# ONESOURCE TRUST TAX

## RELEASE NOTES

VERSION 22.02

Document Version 1

THOMSON REUTERS®

# DOCUMENT HISTORY

| VERSION NUMBER | VERSION DATE | SUMMARY |
|---|---|---|
| 1 | April 20, 2022 | Initial publication. |

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# ONESOURCE TRUST TAX 22.02 RELEASE NOTES

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## RELEASE HIGHLIGHTS

ONESOURCE Trust Tax version 22.02 includes bug fixes and introduces the following features:

- E-filing capability for Massachusetts Form 2G for 5227 accounts
- Infrastructure for e-filing federal 5227 returns
- Ability to process accounts from the **Accounts without Processing Holds** topic

## NEW FEATURES

The topics below describe features added with this release.

### E-Filing Federal Form 5227 and Massachusetts Form 2G (for 5227 Accounts)

Beginning with tax year 2021, ONESOURCE Trust Tax will support e-filing for 5227 returns and extensions. Currently, this feature is not fully functional for federal 5227 returns because the IRS has not released the file format to software providers. An eNewz broadcast will announce when the IRS is ready to accept e-filed 5227 returns. E-filing is fully available for Massachusetts Form 2G for 5227 accounts. E-filing of 5227 returns will also be available for accounts that file both 1041 and 5227 returns. After processing the 5227 return or extension, review the **Returns qualified for EF and enrolled for EFTPS** and/or **Returns qualified for EF but not enrolled in EFTPS** Electronic Filing registers to verify the return or extension is qualified for e-filing.

## *Submitting E-Filing Requests for 5227 Returns and Extensions*

To e-file 5227 returns and extensions:

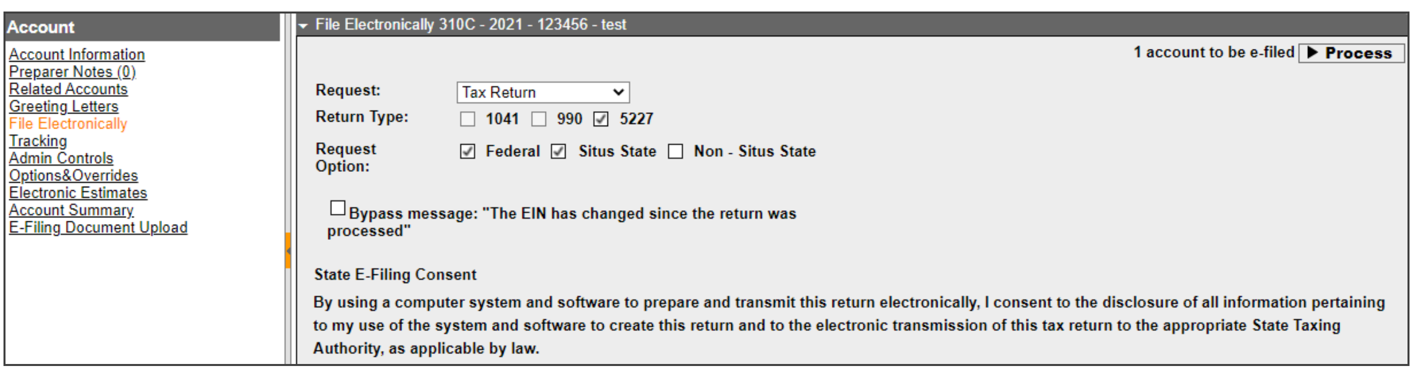
1. From the account binder, click **Account > File Electronically**.
2. Select **Tax Return** or **Tax Return Extension** from the **Request** drop-down list.
3. Select the **5227** check box for the **Return Type**. This makes all the other return types unavailable.
4. Select the **Request Option** check boxes that correspond to the jurisdictions you want to include in the e-file request. The **Federal**, **Situs State** and **Non-Situs State** check boxes are available.

   Even though the **Federal** check box is available, the IRS does not yet support e-filing for 5227 returns.

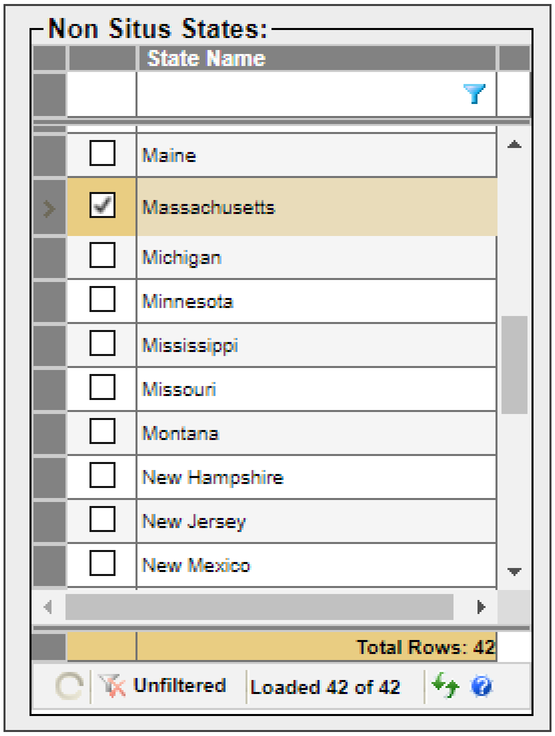
   Selecting the **Situs State** check box completes the request only if the situs state is Massachusetts. Selecting the **Non-Situs State** check box displays a list of states. While states other than Massachusetts can be selected, only a Massachusetts selection will complete the request. Other states will be added as they become available.

5. Click **Process**.

The following graphic shows the File Electronically page with the selections for a 5227 federal and situs state processing request:




The following graphic shows that Massachusetts is selected in the **Non Situs States** list:

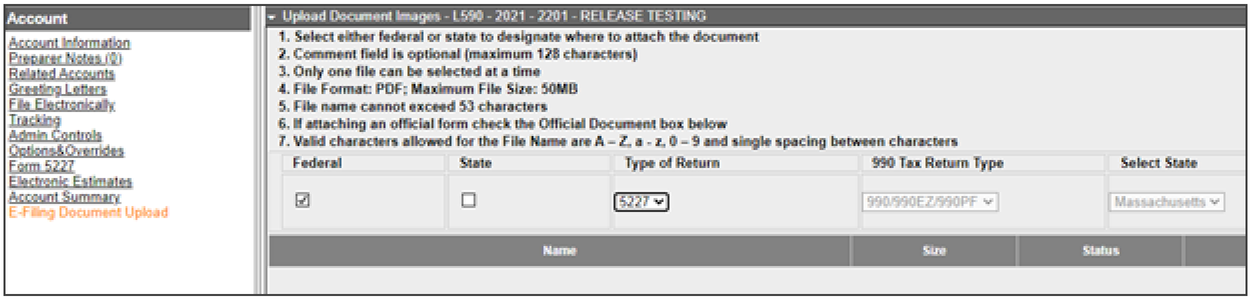



As with other e-filed return types, an acknowledgement is typically received within 24 to 48 hours after the submitting the e-file request. If a return was rejected, you will need to review the e-filing rejection report in the document print section of the account or the **1041 returns rejected by the IRS** register. This register will be renamed to include a 5227 reference in a later release.

For accounts with both a 1041 and a 5227 filing requirement, separate e-filing data records are saved for each return type and the returns must be e-filed as individual requests. The order in which the returns are filed is inconsequential. However, an e-filing acknowledgement from the first request must be received before submitting the request to e-file the second return. This same rule applies for accounts with both a 1041 and a 990-PF filing requirement.

## *PDF Attachments*

PDF files can be attached to e-filed 5227 returns by clicking **Account > E-Filing Document Upload** in the account binder. The **5227** selection was added to the **Type of Return** drop-down list. Currently, only **Massachusetts** is available in the **Select State** drop-down list when the **State** check box is selected and **5227** is selected from the **Type of Return** drop-down list.




## *Registers*

The **Electronic Filing** base registers listed below are updated to include the **5227/1041A Type** column. This column displays the 5227 type associated with each account.

- Comprehensive Filing Status
- Returns not qualified for Electronic Filing
- Extension returns qualified and enrolled in EFTPS
- Returns qualified for EF and enrolled for EFTPS
- Returns qualified for EF but not enrolled for EFTPS
- Returns that need attention
- Returns waiting for IRS acknowledgement
- Returns accepted by the IRS
- Tax Return Extension accepted by the IRS
- 1041 returns rejected by the IRS
- Extension rejected by the IRS
- IRS reports for filing rejected returns on paper
- Accounts with Attached PDF Documents

You should consider updating any custom registers created from these base registers so that they include the **5227/1041A Type** column. No modifications were made to EFTPS or payment base registers since 5227 returns do not have tax due.

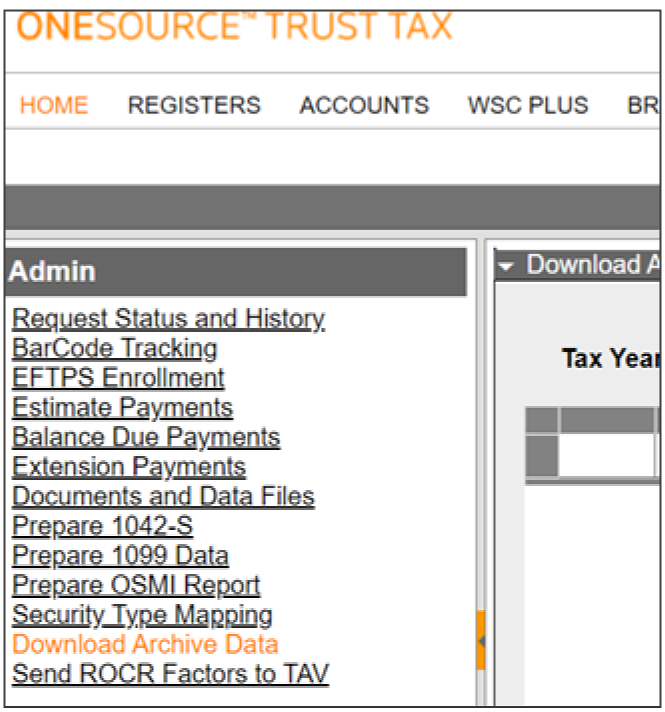
Filings for all other states that have equivalent 5227 returns require a copy of the federal 5227 return. Until federal e-filing is available, no 5227 returns for the other states can be e-filed.

## 2017 Tax Year Processing

Processing for tax year 2017 is no longer available. **Process** is now unavailable in the account binder and registers when logged into tax year 2017.

## Download Archive Data

As a reminder, Archive data for tax year 2016 will be available for download until June 30, 2022. Ensure you download data for these tax years before June 30. After June 30, the files will be permanently deleted.



# Options and Overrides

Hawaii was added to the **Settlement date for state balance due payments (Does not apply to UT before 2020 or HI, MI, MO, RI for all years) [Date entered must have a four character year, i.e., MM-DD-YYYY]** Electronic Filing option.

