

SEMESTER/YEAR: SPRING 2010
COURSE MEETING: Saturday 9-11:50AM
DATES: 1/16 1/30 2/13 2/27 3/13 3/27 4/10 4/24
LOCATION: MAIN-Room # REID 3320
CREDITS: 3

ACCT/413/1M INDIVIDUAL INCOME TAX

INSTRUCTOR INFORMATION:

Instructor: Thomas J. Sims
Office Location: Main Campus
(Before or after class)
Work Phone: 314-604-8044
Fax Number: 314-529-9975
Maryville Voice Mailbox: 314-529-9201 plus ext. 3149
Email Address: Tsims@maryville.edu

TEXT:

West's Federal Income Taxation: Individual Income Taxes, 2010 Edition; William H. Hoffman, Jr., James E. Smith, Eugene Willis; Thompson/South-Western; (2010).

PREREQUISITE:

ACCT 211-Managerial Accounting

PRE-ASSIGNMENT:

Readings and discussion questions for Week One (per attached syllabus)

COURSE DESCRIPTION: This course emphasizes the income taxation of individuals as prescribed in the Internal Revenue Code, related Regulations, rulings and case law. Topics include sources of tax law, developing research skills, ethical considerations, calculation of taxable income and tax planning.

COURSE OBJECTIVES: The main objective of this course is to develop an understanding of the basic principles and concepts of income taxes, to become acquainted with research skills needed to locate appropriate tax law sources, and to apply principles and concepts to the tax return preparation of individual taxpayers. At the conclusion of this course, you should be able to:

- Identify the different taxes imposed in the United State at the Federal, state and local levels.
- Be familiar with the ethical guidelines involved in tax practice, including the Statements on Standards for Tax Services.
- Understand the statutory, administrative and judicial sources of the tax law and the purpose of each source.
- Apply tax research techniques and communicate results in a tax file memorandum.
- Learn the components of the Federal Income Tax formula and the rules underlying personal and dependency exemptions and filing status.
- Define gross income and adjusted gross income.
- Describe how the method of accounting affects the recognition of income and deductions.
- List items specifically excluded from gross income.
- Differentiate between deductions FOR and deductions FROM adjusted gross income.
- Be familiar with personal and business-related deductions and losses.
- Understand the cost recovery rules, including MACRS, direct expensing and bonus depreciation.
- Understand the difference between deductions and credits and be familiar with the more common tax credits available to individuals.
- Become acquainted with the alternative minimum tax (AMT).
- Determine gain or loss on property transactions and distinguish between ordinary and capital treatment.
- Complete tax return forms and prepare an individual tax return based on the knowledge of tax law.

PROFESSIONALISM: Communicating effectively is vital in today's business world and is therefore a factor in the determination of your overall course grade. This factor will apply to all assignments and examinations. I expect that anything you turn in to me will look professional. Professional means that documents are typed (and for this class double-spaced) or prepared using a spreadsheet application, grammar is correct and there are no spelling errors. I understand some points of grammar are open for interpretation, but for instance, complete sentences either are or are not.

INTEGRITY: Any exchange of information with other persons during exams will result in course failure. You are required to do your own work for all homework assignments, unless your instructor specifically allows group work.

ATTENDANCE: You are expected to attend every class. If you miss a class, it is your responsibility to find out what material was discussed by contacting a classmate. Because successful completion of this course depends upon class attendance, excessive absences, arriving late to class or leaving early, even if necessary, may result in a grade that does not reflect your capabilities.

GRADING STANDARDS AND SCALE:

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|---|-----|
| Examination 1 | 150 |
| Examination 2 | 150 |
| Tax Research Projects/Other Assignments | 350 |
| Comprehensive Tax Return Problem | 300 |
| Portfolio Update | 50 |

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|------------------------|-------------|
| Total Points Available | <u>1000</u> |
|------------------------|-------------|

| Total Points Earned | Course Letter Grade |
|---------------------|---------------------|
| 940 and above | A |
| 900-939 | A- |
| 870-899 | B+ |
| 830-869 | B |
| 800-829 | B- |
| 770-799 | C+ |
| 730-769 | C |
| 700-729 | C- |
| 600-699 | D |
| Below 600 | F |

EXAMINATIONS: Exams may be a combination of multiple choice, essay, and problem solving. Calculators are permitted but may not be shared.

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| First Exam | Saturday, February 27 |
| Second Exam | Saturday, April 24 |

Make-up examinations are allowed only when the instructor is contacted in advance and supplied with an excuse that is both appropriate and verifiable. In those rare occasions when a make-up examination is given, a 10% penalty may be applied to the score.

TAX RESEARCH PROJECTS/OTHER ASSIGNMENTS: You will practice your tax research skills and understanding of the tax practitioner's responsibilities and tax law by completing selected assignments determined by the course instructor. You will be responsible for assignments on ethics, taxable income calculations, and tax research. For one of the tax research assignments, each student will prepare a tax file memorandum which represents the facts of the situation, discusses the appropriate tax law by making reference to appropriate Code sections, regulations, court cases, etc., and concludes as to the appropriate tax treatment of the situation.

COMPREHENSIVE TAX RETURN PROBLEM: To further your understanding of Individual Federal income taxes, your instructor will give you a tax return problem which

will be due on Saturday, April 24. This problem will be patterned after the problems in Appendix F of your text. Using the scenario given, you will prepare all the tax forms and supporting documentation necessary for filing a 2008 Individual Federal income tax return.

