



2017 PLANNER CS, v.2017.3.2

User Bulletin 8576: Update and Special Information

August 21, 2018

This user bulletin describes changes made to this release of Planner CS®, and special information related to state tax planning and the 2017 Tax Cuts and Jobs Act (TCJA) law changes.

CHANGES

S Corp Comparison plan

With this release of Planner CS, you can create an S Corp Comparison plan. This plan is a one-year, two-alternative plan that you can use to compare the tax results of operating a business as an S Corporation in one column, and as a different entity, such as a sole proprietorship or partnership, in the other column. See [Creating an S Corp Comparison plan](#) or view [this video](#) for more information.

Excess business losses

Planner CS is updated to calculate disallowed excess business losses for tax years 2018 through 2025 on the federal Income > Excess Business Loss tab. Under the TCJA, an overall business loss in excess of \$250,000 (\$500,000 on a joint return) is disallowed for tax year 2018.

Internal Revenue Code Section 965 transition tax

Planner CS is updated to include calculations related to the transition tax under the TCJA. The IRC Section 965 generally requires U.S. shareholders to pay a transition tax on the untaxed foreign earnings of certain specified foreign corporations. Refer to the Sec 962 / 965(i) Tax Deferred section on the federal Other Taxes > Other Taxes tab for this change.

QBI Activity tabs removed

The federal Deductions > QBI Activity 1 and QBI Activity 2 tabs are no longer used in the calculation of the qualified business income (QBI) deduction, and are removed from Planner CS. Enter amounts related to the QBI deduction for each eligible business activity on the federal Activities > Qualified Busn Inc tab.

Form 2210 underpayment penalty

The federal module includes the 5% interest rate for tax underpayments for the third quarter of 2018.

Security enhancements

As part of Thomson Reuters' ongoing monitoring of security best practices, we've made background changes to Planner CS to meet new security standards for online connections, such as integration with Onvio and NetClient CS.

Planner CS was updated to use Transport Layer Security (TLS), v.1.2. This is a protocol used for encrypting and transmitting data securely when integrating with Thomson Reuters' web-based products

and services. While the update to Planner CS v.2017.3.2 will have no impact on functionality or user experience in the application, the update to this version of TLS is a recommended best practice by security professionals.

State updates

The following state modules are updated with the most recent information available at the time of this release: District of Columbia, Georgia, Iowa, and New Jersey.

SPECIAL INFORMATION

Planner CS state calculations and TCJA

The TCJA includes a wide range of federal individual tax law changes that will affect state taxation. State agencies are working to establish guidance as to how individual states will account for these changes; therefore, you should carefully review state tax plans for the effects of the TCJA, and edit your state plan accordingly.