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| Course #: ACCT 4400-01 | Asst. Prof.: Steven M. Day, CPA, MAcc |
| Course Title: Tax Accounting II - 43847 | Office: Room 132, Udvar-Hazy Business Bldg. |
| Credit Hours: 3 semester hours | Phone: 435-652-7831 / 435-668-0284 (cell) |
| Meeting time: TR, 9:00 am to 10:15 am | Email: day@dixie.edu |
| Location: Hazy 149 | Office Hours: MW 9:30 – 11:00 TR 10:30 – 12:00 |
| Term: Fall 2010 | and by appointment |

REQUIRED TEXT:

Premium *Quickfinder* Handbook – 2009 Edition – Thomson Reuters.

COURSE DESCRIPTION:

This course examines the concepts and methods of determining the federal tax liability of Corporations, S-Corporations, Partnerships, Limited Liability Companies, and limited exposure to Estates and Trusts. Special attention is given to the application of the law through the use of leading practitioner research tools and tax preparation software. We are excited that Red Gear Technologies has allowed Dixie State College unlimited use of their very highly respected commercial income tax preparation software, “TaxWorks”, for our classroom use.

Prerequisites: ACCT 3400 and advanced standing in the business baccalaureate program.

COURSE OBJECTIVES: *Students successfully completing this course will be able to:*

- (1) Compare the taxation of individuals and corporations. Evaluate corporations as an entity form for conducting a business. Discuss tax rules unique to corporations, and successfully compute corporate income tax.
- (2) Identify tax planning opportunities and consequences of incorporating a business. Understand special rules regarding corporate liabilities, and the tax treatment of shareholder debt and stock losses.
- (3) Compute a corporation’s earnings and profits, and the role they play in determining the tax treatment of distributions. Understand the tax treatment of dividends in various forms; cash, stock, and property.
- (4) Discuss the governing principles and theories of partnership taxation. Determine a partner’s basis, and how liabilities, investments, and distributions affect basis. Calculate partnership taxable income, and how partnership items affect a partner’s income tax return.
- (5) Describe special considerations and situations that can occur in partnership taxation; such as a liquidation, sale or purchase of a partnership interest, family limited partnerships, and LLC’s.
- (6) Understand the S corporation election, the tax advantages, and disadvantages of the election. Calculate the proper allocation of income, deductions, and credits to shareholders. Compute shareholder basis.
- (7) Understand the nature, and operation of the Federal gift and estate taxes. Recognize and describe the components of the gross and taxable estate.
- (8) Identify advantages and challenges that exist in a closely held business. Apply procedures that minimize gift taxes and reduce or avoid estate taxes.
- (9) Complete a variety of business income tax returns using TaxWorks income tax preparation software.

TEXT READING:

Reading the text is crucial for understanding the concepts presented in this course. You are expected to read the chapters that will be discussed in class **prior** to the lecture. I present the lectures under the assumption that you have already read the assigned material. **Pop quizzes may be given from time to time to assure that the reading assignments are being completed!**

LECTURES/DISCUSSIONS:

Lectures and discussions will be offered for each chapter assigned in the “Schedule & Assignments” section of the syllabus. The lectures and discussions serve to review the subject matter briefly and to bring real-time application and experience into the class. The goal is to extend the class beyond the reading and into the current profession. **Lectures will evolve into discussions and your participation is expected!**

CPA EXAM QUESTIONS:

Throughout the semester, 50 CPA exam questions will be assigned (in groups of 10) and are listed in the “Schedule & Assignments” section of the syllabus. These multiple choice questions are compiled from actual previous CPA exams. As such, students must use whatever research means necessary (in addition to the text) to correctly answer each question. The solutions for each of the CPA exam question assignments must be completed and printed prior to the class period in which the assignment is due. **Late CPA exam question solutions and hand-written solutions will NOT be accepted!**

PRACTICE INCOME TAX RETURN ASSIGNMENTS:

Once you have performed the required reading, and while completing the CPA exam questions, practice income tax returns are an effective means of giving you real-life application skills and preparing you for the upcoming exams. There will be four practice income tax returns assigned throughout the semester. These assignments may be completed individually or in teams of no more than two. Students may use any resource available to complete these assignments, including other student(s), team(s) or the instructor. Additional instructions for each income tax return may be provided at the time each case is assigned. All practice income tax return assignments must be presented using “TaxWorks” income tax return preparation software. Proper format, organization, accuracy, and completeness are all considered during the grading process. **Late practice income tax returns assignments will NOT be accepted!**

INDIVIDUAL EFFORT INCOME TAX RETURN ASSIGNMENTS:

In addition to the four practice income tax return assignments, three more individual effort income tax return assignments are required. These assignments are to be an individual effort. Students are not allowed to consult with any other individual(s), including any other student(s), team(s), or the instructor. Students may use any other research source to complete these assignments including, the textbook, income tax research software, or other web resources, including irs.gov. Additional instructions for each income tax return may be provided at the time each case is assigned. All individual effort income tax return assignments must be presented using “TaxWorks” income tax return preparation software. Proper format, organization, accuracy, and completeness are all considered during the grading process. **Late individual effort income tax returns assignments will NOT be accepted!**