# 1099-B

Beginning with tax year 2021 and for accounts that have the 1099 service level set to either **Premium (1099 with full detail)** or **1099 with reported detail only**, the R code will print on 1099-B detail statements for sales that have a current year Return of Capital (ROC) adjustment. This feature applies to both 1099-B reportable and non-reportable sales. As shown in the following graphics, a description for the R code was added to the information section above the sales detail on the 1099-B pages:

**2021 Form 1099-B: Proceeds from Broker and Barter Exchange Transactions**

OMB No. 1545-0715

Reported to the IRS is proceeds less commissions and option premiums.
**For noncovered securities (Box 5 is checked) shown on this statement, cost basis information is not being reported to the IRS.**
**Cost or Other Basis amounts** shown with "U" are unknown or unsubstantiated; "R" are adjusted for current year's return of capital.

Description of property *(Box 1a)*

| Date Sold or Disposed *(Box 1c)* | Date Acquired *(Box 1b)* | Ordinary *(Box 2)* | QOF *(Box 3)* | Proceeds *(Box 1d)* | Cost or Other Basis *(Box 1e)* | Market Discount *(Box 1f)* | Wash Loss Disallowed *(Box 1g)* | Net Gain or Loss | Federal Income Tax Withheld *(Box 4)* | State Tax Withheld *(Box 16)* |
|---|---|---|---|---|---|---|---|---|---|---|
| **Short Term Sales Reported on 1099-B** | | | | | | | | | | |
| 500.0 | 000000001 AAA BOND | | | | | | | | | |
| 03/15/2021 | 01/01/2021 | | | 50,000.00 | 39,500.00 R | | | 10,500.00 | 0.00 | 0.00 |
| **Total Short Term Sales Reported on 1099-B** | | | | **50,000.00** | **39,500.00** | **0.00** | **0.00** | **10,500.00** | **0.00** | **0.00** |

**Report on Form 8949, Part I, with Box B checked**

## Other Tax Information

### Sales not Reported on Form 1099-B

**Cost or Other Basis amounts** shown with "U" are unknown or unsubstantiated; "R" are adjusted for current year's return of capital.

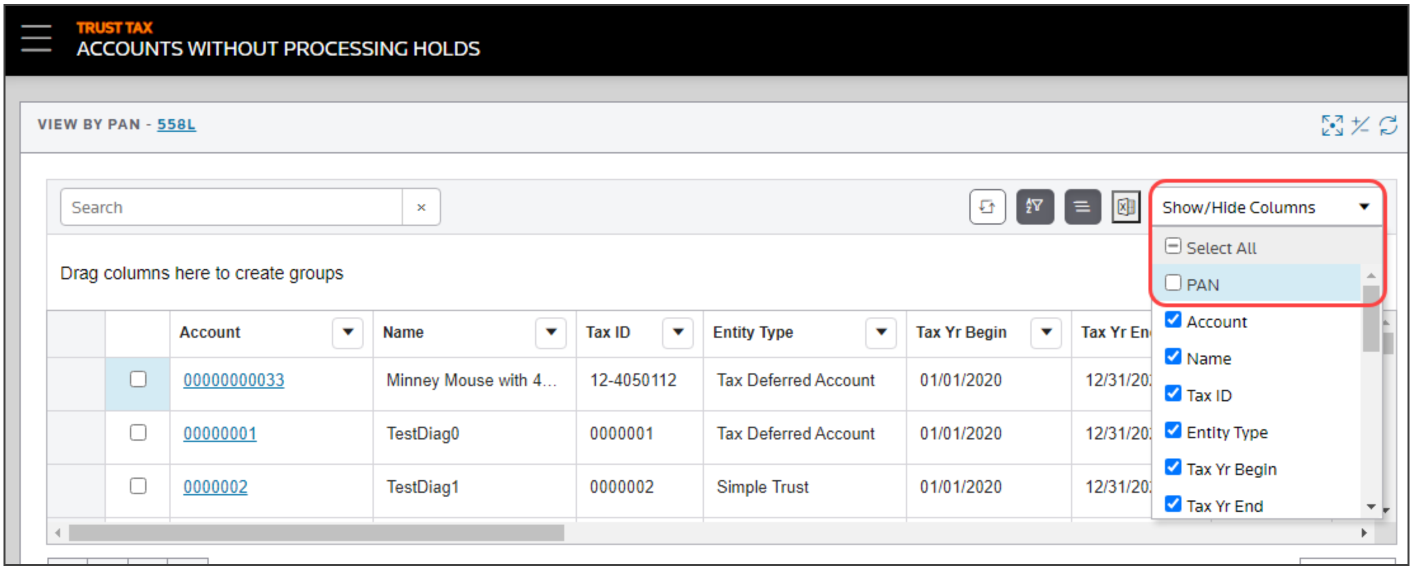
Description of property

| Date Sold or Disposed | Date Acquired | Ordinary | QOF | Proceeds | Cost or Other Basis | | Market Discount | Wash Loss Disallowed | Net Gain or Loss |
|---|---|---|---|---|---|---|---|---|---|
| **Long Term Sales not Reported on 1099-B** | | | | | | | | | |
| 100.0 | 000996AA6 | COM SHORT TERM INVT FD | | | | | | | |
| 12/31/2021 | 12/12/2012 | | | 500.00 | 0.00 | U | | | 525.00 |
| 283.5 | 000128033 | POLLOCK 1601 COMMERCE, LLC 8 UNITS, LIMITED LIABILTY CORP | | | | | | | |
| 12/31/2021 | 12/12/2012 | | | 300.00 | 0.00 | U | | | 300.00 |
| **Total Long Term Sales not Reported on 1099-B** | | | | **800.00** | **0.00** | | **0.00** | **0.00** | **825.00** |
| **Long Term 28% Sales not Reported on 1099-B** | | | | | | | | | |
| 50.0 | PA0001 | PA TEST ASSET | | | | | | | |
| 12/31/2021 | 12/12/2012 | | | 500.00 | 230.00 | R | | | 270.00 |
| **Total Long Term 28% Sales not Reported on 1099-B** | | | | **500.00** | **230.00** | | **0.00** | **0.00** | **270.00** |

# REVIEW Menu

## *PAN Column*

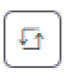
Since the active PAN is shown above the grid, the **PAN** column and the ability to group by PAN were removed to show more columns. As shown in the following graphic, you can add the **PAN** column to the grid by selecting its check box from the **Show/Hide Columns** drop-down list:

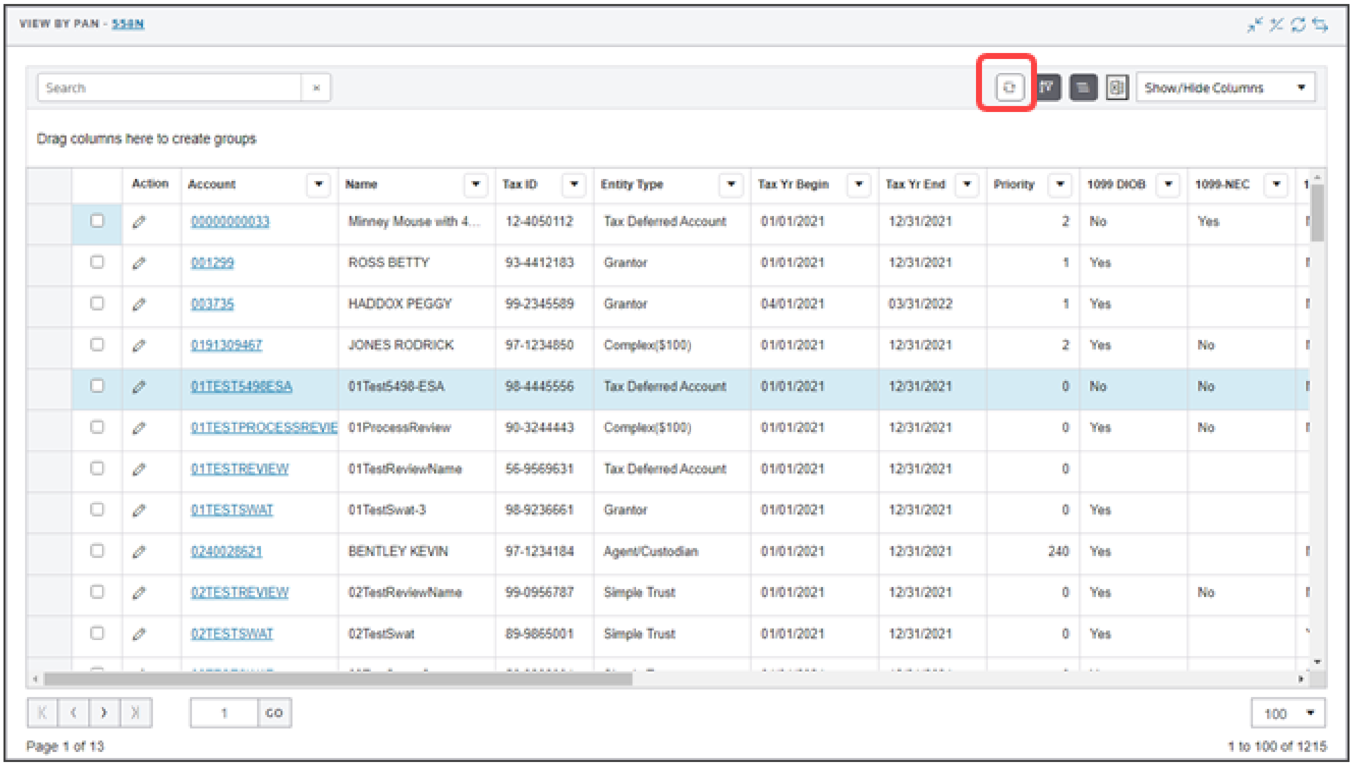



## *Accounts without Processing Holds*

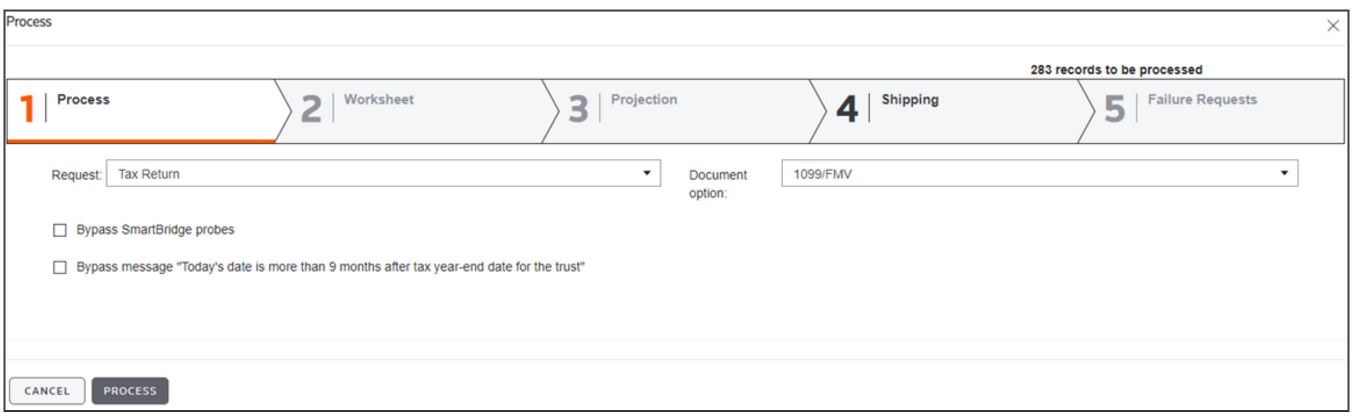
Processing requests can now be submitted from the **Accounts without Processing Holds** topic using the view by PAN view. To submit a processing request:

1. Select the check boxes for the accounts you want to process. All of the accounts included in the grid are processed if no check boxes are selected.

