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| Course Code & No. - Section: | ACCT 420 - Section 1 |
| Course Title (Credits): | Federal Taxation (3) |
| Term & Year: | Spring / 2015 |
| Course Ref. No. (CRN) | 10215 |
| Instructor: | Daren M. McDonald |
| Phone(s): | (775) 298-4138 |
| Email: | dmcDonald@sierranevada.edu |
| Office: | |
| Office Hours: | By appointment |
| Class Meeting Time: | Tuesday / Thursday 2:30pm - 3:45pm |
| Location: | TBD |
| Prerequisites: | ACCT 204, ACCT 205 |
| Corequisites: | None |

Course Description

Federal taxation concepts are used in effective decision making; a working knowledge of the concepts of gross income, deductions, tax rates and property transactions as they pertain to C corporations, partnerships, S corporations, and individuals; and proficiency in the application of tax concepts as they pertain to business and individual taxpayers.

Student Outcomes

Upon successful completion of this course, a student will be able to:

1. Understand the organizational structures of C corporations, partnerships, S corporations and individuals and how that structure applies to taxation.
2. Understand basic tax terms and how they differ from Financial Accounting
3. Identify and discuss the basic framework of the Internal Revenue Code
4. Interpret and apply statutory and regulatory materials.

Methods of Assessing Student Outcomes

Student outcomes will be assessed using the following:

1. Daily attendance and participation;
2. Homework;
3. Comprehensive case work.

Instructional Strategies

This class will utilize lectures, small groups, and individual work in class, using laptop computers, inquiry learning, project learning and regular class assignments. The course will make use of the Moodle course management system.

Required Texts and Materials

1. Emanuel Law Outlines: Basic Federal Income Tax 2011 (4th ed) "BFIT"
2. Gilbert Law Summaries: Taxation of Business Entities (13th ed) "TBE"
3. Calculator (if using a computer in class, use a calculator with a tape such as Moffsoft's FreeCalc)
4. Laptop computer (one that meets the published SNC Laptop Requirements)
5. Word Processor and Spreadsheet Software (such as Microsoft Office, Open Office, or Google Docs). All assignments must be submitted in Excel or Word formats.

Attendance

Attendance will be taken at the beginning of each class session. Full attendance is expected and class participation and regular homework submissions are an important component of a student's grade. Subject only to exceptions for unusual and extenuating circumstances beyond a student's control as determined solely by your instructor, your grade will decrease by a third of a letter grade for each class you miss in excess of two weeks of class (4 class sessions). For example, if you earned 85% in the course and missed 6 class session, your grade will be 81.6%.

Class Requirements

As business students in a business course, professional behavior and appropriate dress are required, and I expect you to behave and act accordingly. Before you come to class, turn off your cell phone. There will be no text messaging during the class period.

Arrive to class slightly ahead of the class time to get ready for the class. Turn off your cell phone. Set up your laptop if you use that to take notes. If there was homework due, pull that out at the beginning of class as we may discuss it. Frequently, you will be outlining coursework on a white board at the beginning of class.

Your dress should be professional while in class.

Prim Library Resources

Using the library's resources effectively (not just Internet resources) contributes to developing each of SNC's core themes by exposing students to high quality academic resources, diverse opinions, new ideas, and a future that includes building on a liberal arts education. In this course, you will be expected to utilize the library's resources (either on-site or remotely) as you complete your assignments.

Prim Library Resources for ACCT 420 include but are not limited to:

Electronic Databases (for peer-reviewed research articles, reviews, newspaper and magazine articles): Electronic databases more likely to include articles related to your course work topics are Lexus Nexus.

Sanctions for Cheating and/or Plagiarism

The Honor Code

The faculty of SNC believes students must be held to high standards of integrity in all aspects of college life in order to promote the educational mission of the College and to encourage respect

for the rights of others. Each student brings to the SNC community unique skills, talents, values and experiences which, when expressed within the community, contribute to the quality of the educational environment and the growth and development of the individual. Students share with members of the faculty, administration and staff the responsibility for creating and maintaining an environment conducive to learning and personal development, where actions are guided by mutual respect, integrity, responsibility and trust. The faculty and students alike must make diligent efforts to ensure high standards are upheld by their colleagues and peers as well as themselves. Therefore faculty and students accept responsibility for maintaining these standards at Sierra Nevada College and are obligated to comply with its regulations and procedures, which they are expected to read and understand.

Consequences of Violating the Student Honor Code

SNC students and faculty share the responsibility for maintaining an environment of academic honesty. Thus, all are responsible for knowing and abiding by the SNC Faculty/Student Honor Code published in the current SNC Catalog. Faculty are responsible for presenting the Honor Code and the consequences of violating it to students at the start of their classes AND for reporting all incidences of academic dishonesty to the Provost. Students are responsible for knowing what constitutes CHEATING, PLAGIARISM and FABRICATION and for refraining from these and other forms of academic dishonesty. Violations of the Honor Code become part of a student's academic record.