PROGRESSIVE TAX RETURN ASSIGNMENTS:

During the final weeks of the semester, four progressive tax return assignments are required. These assignments are to be completed in teams of two. Teams are not allowed to consult with any other individual(s), student(s), or team(s) *except* the instructor. Students may use any other research source to complete these assignments including, the textbook, income tax research software, or other web resources, including irs.gov. Additional instructions for each progressive tax return assignment may be provided at the time each case is assigned. All progressive tax return assignments must be presented using “TaxWorks” income tax return preparation software. Proper format, organization, accuracy, and completeness are all considered during the grading process. **Late progressive tax return assignments will NOT be accepted!**

EXAMS:

Two exams are scheduled during this semester. It is anticipated that both exams will be taken in the classroom on the scheduled date. However, take-home sections of any portion of any exam(s) may be substituted for in-class exams. During the in-class exams, students will not be allowed to leave anytime during the exam period. All in class-exams will be closed-book, closed notes and individual effort. Any form of cheating may result in a Failing grade for the course. **No early or late Exams will be allowed!**

PARTICIPATION/PROFESSIONALISM/CLASS ATTENDANCE:

This is your education. Take ownership of your investment in this class by contributing in a positive manner in class discussions and lectures. Participation shows the instructor your concern for the subject matter and will directly affect your overall grade in this class. Disruptive or disrespectful behavior will cause students to lose all participation points. If a student does not show respect, maturity and professionalism in the classroom environment, he or she will most likely struggle in a post-academic environment. In addition, students who are tardy, inattentive or experience excessive absences will not receive full credit in this area. Finally, required lab periods may be assigned from time to time, and you are expected to participate fully in these required lab periods. You will be expected to show up at each and every scheduled required lab period, show up on time, and be prepared to work on assignments for this class. These required lab periods are valuable to the educational process and each student should recognize and take advantage of these resources while they are available.

GRADING:

Grading is not on a curve. Your grade will be based on the percentage of total points you earn. **There are NO grade improvement projects available in this class!**

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| Exams | 200 Points | A | 95.0 - 100% | C | 73.0 - 76.9% |
| CPA Exam Questions | 50 Points | A- | 90.0 - 94.9% | C- | 70.0 - 72.9% |
| Practice Tax Returns | 200 Points | B+ | 87.0 - 89.9% | D+ | 67.0 - 69.9% |
| Ind. Effort Tax Returns | 150 Points | B | 83.0 - 86.9% | D | 63.0 - 66.9% |
| Progressive Tax Return Assign's. | 200 Points | B- | 80.0 - 82.9% | D- | 60.0 - 62.9% |
| Participation/Professionalism, etc. | <u>100 Points</u> | C+ | 77.0 - 79.9% | F | below 60.0% |
| Total Points | 900 Points | | | | |

Note: Point structure may change slightly at the discretion of the instructor!

ACADEMIC INTREGRITY:

The Accounting profession is well known for a reputation of honesty, integrity, and high ethical standards. As a result, scholastic dishonesty will not be tolerated and will be prosecuted to the fullest extent. Students are expected to have read and understand the current issue of the student handbook (published by Student Services) regarding student responsibilities and rights, and the intellectual property policy, for information and procedures about what constitutes acceptable on-campus behavior (See DSC Policy Links listed below).

DISABILITY STATEMENT:

Students with medical, psychological, learning or other disabilities desiring reasonable academic adjustment, accommodations, or auxiliary aids to be successful in this class will need to contact the **DISABILITY RESOURCE CENTER** Coordinator (Baako Wahabu) for eligibility determination. Proper documentation of impairment is required in order to receive services or accommodations. DRC is located at the ground floor of the Financial Aid Office. Visit or call 652-7516 to schedule appointment to discuss the process. DRC Coordinator determines eligibility for and authorizes the provision of services.

Dmail NOTICE:

You are required to frequently check your dmail account. Important class and college information will be sent to your dmail account, including DSC bills, financial aid/scholarship notices, notices of cancelled classes, reminders of important dates and deadlines, and other information critical to your success at DSC and in your courses. If you do not know how to access your dmail account, go to www.dixie.edu and click on "Log in to student services".

DSC POLICY LINKS:

Reference to “Policy for Absences Related to College Functions”:

<http://www.dixie.edu/humanres/policy/sec5/523.html>

Disruptive behavior policy / classroom expectations:

<http://www.dixie.edu/humanres/policy/sec3/334.html>

Academic dishonesty / Academic integrity policy:

<http://www.dixie.edu/humanres/policy/sec3/334.html>

RESOURCES:

Available Resources: Library, Computer Lab, Writing Center, Testing Center, and Tutoring Center statements and links (as appropriate)

Library – <http://library.dixie.edu>

Computer Labs – located in the basement of the library. The Smith Computer Center, and the Hazy Building room 200.

Writing Center – http://new.dixie.edu/english/dsc_writing_center.php

Testing Center – <http://new.dixie.edu/testing>

Tutoring Center – <http://dsc.dixie.edu/tutoring/>

SEE NEXT PAGE FOR SCHEDULE & ASSIGNMENTS