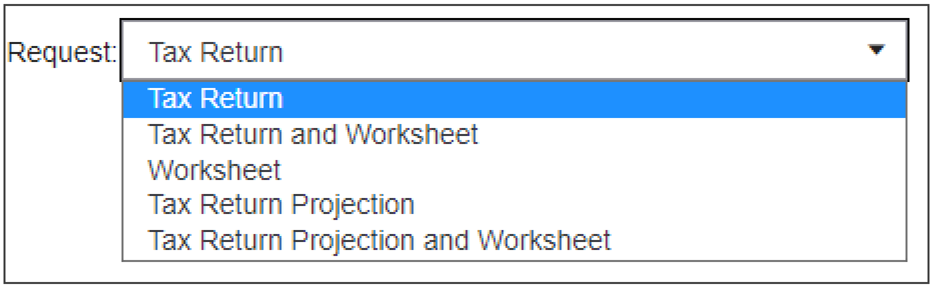
2. Click  located above the detail grid.



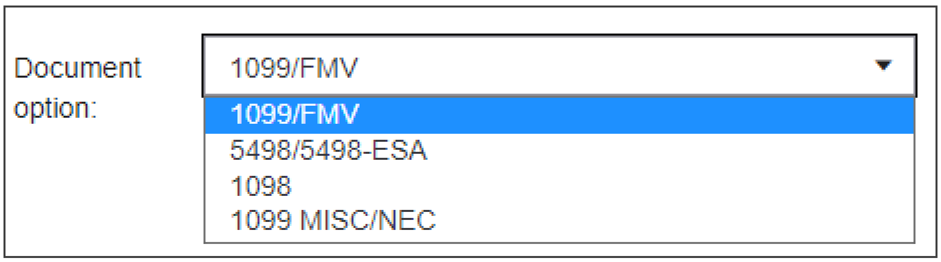

The Process pop-up window displays. It includes the number of accounts selected for processing, five tabs (Process, Worksheet, Projection, Shipping and Failure Requests), and the **Process** and **Cancel** buttons.




3. Select **Tax Return**, **Tax Return and Worksheet**, **Worksheet**, **Tax Return Projection**, or **Tax Return Projection and Worksheet** from the **Request** drop-down list. These selections are the selections that are available for 1099, 1098 and 5498 processing. Depending upon your selection, the **Worksheet** and **Projection** tabs become available on the Process pop-up window.

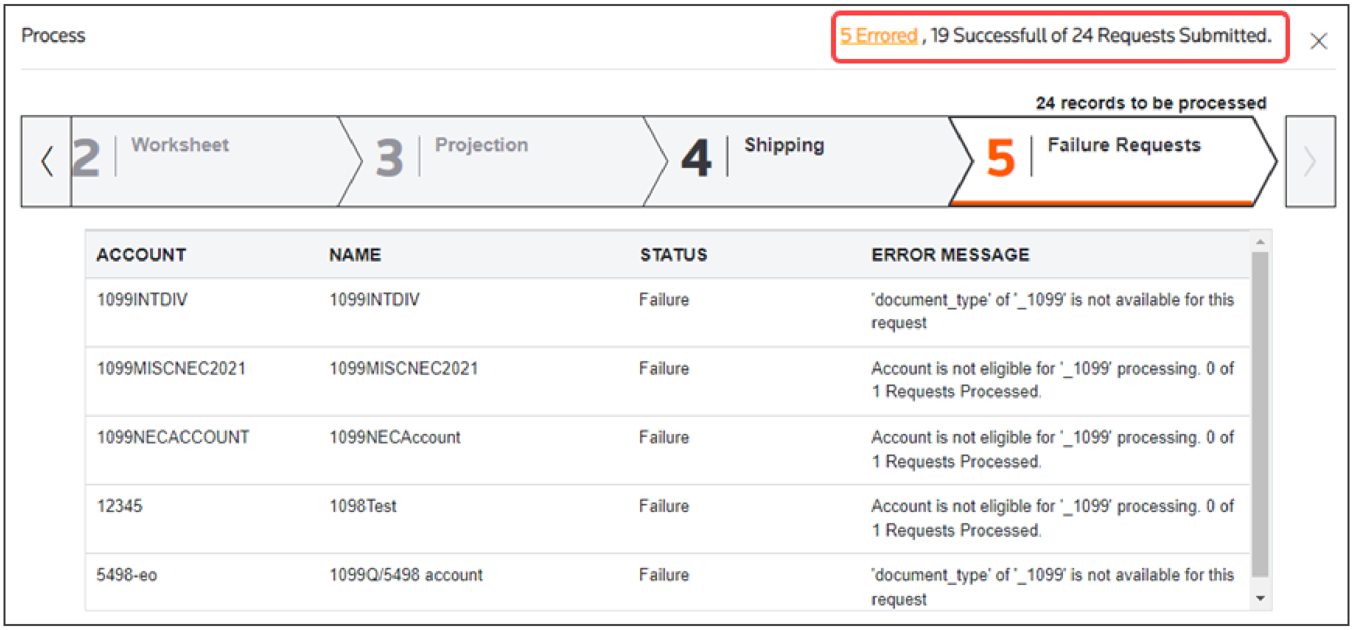



4. Select **1099/FMV**, **5498/5498-ESA**, **1098** or **1099 MISC/NEC** from the **Document option** drop-down list.




5. If necessary, select the **Bypass SmartBridge probes** and **Bypass message "Today's date is more than 9 months after tax year-end date for the trust** check boxes.

6. Click **Process**. The accounts are submitted for processing. As shown in the following graphic, the number of accounts with errors and the number of accounts successfully submitted display at the top of the pop-up window:




7. If there are errors, you can view the error details by clicking the **Errored** link at the top of the pop-up window or by clicking the **Failure Requests** tab.

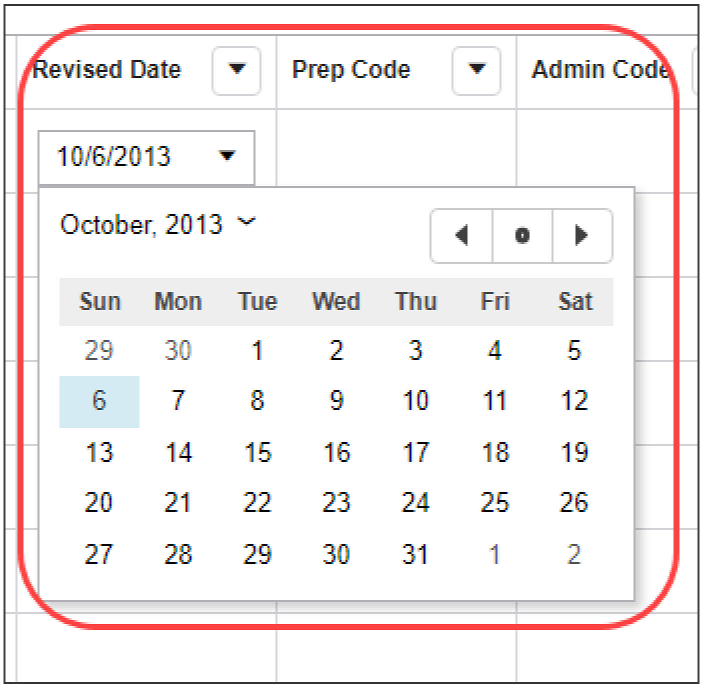
> Currently, the Process Defaults settings under the **SETUP** menu are not applied to the selections on this pop-up window. Be sure to review the settings prior to submitting the process request.

### *1099 Revised Date*

For all tax years, a date can be added, updated or deleted in the **1099 Revised Date** column of the grid in the **Accounts Without Processing Holds** view.

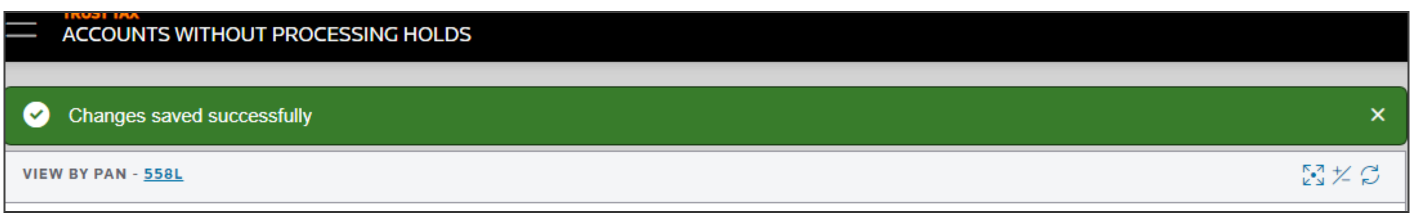
| | Short Yr Reason | Revised Date | Prep Code | Adm |
|---|---|---|---|---|
| il) | NA | 10/6/2013 | 8 | 194 |
| | | 3/15/2022 | | 9 |
| il) | | 3/22/2021 | CEH | G |
| il) | | | 165 | 196 |
| / | NA | | | |
| il) | | 1/6/2022 | | |
| il) | NA | 2/21/2019 | | |
| il) | | | | |

To add a date, double-click the **Revised Date** field for a row then manually enter the date using the MM/DD/YYYY format, or you can click the down arrow for the **Revised Date** field to display pop-up calendar then select the appropriate date.




To delete an existing date, double-click the Revised Date field then press the **Backspace** or **Delete** key.

