

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: MW 7:30 am - 8:45 am	Email: <a href="mailto:day@dixie.edu">day@dixie.edu</a> <u>Do not use my Dmail!</u>
Location: Hazy 218	Office Hours: MW 9:00 – 11:00 TR 9:30 – 11:00
Term: Spring 2012	and by appointment

### **REQUIRED MATERIALS:**

1. Small Business Quickfinder Handbook – 2011 Edition – Thomson Reuters.
2. USB Drive with NO pre-loaded software.
3. Access to a Windows PC compatible laptop computer is required for this course!

### **COURSE DESCRIPTION:**

This course examines the concepts and methods of determining the federal tax liability and/or pass-through requirements applicable to C-Corporations, S-Corporations, Partnerships, Limited Liability Companies, with limited exposure to Estates and Trusts. Special attention is given to the application of tax law through the use of leading practitioner research tools and tax preparation software. We are proud that Red Gear Technologies has allowed Dixie State College unlimited educational use of their 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 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.

### **HANDBOOK READING:**

Reading the *Quickfinder* handbook is crucial for understanding the concepts presented in this course. You are required to read the chapters that will be discussed in class **prior** to the class discussions. These class discussions assume that you are well prepared to discuss the topic(s) of the day. You will be randomly called on in class to provide valuable input to the class discussion. **In-class, closed-book, quizzes may be given 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 required!** You will be assigned a number of tax research topics during the semester. You will become the expert with regard to each topic assigned. Your grade in this area is based upon the level of research and applicable knowledge gained and shared with the class. Your research will also require a written analysis. **Late research, class discussions, and your written analysis, with regard to your topic(s), will NOT be accepted.**

**As a courtesy to the professor and other students, please raise your hand to participate in class discussions.**

### **CPA EXAM QUESTIONS:**

Throughout the semester, CPA exam questions will be assigned 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 tax research means necessary (in addition to the required handbook) 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!**

### **TAX RETURN ASSIGNMENTS:**

During the semester approximately ten income tax return assignments will be assigned. Additional instructions for each tax return assignment will be provided at the time each case is assigned. All 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. **Tax returns assignments will NOT be accepted late!**

Students are encouraged to work in small groups while completing tax return assignments. This does not mean that copying another students’ work is allowed. Additionally, you should NOT allow another student to copy your work. This is considered cheating and will result in receiving no credit for your tax return assignment(s).

### **EXAMS:**

Two exams are scheduled during this semester. Portions of each exam will be taken in the classroom on the scheduled date. Students will not be allowed to leave anytime during the exam period. A take-home portion will also be part of the exam process. The in-class portion will be closed book, closed notes and individual effort. The take-home portion will be open book, open notes and ALSO 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.

**Your attendance is required in this class.** Role will be taken every day, and students will lose ½% of their grade for each day he or she is tardy or absent. Additionally, students who are inattentive will suffer in this area. If any electronic device disrupts the class, that person responsible will provide a time-appropriate class treat at our next scheduled class period.

**GRADING:**

Grading is not on a curve. Your grade will be based on the scale listed below. **There are NO grade improvement projects available in this class!** **Note: All percentages are approximate and may change at the discretion of the professor!**

Exams	25%	A	94.5 - 100%	C	73.0 - 76.9%
Tax Return Assignments	55%	A-	90.0 - 94.4%	C-	70.0 - 72.9%
CPA Exam Questions	5%	B+	87.0 - 89.9%	D+	67.0 - 69.9%
Research Topics	5%	B	83.0 - 86.9%	D	63.0 - 66.9%
Participation/Professional./Attend.	10%	B-	80.0 - 82.9%	D-	60.0 - 62.9%
Total	<u>100%</u>	C+	77.0 - 79.9%	F	below 60.0%

**ACADEMIC INTEGRITY:**

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:**

If you suspect or are aware that you have a disability that may affect your success in the course you are strongly encouraged to contact the Disability Resource Center (DRC) located in the North Plaza Building. The disability will be evaluated and eligible students will receive assistance in obtaining reasonable accommodations. Phone # 435-652-7516.

**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](http://www.dixie.edu) and “Dmail” from the left column. To locate your dmail username and password, go to [www.dixie.edu](http://www.dixie.edu), and click on “Log in to student services” or the “My Dixie” button.

**DSC POLICY LINKS & RESOURCES:**

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>

**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](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**