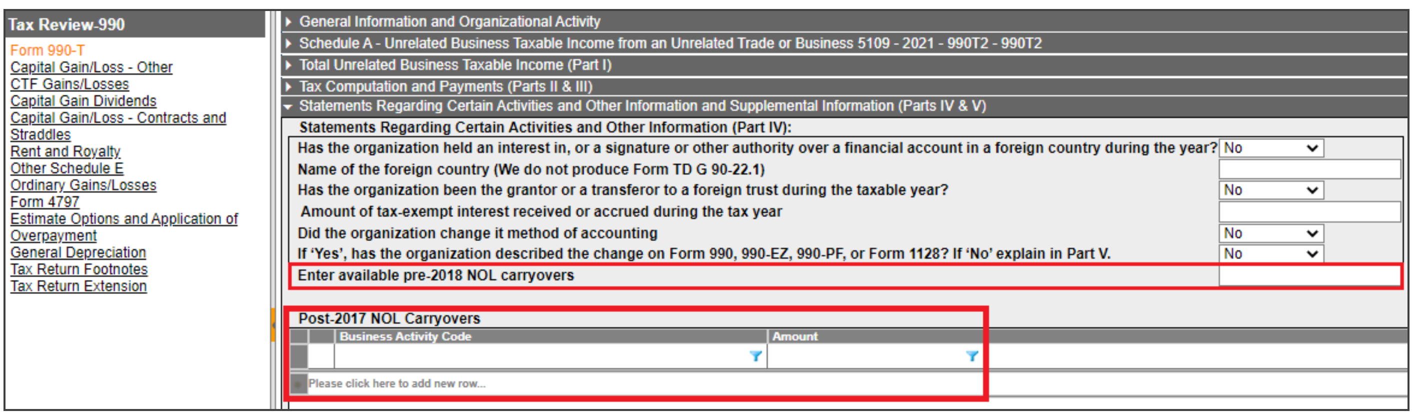
The calculated credit is allocated to beneficiaries based on the selection for the **Method of distributing credit for employer-provided childcare facilities and services** Compute-Federal option unless an override is entered in the **Amount allocated to beneficiaries of estate or trust (Override)** field.

990-T

Beginning in tax year 2021, the following changes were made to the **Statements Regarding Certain Activities and Other Information and Supplemental Information (Parts IV & V)** collapsible section on the Form 990-T page:

- The **Enter available pre-2018 NOL carryovers** field was added.
- The **Post-2017 NOL Carryovers** grid was added. The grid includes the **Business Activity Code** and **Amount** columns.

None of the values in these fields roll to subsequent tax years.