Click outside of the **Revised Date** field to save your changes. The following message displays, indicating changes were saved:

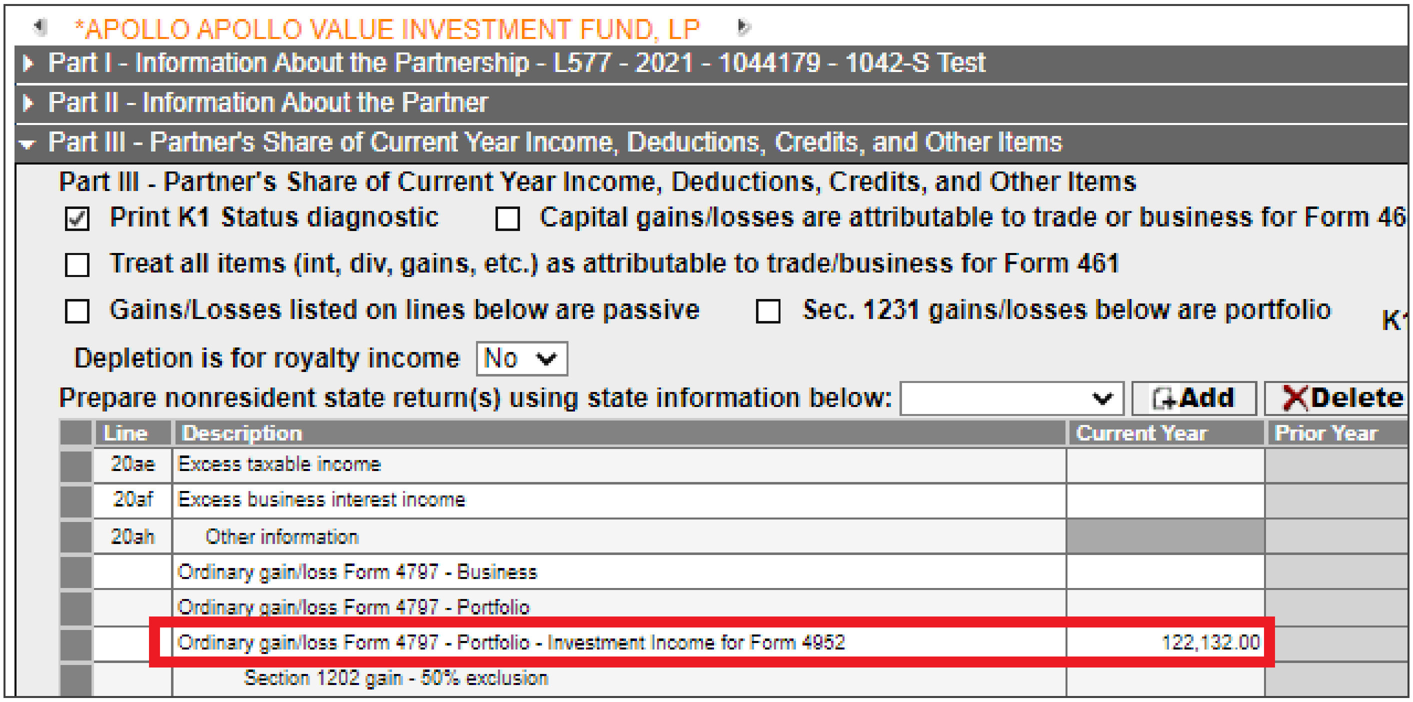



Entries in the **Revised Date** field across multiple accounts are currently not supported.

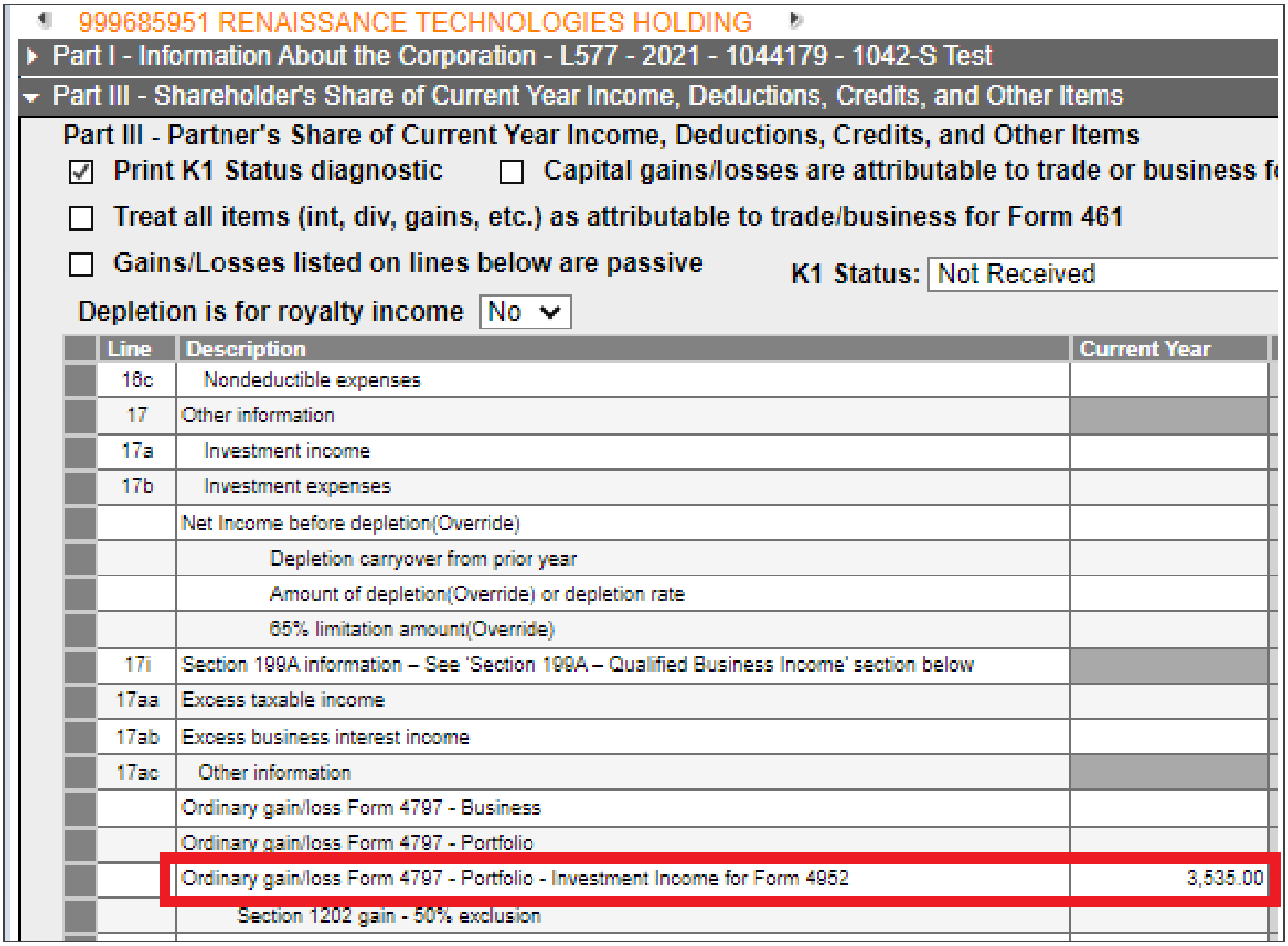
## Other Schedule E

Beginning in tax year 2021 and for partnership and S-Corp activities, the **Ordinary gain/loss Form 4797 - Portfolio - Investment Income for Form 4952** field was added to the Part III collapsible section on the Other Schedule E page.

For partnership activities, the field is under Line 20ah.

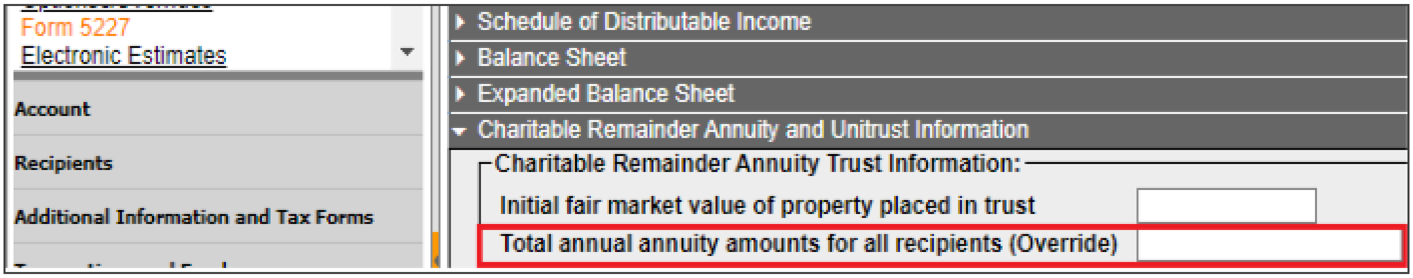



For S-Corp activities, the field under Line 17ac.



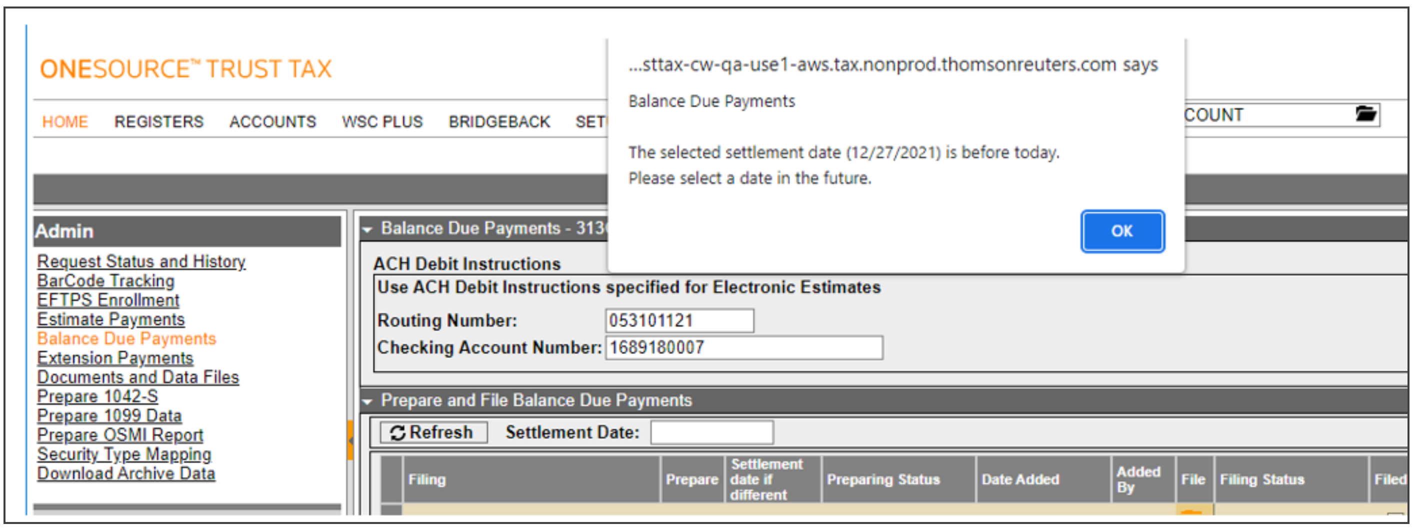

# Form 5227

Beginning with tax year 2021, the **Total annual annuity amounts for all recipients (Override)** field was added to the **Charitable Remainder Annuity Trust Information** group box under the **Charitable Remainder Annuity and Unitrust Information** collapsible section on the Form 5227 page.



