



2018 ULTRATAX/1120-US, v.2018.3.5

User Bulletin 1120US-18.3.5: Update

March 21, 2019

This user bulletin describes program changes related to 1120 federal returns.

CHANGES

Form 8990, Limitation on Business Interest Expense Under Section 163(j)

Form 8990 is available to be filed for the following corporate returns.

- Form 1120, C Corporation
- Form 1120-CO, Cooperative Association
- Form 1120-PC, Property and Casualty Insurance Company
- Form 1120-REIT, Real Estate Investment Trust

The Form 8990 is still being developed for 1120-F, Foreign Corporation and Form 1120-IC-DISC, Interest Charge DISC. Complete calculations for the 1120-F and 1120-IC-DISC will be available on a future update.

The following changes were made for Form 8990.

- Information reported in the Schedule K-1, Line 17AC statement when the S Corporation is not subject to the section 163(j) limitation displays when one of the shareholders is marked as a rounding shareholder.
- Modified the calculation of the corporation's net receipts on Screen 8990 as outlined in Regulation 1.448-1T(f)(2)(iv). See "Small business taxpayer net receipts" in the [Screen 8990 help article](#) for more information.
- Form 8990 does not print when the only interest expense is floor plan interest.
- The disallowed business interest expense displays on the Return Carryover Summary.

Section 199A qualified property allocated to shareholder

Added the *Allocate Section 199A unadjusted basis of property to shareholders based on end of year shares* field in Screen KSep in the Schedule K folder. See [Allocating qualified property to the shareholder](#) for more information.

IRS Service Center changes

Updated the IRS Service Center in the following filing instructions to comply with recently revised IRS form instructions.

- Form 8716, Election to Have a Year Other Than a Required Tax Year
- Form 8822-B, Change of Address or Responsible Party – Business
- Form 8832, Entity Classification Election
- Form 8842, Election to Use Different Annualization Periods for Corporate Estimated Tax