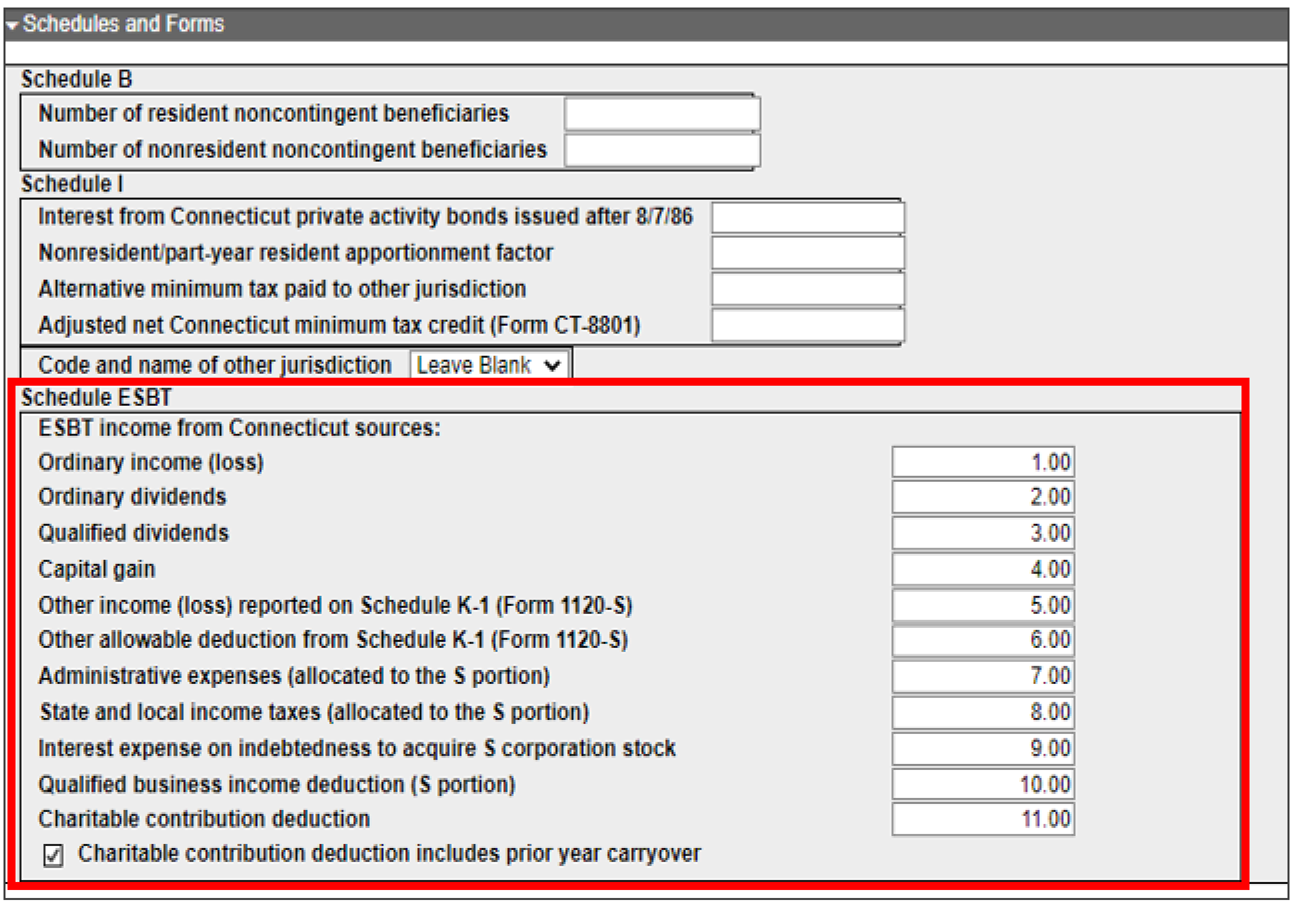


Connecticut

Beginning in tax year 2021, the **Schedule ESBT** group box was added under the **Schedules and Forms** collapsible section. The following fields are included:

- **Ordinary income (loss)**
- **Ordinary dividends**
- **Qualified dividends**
- **Capital gain**

- Other income (loss) reported on Schedule K-1 (Form 1120-S)
- Other allowable deduction from Schedule K-1 (Form 1120-S)
- Administrative expenses (allocated to the S portion)
- State and local income taxes (allocated to the S portion)
- Interest expense on indebtedness to acquire S corporation stock
- Qualified business income deduction (S portion)
- Charitable contribution deduction
- Charitable contribution deduction includes prior year carryover



Schedules and Forms

Schedule B

Number of resident noncontingent beneficiaries	
Number of nonresident noncontingent beneficiaries	

Schedule I

Interest from Connecticut private activity bonds issued after 8/7/86	
Nonresident/part-year resident apportionment factor	
Alternative minimum tax paid to other jurisdiction	
Adjusted net Connecticut minimum tax credit (Form CT-8801)	
Code and name of other jurisdiction	Leave Blank

Schedule ESBT

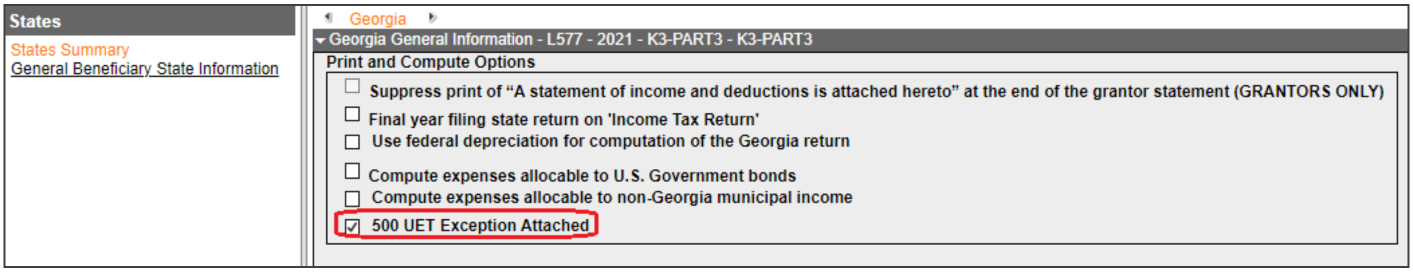
ESBT income from Connecticut sources:

Ordinary income (loss)	1.00
Ordinary dividends	2.00
Qualified dividends	3.00
Capital gain	4.00
Other income (loss) reported on Schedule K-1 (Form 1120-S)	5.00
Other allowable deduction from Schedule K-1 (Form 1120-S)	6.00
Administrative expenses (allocated to the S portion)	7.00
State and local income taxes (allocated to the S portion)	8.00
Interest expense on indebtedness to acquire S corporation stock	9.00
Qualified business income deduction (S portion)	10.00
Charitable contribution deduction	11.00

☑ Charitable contribution deduction includes prior year carryover

Georgia

Beginning in tax year 2021, the **500 UET Exception Attached** check box was added to the **Print and Compute Options** group box under the **General Information** collapsible section.