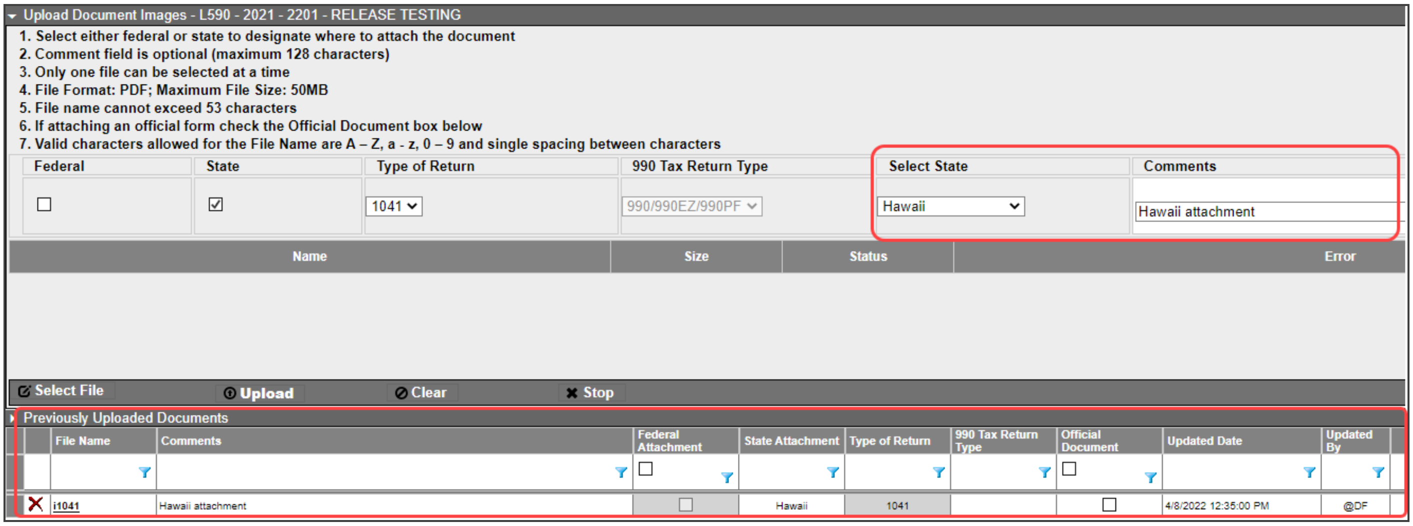

## EFTPS Settlement Date

The EFTPS settlement date logic was revised. When the settlement date entered that is in the past, a message displays and prompts you to enter a settlement date that occurs in the future.




## Hawaii

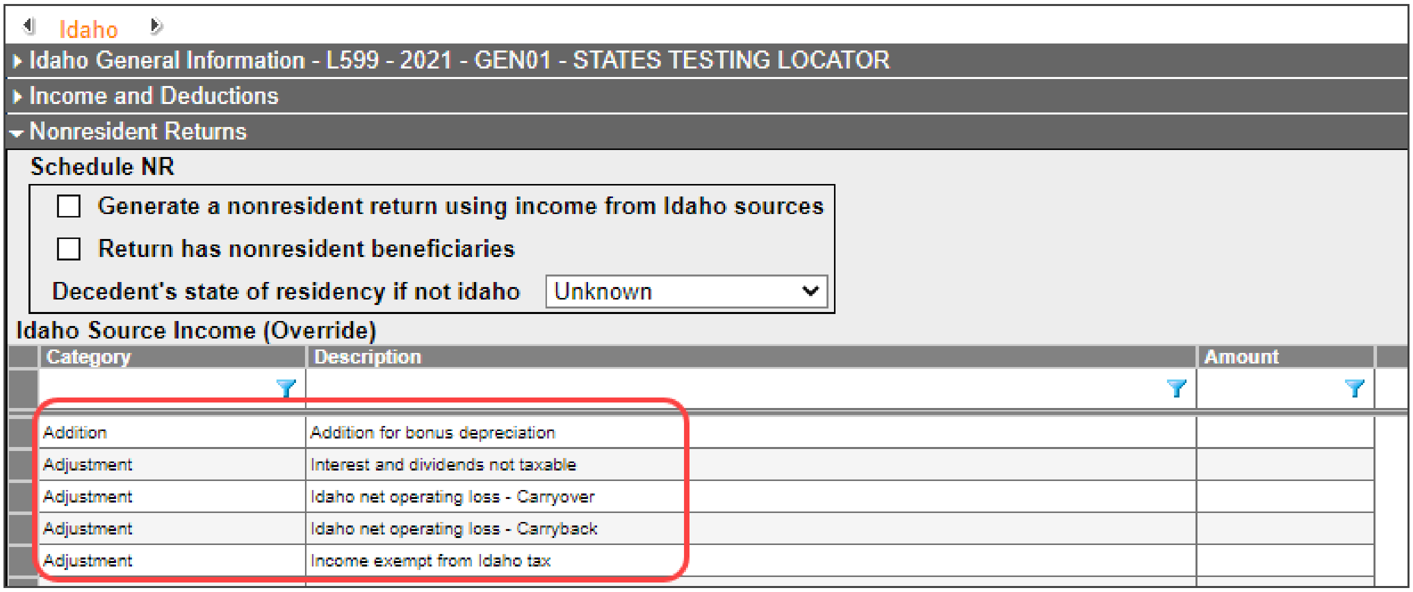
Beginning with tax year 2021, **Hawaii** was added as a selection to the **State** drop-down list on the E-Filing Document Upload page.

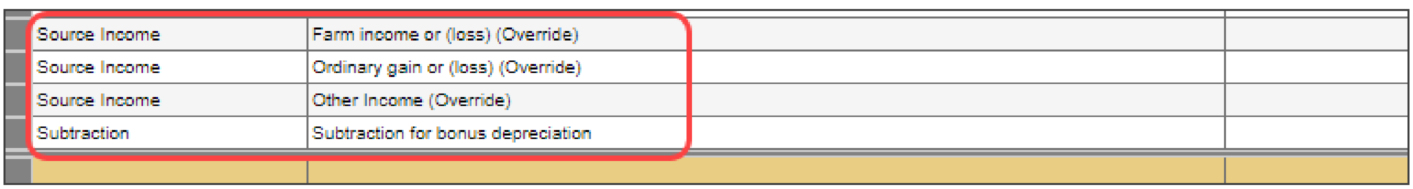



## Idaho

Beginning with tax year 2021, the following fields were added to the **Idaho Source Income (Override)** grid in the **Nonresident Returns** collapsible section:

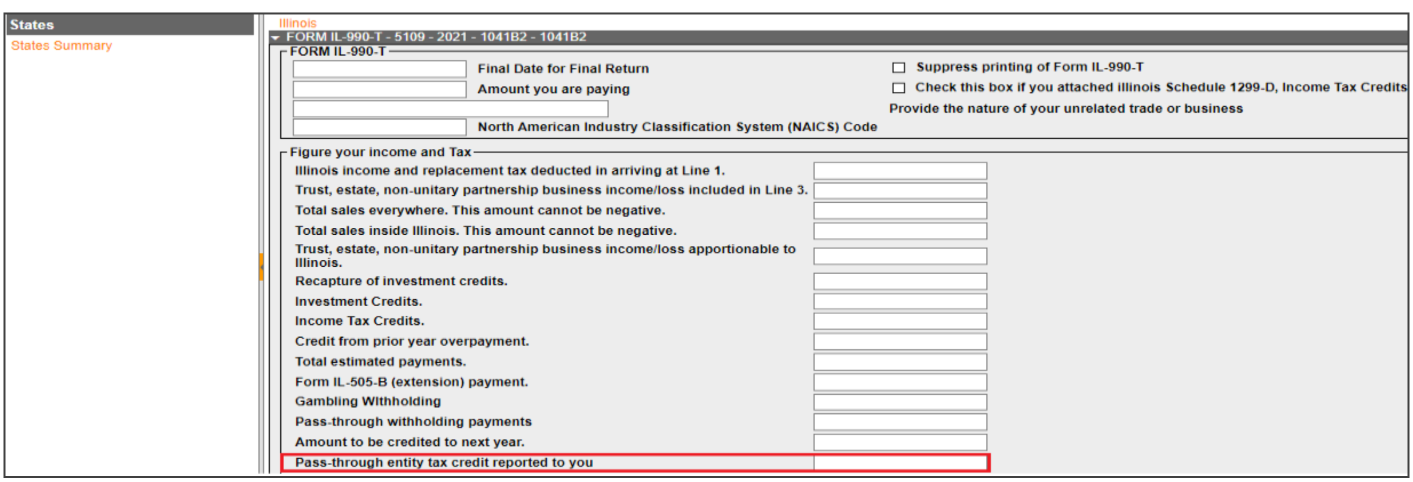
| CATEGORY | FIELD NAME |
|---|---|
| Addition | Addition for bonus depreciation |
| Adjustment | Interest and dividends not taxable |
| Adjustment | Idaho net operating loss – carryover |
| Adjustment | Idaho net operating loss – carryback |
| Adjustment | Income exempt from Idaho tax |
| Subtraction | Subtraction for bonus depreciation |




# Illinois

Beginning with tax year 2021, the **Pass-through entity tax credit reported to you** field was added to the **Figure your Income and Tax** group box on the Form IL-990-T page.

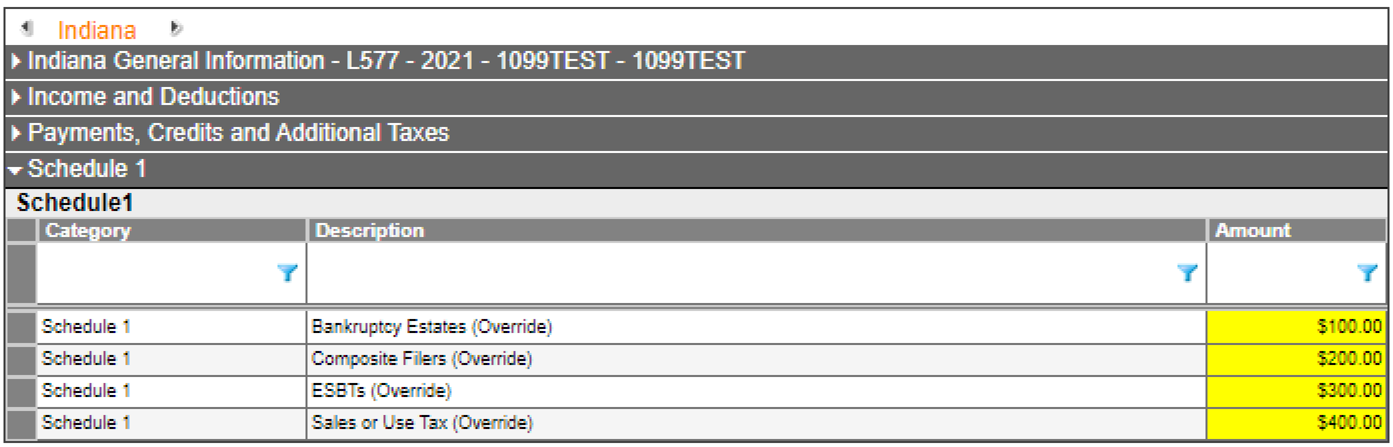


# Indiana

Beginning with tax year 2021, the **Payments and Credits** collapsible section was renamed to **Payments, Credits and Additional Taxes**.