PORTFOLIO UPDATE: Your professional portfolio is designed to be a collection of your accomplishments during the years you attend Maryville University, and you might have started to develop your portfolio in one of your previous accounting classes. The goal of the portfolio update assignment is for you to continue building your portfolio, using the AICPA Core Competency Framework for Entry into the Accounting Profession as your suggested table of contents. To meet the requirements of this assignment you will: (1) identify functional, personal, and broad business perspective competencies that you now possess or have enhanced due to your completion of various course requirements, (2) use the grid provided by your course instructor to describe how each Requirement helped you to obtain a specific competency, and (3) turn in the grid at the last class session.

CLASS PREPARATION PROBLEMS: These problems are listed on the “Course Schedule and Class Preparation” section of this syllabus. You should be familiar with these problems on the week indicated, and you should decide how much practice you need to comprehend the material. Although class preparation problems may not be collected for a grade, completion of all suggested problems is necessary for you to fully understand the course material and be adequately prepared for class discussions, projects and examinations.

PARTICIPATION AND CLASS PREPARATION: Participation in class helps develop leadership skills and oral communication skills, characteristics that employers highly value. Significant responsibility is placed on you to properly prepare for class as we have a large amount of material to cover in each section. Preparation includes (1) reading the assigned chapters and materials, (2) attempting all of the class discussion problems and (3) identifying questions you need answered. Class time will not allow coverage of all topics and problems, but you are responsible for the material in all assigned chapters. There is no specific grade for class participation. However, substantive contributions to class discussions may factor into your overall course grade.

HELPFUL WEBSITES:

- AICPA Core Competency Framework www.aicpa.org/edu/corecomp.htm
- CCH www.cch.com
- Essential Links www.el.com/links/link4.html
- Internal Revenue Service www.irs.gov
- Missouri Department of Revenue www.dor.state.mo.us/tax
- RIA www.riahome.com/default.asp
- Statements on Standards for Tax Services www.aicpa.org/download/tax/SSTSfinal.pdf
- Tax and Accounting Sites Directory www.taxsites.com

- Tax Resources on the Web
- Uniform CPA Examination
- United States Code

www.taxtopics.net

www.cpa-exam.org

www4.law.cornell.edu/uscode

Also refer to Exhibit 2-5 in your textbook, page 2-27, for additional tax-related websites.

ACADEMIC ACCOMODATIONS: Maryville University provides accommodations and support for students with disabilities as defined by the Americans with Disabilities Act. If you have a documented disability and wish to discuss academic accommodations, please contact the course instructor and/or the Director of the Academic Success Center in the University Library (314-529-6850).

THIS SYLLABUS AND ASSIGNMENT SCHEDULE ARE SUBJECT TO CHANGE AT THE DISCRETION OF THE INSTRUCTOR. IT IS THE STUDENT'S RESPONSIBILITY TO STAY INFORMED OF SUCH CHANGES.

FEDERAL INCOME TAX-ACCT 413
COURSE SCHEDULE AND CLASS PREPARATION
SPRING 2010

DQ: Discussion Question

P: Problem

Date:

Assigned Topic

Class Preparation:

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| Week 1 January 16 | Chapter 1 Statements on Standards for Tax Services: Download these statements from the web address in the syllabus | DQ: 4, 18, 24, 41, 45, 48, 50 |
| | Chapter 2 | DQ: 1, 5, 8, 11, 29, 32, 35 P: 45, 50 |
| Week 2 January 30 | Assignment 1 Due | |
| | Chapter 3 | DQ: 1, 2, 3, 4, 11, 20, 22 P: 28, 29, 32, 40, 41, 48, 49, 51 |
| | Chapter 4 | DQ: 4, 7, 10, 15 P: 28, 29, 31, 37, 55 |
| Week 3 February 13 | Assignment 2 Due | |
| | Chapter 14 (p. 1-8; 11-16) | DQ: 4 P: 36, 44, 49 |
| | Chapter 7 (p. 3-5; 8-14) | DQ: 10, 11 |
| | Chapter 16 | DQ: 1, 11 P: 13, 18, 27, 33 |
| Week 4 February 27 | Examination # 1 (Chapters 1-4, 7, 14 & 16) | |
| | Chapter 5 | DQ: 3, 5, 10, 11, 14, 16 P: 31, 35, 36, 37, 43, 50 |
| Week 5 March 13 | Chapter 6 | DQ: 4, 5 P: 34, 35, 48, 61 |
| | Assignment 3 Due | |
| | Chapter 9 | DQ: 21, 28, 30 P: 31, 39, 44, 45, 48, 49 |
| Week 6 March 27 | Assignment 4 Due | |
| | Chapter 10 | DQ: 1, 7, 13, 16 P: 24, 26, 32, 35, 42, 46 |

Chapter 8

P: 30, 31, 35, 43, 44

Week 7
April 10

Chapter 13

DQ: 1, 18, 19

P: 35, 37, 42, 45, 46

Assignment 5 Due

Review for Final Exam

Week 8
April 24

Examination #2
(Chapters 5, 6, 8, 9, 10 & 13)

Comprehensive Tax Return
Problem Due