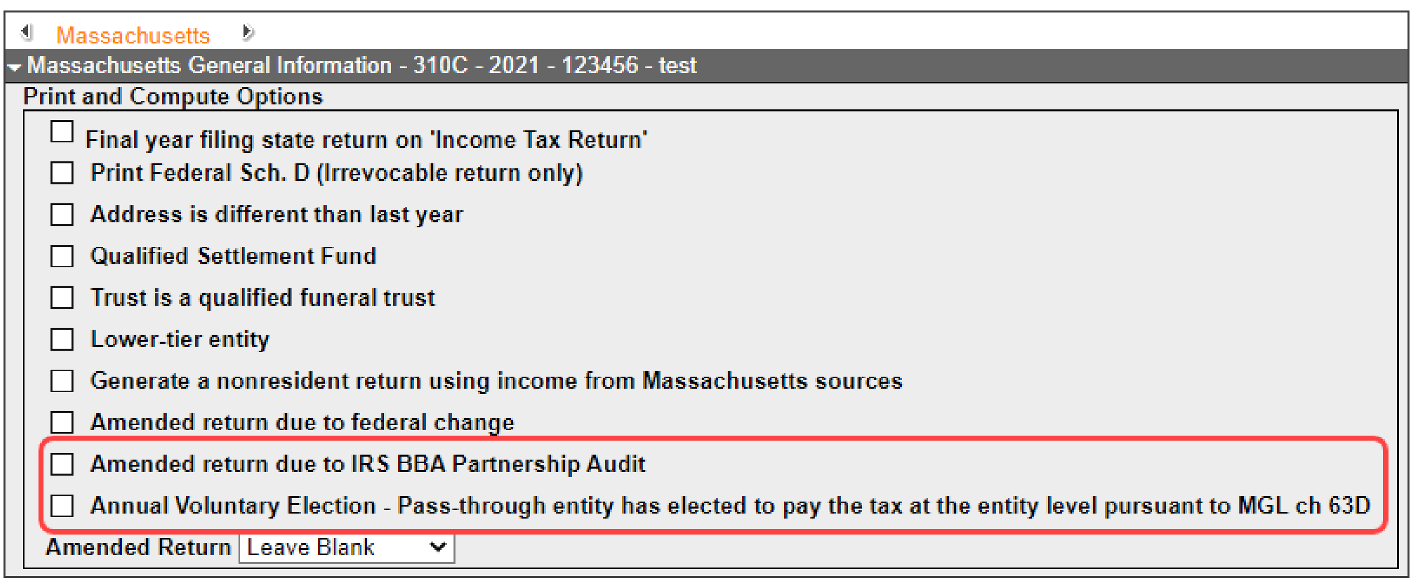


Massachusetts

Beginning in tax year 2021, the following check boxes were added to the **Print and Compute Options** group box under the **General Information** collapsible section:

- **Amended return due to IRS BBA Partnership Audit**
- **Annual Voluntary Election - Pass-through entity has elected to pay the tax at the entity level pursuant to MGL ch 63D**