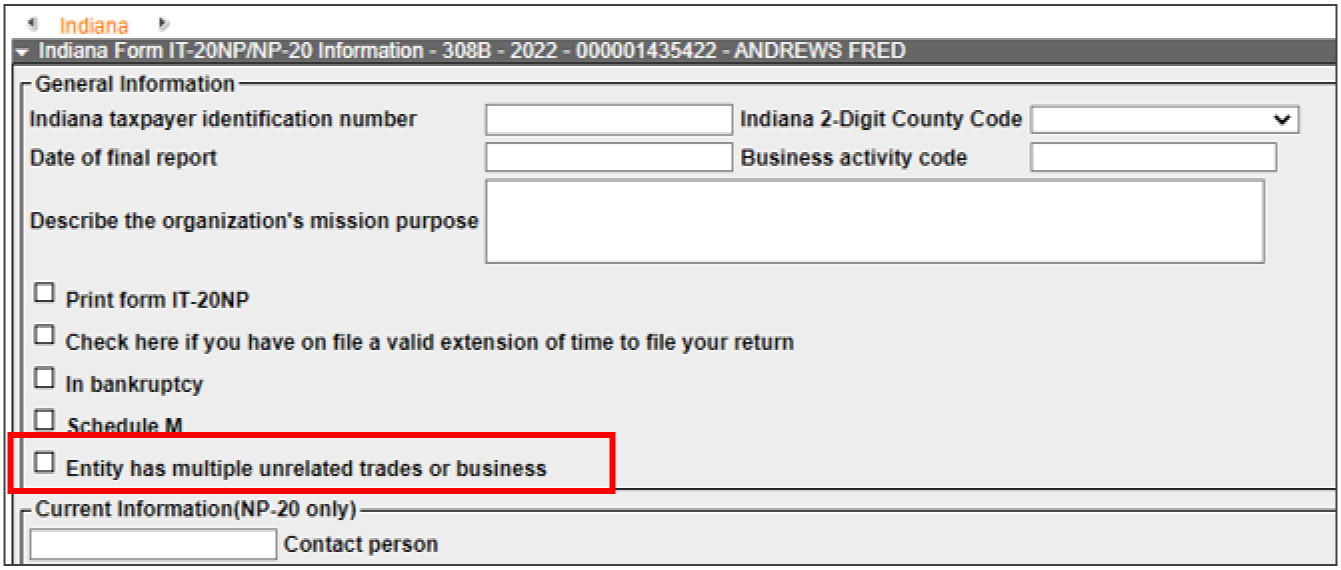
The **Schedule 1** collapsible section was added and includes the following fields:

- Bankruptcy Estates (Override)
- Composite Filers (Override)
- ESBTs (Override)
- Sales or Use Tax (Override)



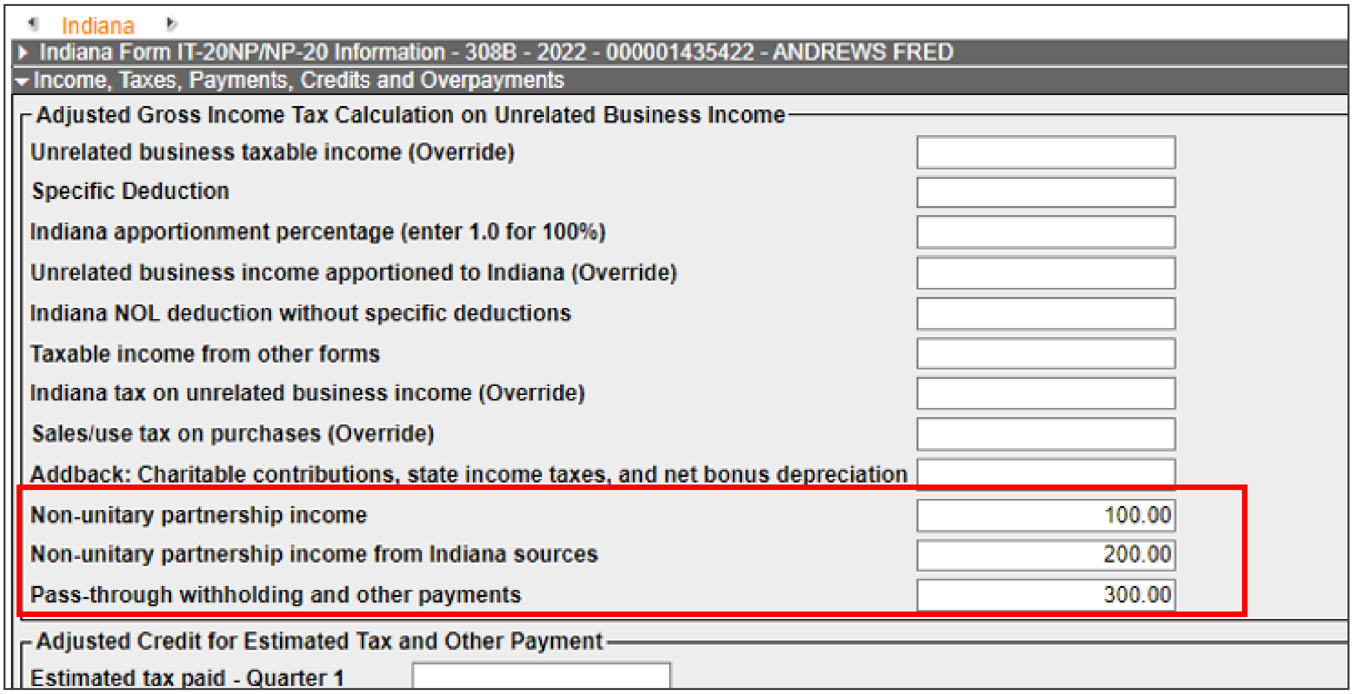

## *990 Indiana Returns*

Beginning with tax year 2021, the **Entity has multiple unrelated trades or business** check box was added to the **General Information** group box.

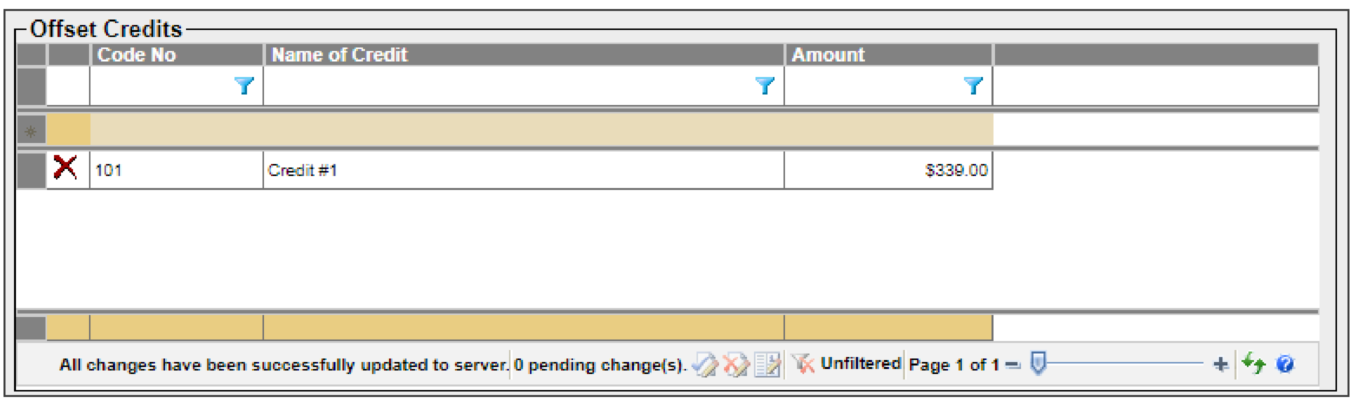



The following changes were made to the **Adjusted Gross Income Tax Calculation on Unrelated Business Income** group box in the **Income, Taxes, Payments, Credits and Overpayments** collapsible section:

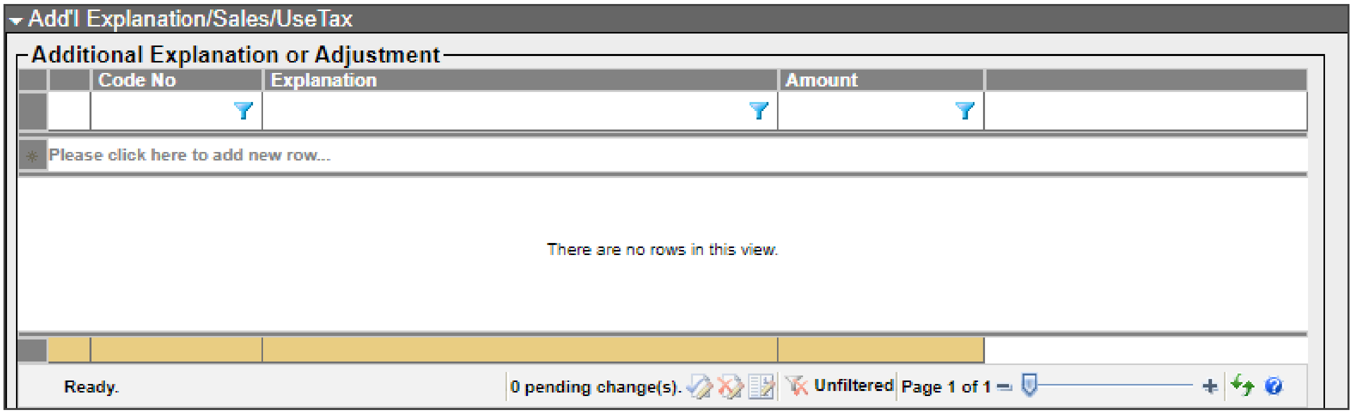
- Added fields:
  - Non-unitary partnership income
  - Non-unitary partnership income from Indiana sources
  - Pass-through withholding and other payments
- Removed fields:
  - Interest on US Government Obligations less related expenses
  - Deduction for a qualified patents income




- The **Offset Credits** group box, which includes an associated grid, was added.