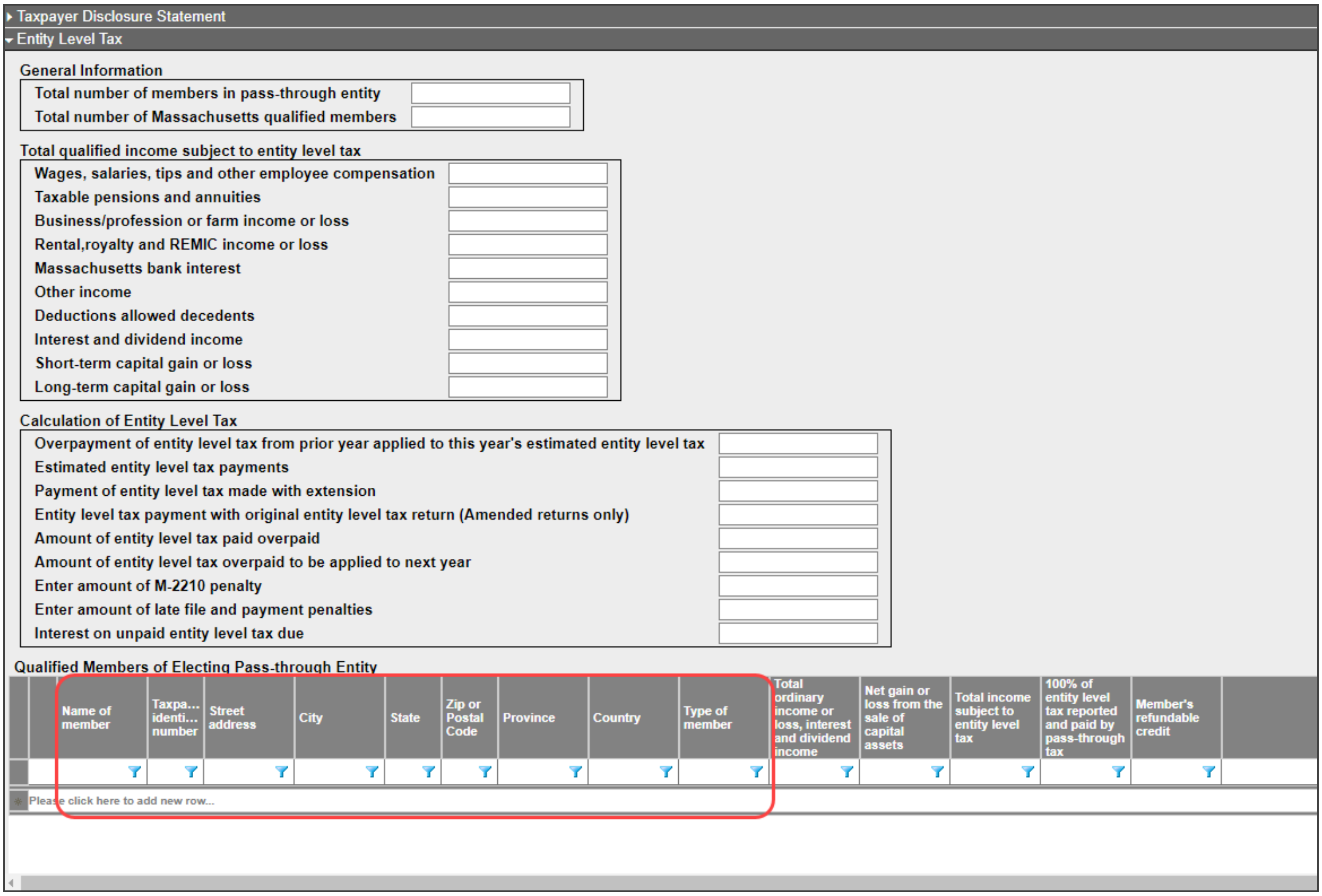
The values in these fields do not roll to subsequent tax years.



The **Entity Level Tax** collapsible section was added. It includes three group boxes and the **Qualified Members of Electing Pass-through Entity** grid. In the **Qualified Members of Electing Pass-through Entity** grid, entries in the fields listed below roll to subsequent tax years. All other entries in the **Entity Level Tax** collapsible section do not roll to subsequent years.

- **Name of member**
- **Taxpayer identification number**
- **Street address**
- **City**
- **State**
- **Zip or Postal Code**
- **Province**
- **Country**
- **Type of member**

The following graphic highlights the fields that roll to subsequent years:



Michigan

Beginning in tax year 2021, the **Allocated Share of Tax Paid by an electing flow-through entity** field was added to the **Additions** category in the **Additions and Subtractions** grid under the **Income and Deductions** collapsible section. The value in this field does not roll to subsequent tax years.

Michigan

Michigan General Information -

Income and Deductions

Additions and Subtractions

Category	Description	Amount
Additions	Gross interest income from non-Michigan state/political subdivision obligations (Override)	
Additions	Taxes imposed on or measured by net income (Override)	
Additions	Expenses included on federal return attributable to income from sources outside Michigan	
Additions	Expenses and interest associated with income from U.S. obligations (Override)	
Additions	Allocated Share of Tax Paid by an electing flow-through entity	
Capital Gains	Short-term gain(loss) from partnerships, trusts and scorps (Override)	

Montana

Beginning in tax year 2022, Montana was added to Electronic Estimate processing. First quarter 2022 estimate processing is scheduled for availability around March 1. An eNewz broadcast will be sent when processing is available.

FIXES

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

KNOWN ISSUES

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

ONESOURCE TRUST TAX INSIGHT 22.01 RELEASE NOTES

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ONESOURCE Trust Tax Insight version 22.01 includes only an update to the version number.

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KNOWN ISSUES

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