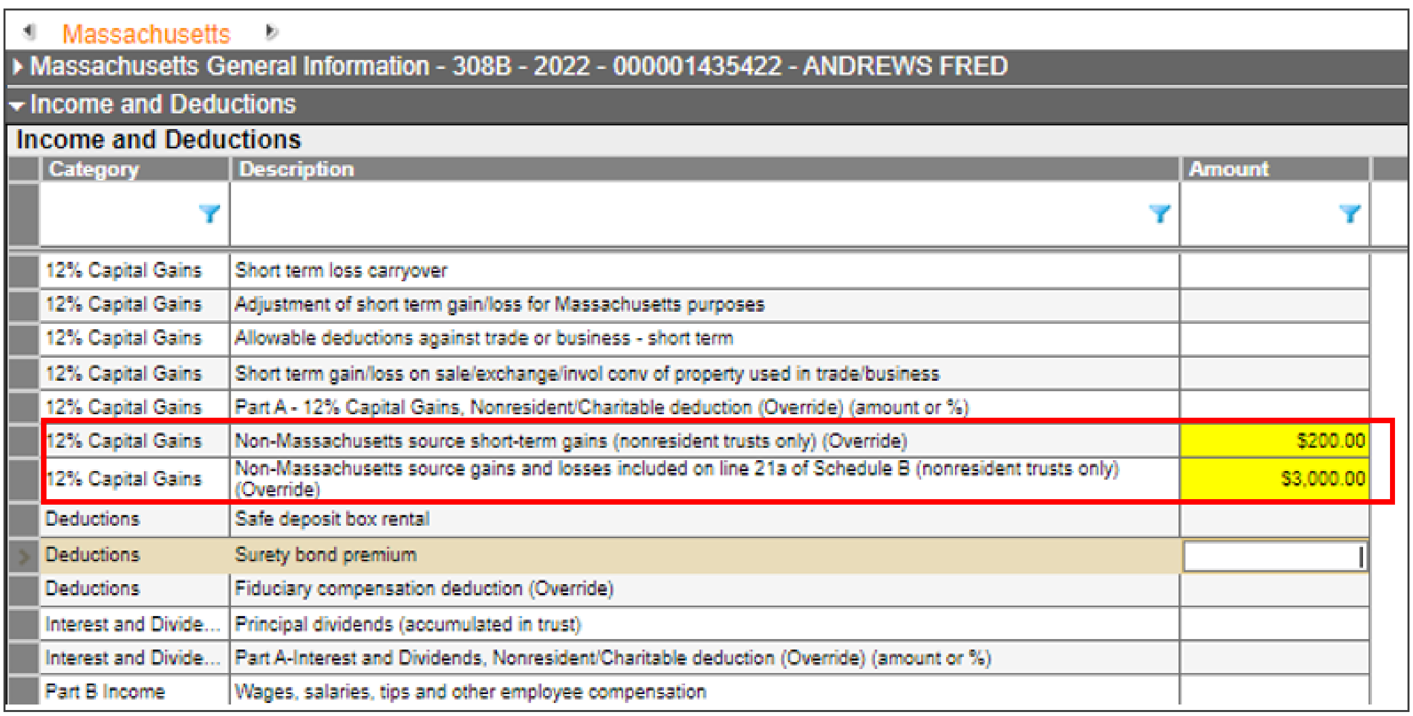



- The **Line No** column was renamed to **Code No** in the **Additional Explanation or Adjustment** grid under the **Add'l Explanation/Sales/Use Tax** collapsible section.




## Massachusetts

Beginning with tax year 2021, the **Non-Massachusetts source short-term gains (nonresident trusts only) (Override)** and **Non-Massachusetts source gains and losses included on line 21a of Schedule B (nonresident trusts only) (Override)** fields were added to the **12% Capital Gains** category in the **Income and Deductions** grid under the **Income and Deductions** collapsible section.




Beginning in tax year 2021, the **Refundable dependent credit** field was added to the **Credit** category under the **Payments and Credits** collapsible section.

Payments and Credits

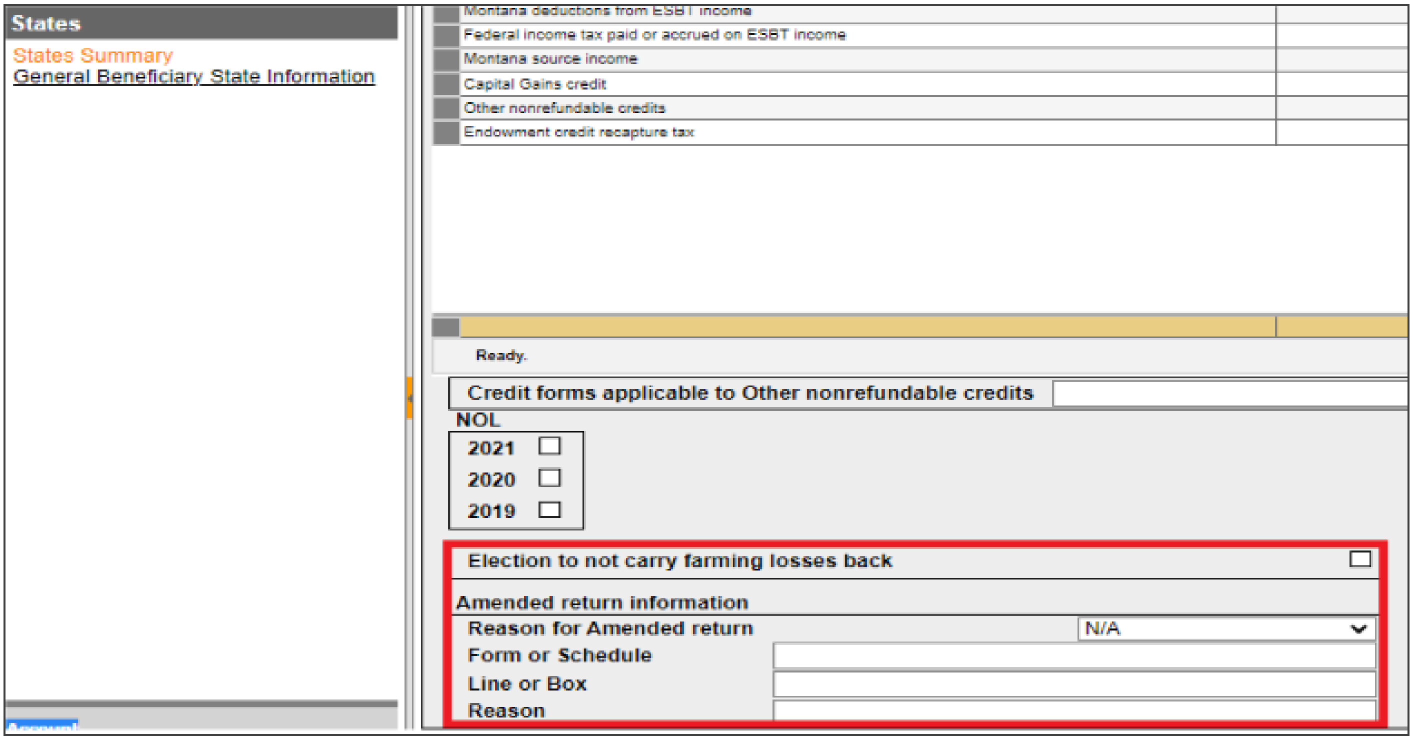
**Payments and Credits**

| Category | Description | Amount |
|---|---|---|
| Credit | Lead paint credit | |
| Credit | Economic opportunity credit | |
| Credit | Brownfields credit | |
| Credit | Low income housing credit | |
| Credit | Historic rehabilitation credit | |
| Credit | Film incentive credit | |
| Credit | Medical device credit | |
| Credit | Refundable film credit | |
| Credit | Employer wellness program credit | |
| Credit | Refundable community investment tax credit | |
| Credit | Refundable dependent credit | $7,654.00 |
| Credit Recapture | Brownfields credit recapture | |
| Credit Recapture | Economic opportunity credit recapture | |
| Credit Recapture | Low income housing credit recapture | |

## Montana

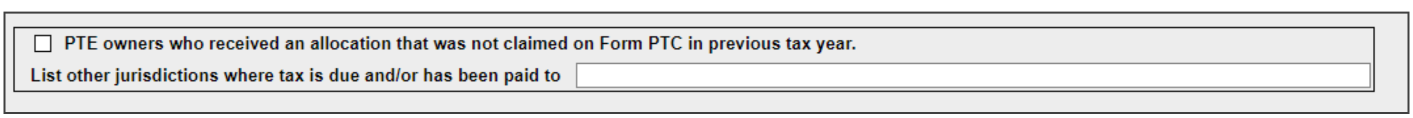
Beginning with tax year 2021, the following changes were made to the **ESBT and NOL** collapsible section:

- The **Election to not carry farming losses back** check box was added.
- The **Amended return information** group box was added. The following are included in the group box:
    - The **Reason for Amended return** drop-down list. The selections include: **N/A**, **A-NOL carryback**, **B-Federal Audit**, **C-Amended Federal return**, **D-Filing Status** and **E-Other**.
    - The **Form or Schedule** field. A maximum of 20 alphanumeric characters can be entered in this field.
    - The **Line or Box** field. A maximum of 20 alphanumeric characters can be entered in this field.
    - The **Reason** field. A maximum of 50 alphanumeric characters can be entered in this field.



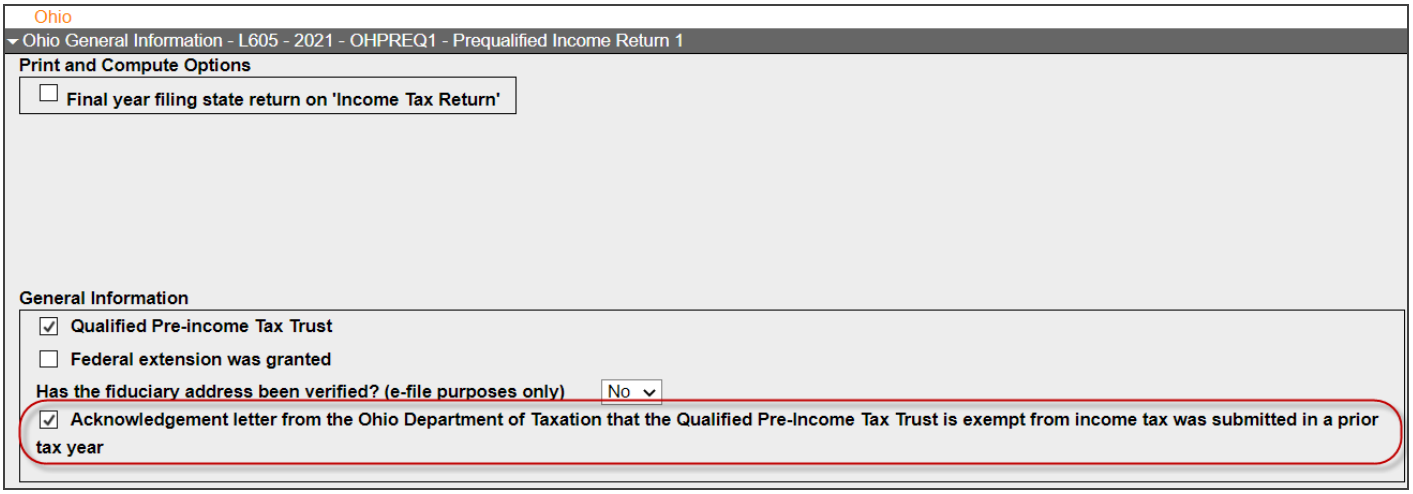

## Nebraska

Beginning with tax year 2021, the **PTE owners who received an allocation that was not claimed on Form PTC in previous tax year** check box was added under the **Payments and Credits** collapsible section.



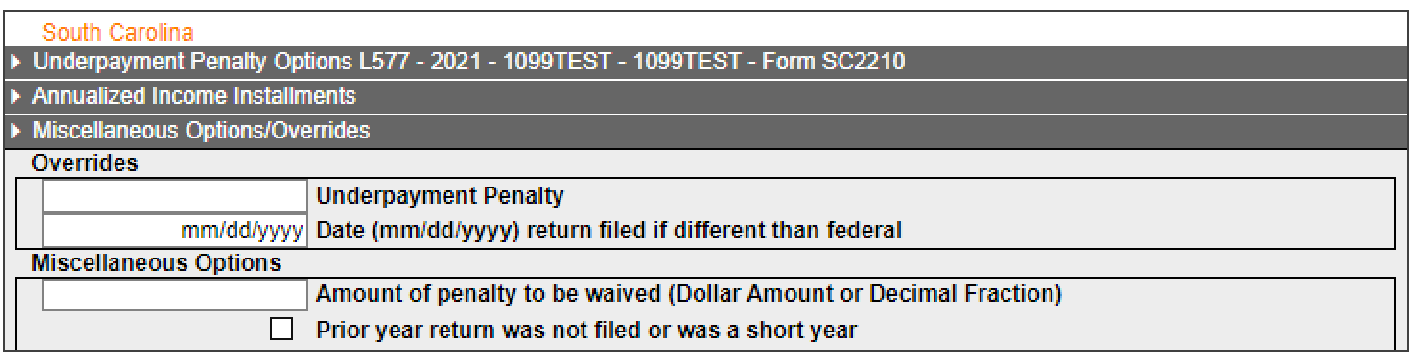

## Ohio

Beginning with tax year 2021, the **Acknowledgement letter from the Ohio Department of Taxation that the Qualified Pre-Income Tax Trust is exempt from income tax was submitted in a prior tax year** field was added to the **General Information** group box under the **General Information** collapsible section.


Ohio
Ohio General Information - L605 - 2021 - OHPREQ1 - Prequalified Income Return 1
Print and Compute Options
☐ Final year filing state return on 'Income Tax Return'
General Information
☑ Qualified Pre-income Tax Trust
☐ Federal extension was granted
Has the fiduciary address been verified? (e-file purposes only) No
☑ Acknowledgement letter from the Ohio Department of Taxation that the Qualified Pre-Income Tax Trust is exempt from income tax was submitted in a prior tax year

## South Carolina

Beginning with tax year 2021, the **Use "short method" to compute underpayment penalty (Payment made in 4 equal amounts on due dates)** check box was removed from the **Miscellaneous Options/Overrides** collapsible section.


South Carolina
Underpayment Penalty Options L577 - 2021 - 1099TEST - 1099TEST - Form SC2210
Annualized Income Installments
Miscellaneous Options/Overrides
Overrides
Underpayment Penalty
mm/dd/yyyy Date (mm/dd/yyyy) return filed if different than federal
Miscellaneous Options
Amount of penalty to be waived (Dollar Amount or Decimal Fraction)
☐ Prior year return was not filed or was a short year

# FIXES

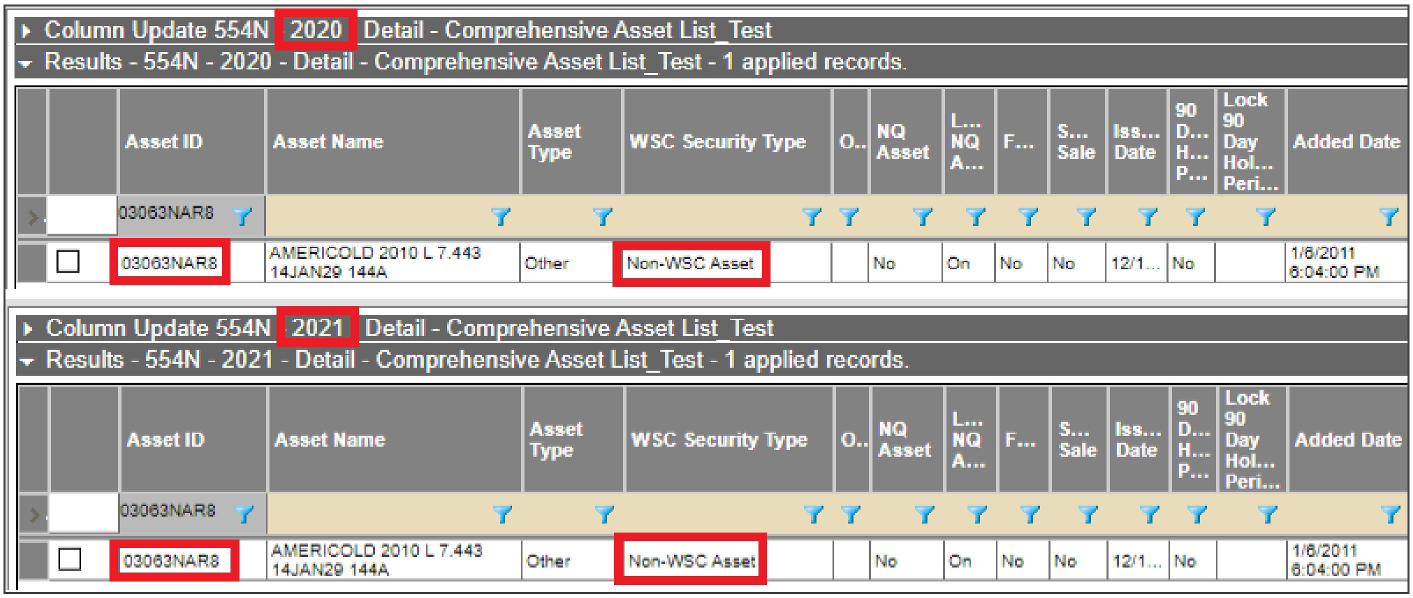
For a list of ONESOURCE Trust Tax fixes (closed issues), search Trust Tax Known Issues.

The topic below describes a previously known issue fixed in this release.

# WSC Security Type

The reported issue with the WSC Security Type value not being updated after an asset is no longer a WSC asset was resolved. Now, if an asset is changed to no longer be a WSC asset, the process for preparing assets removes the WSC Security Type. The revised WSC Security Type displays for all years in the registers. The pages accessed from the **WSC PLUS** menu continue to be year specific and are not impacted.

The graphics below show that the change to the WSC Security Type is updated for all tax years. The graphics use as an example an asset that was a WSC REMIC asset in 2020 but is not a WSC REMIC asset in 2021.

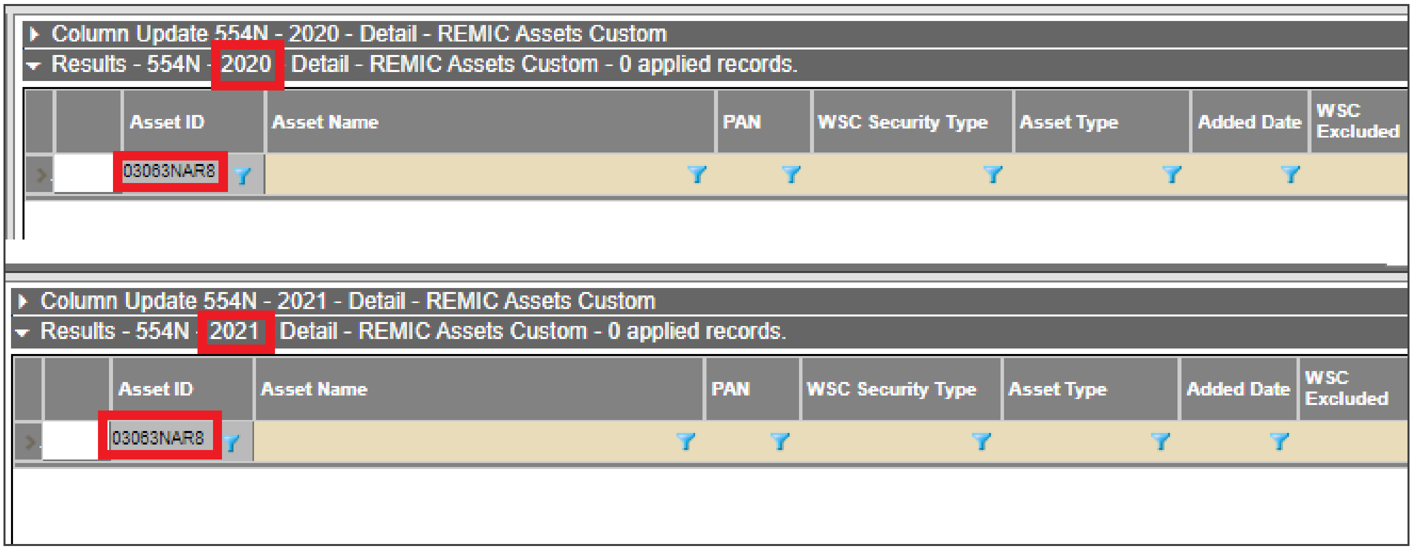

Column Update 554N 2020 Detail - Comprehensive Asset List_Test
Results - 554N - 2020 - Detail - Comprehensive Asset List_Test - 1 applied records.

| | | Asset ID | Asset Name | Asset Type | WSC Security Type | O.. | NQ Asset | L... NQ A... | F... | S... Sale | Iss... Date | 90 D... H... P... | Lock 90 Day Hol... Peri... | Added Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 03063NAR8 | | | | | | | | | | | | |
| | ☐ | 03063NAR8 | AMERICOLD 2010 L 7.443 14JAN29 144A | Other | Non-WSC Asset | | No | On | No | No | 12/1... | No | | 1/6/2011 6:04:00 PM |

Column Update 554N 2021 Detail - Comprehensive Asset List_Test
Results - 554N - 2021 - Detail - Comprehensive Asset List_Test - 1 applied records.

| | | Asset ID | Asset Name | Asset Type | WSC Security Type | O.. | NQ Asset | L... NQ A... | F... | S... Sale | Iss... Date | 90 D... H... P... | Lock 90 Day Hol... Peri... | Added Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 03063NAR8 | | | | | | | | | | | | |
| | ☐ | 03063NAR8 | AMERICOLD 2010 L 7.443 14JAN29 144A | Other | Non-WSC Asset | | No | On | No | No | 12/1... | No | | 1/6/2011 6:04:00 PM |

The following graphics show that, since the asset is no longer a WSC REMIC asset, the asset does not display in the **REMIC Assets** register for all years:




# KNOWN ISSUES

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

# ONESOURCE TRUST TAX INSIGHT 22.02 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 Insight version 22.02 includes only an update to the version number.

## FIXES

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

## KNOWN ISSUES

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