1st Offense: Student receives a zero for assignment/exam and counseling with faculty on the honor code, consequences for violating the honor code, and the value of academic honesty in learning.

2nd Offense: Student fails course and receives counseling with faculty on the honor code, consequences for violating the honor code, and the value of academic honesty in learning.

3rd Offense: Student is expelled.

Grading Policy

The grading system relies upon point accumulation to determine your grade.

| Item | Points | |
|----------------------------|---------------|-----------------|
| Homework | 20 | |
| VITA Program | 20 | or Special Case |
| Comprehensive Case 1 | 15 | |
| Comprehensive Case 2 | 15 | |
| Comprehensive Case 3 | 20 | |
| Participation / Attendance | 10 | |
| Total points available | 100 | |

Grades will be assigned based upon the points accumulated

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| 80 - 100 | A |
| 70 - 79 | B |
| 60 - 69 | C |
| 50 - 59 | D |
| Below 50 | F |

Homework

Homework will be graded on a pass/fail basis. Homework must be turned in person or by email prior to the start of class. Late homework will be accepted, but is less likely to pass. Homework assignments are meant to practice and apply what was learned in class each day. Given your exams will have a strong degree of correlation to materials included in the Homework, you should endeavor to complete all assigned work on a timely basis.

Comprehensive Case

Throughout the semester, you will be working through three Comprehensive Cases designed to assist and test your understanding of the material covered. Since most elements of tax law cannot be learned and applied in isolated matters, Cases help keep all the material covered current. The Case includes problems that will be developed and solved over the course of the term. During the semester, each student will have multiple opportunities to demonstrate the solution to a Case problem in class. Each completed Comprehensive Case is due as outlined in the course schedule below.

Alternative Case: VITA Program

Complete the basic level certification of the IRS VITA program and volunteer 10 hours with a satisfactory rating from the VITA supervisor. Volunteering in excess of 10 hours constitutes extra credit. This alternative will replace one case project, and provide you very useful real world experience on basic tax principles.

ADA Accommodations

In accordance with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, students with a documented disability are eligible for support services and accommodations. If a student wishes to request an accommodation, please contact the Director of Academic Support Services, Henry Conover, at (775) 831-1314 x7534, hconover@sierranevada.edu or go to the OASIS offices on the third floor of Prim Library within the first week of the semester.

The SNC Email System

The SNC email system is the official communication vehicle among students, faculty members and administrative staff and is designed to protect the confidentiality of student information as required by the Family Educational Rights and Privacy Act of 1974 Act (FERPA). Students should check their college email accounts daily during the school year.

Students have a right to forward their SNC e-mail to another e-mail account (for example, @hotmail or @gmail). However, confidentiality of student information protected by FERPA cannot be guaranteed for SNC e-mail forwarded to an outside vendor. Having email redirected does not absolve a student from the responsibilities associated with official communication sent to his or her SNC email account.

The Sierra Nevada College Mission Statement:

Sierra Nevada College graduates will be educated to be scholars of and contributors to a sustainable world. Sierra Nevada College combines liberal arts and professional preparedness

through and interdisciplinary curriculum that emphasizes entrepreneurial thinking and environmental, social, economic and educational sustainability.

The Core Themes:

Liberal Arts

Professional Preparedness

Entrepreneurial Thinking

Sustainability

Course Schedule

| Date | Topic Covered | Homework (due the following class period) |
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| Session 1 Jan 20, 2015 | History and Structure of Tax Law and Different Types of Taxes Progressive, Regressive, Proportional Taxes | Current Event report on any tax news Read BFIT Chapters 2 and 3 |
| Session 2 Jan 22, 2015 | A Focus on Income Taxes What is and is not Income? What is taxable? To whom is income assignable? How is it realized? Timing of income. Types of income. | Read BFIT Chapters 1 and 13 |
| Session 3 Jan 27, 2015 | Individual Income Tax Formula. Tax Rates. Creation of Tax Law. Assignment of Income. Timing of Income. How to Brief a Case | Assigned Cases to Brief Read BFIT Chapter 9 and 12 |
| Session 4 Jan 29, 2015 | Investment Income. Capital Gains and Losses. | Brief of Arkansas Best Co vs CIR (108 S.Ct. 971) Read BFIT Chapter 10 |
| Session 5 Feb 3, 2015 | Property Transactions: Theft and Casualty, Bad Debts, and Nontaxable Exchanges from §121 to §1244. §1031 Like Kind Exchange | Complete Class Handout Exercises on Paper Forms Sch D and 8949 Brief of VIP Industries, Inc v CIR Read BFIT Chapter 5 and 6 |
| Session 6 Feb 5, 2015 | Adjustments to Gross Income. Dependents Itemized Deductions- Medical, Taxes, Interest, and 2%. Filing Status. Dependents and Personal Exemptions. | Brief of Internal Law Memo re CA Fire Fee Review Chapter 13 |
| Session 7 Feb 10, 2015 | Tax Credits | Read BFIT chapter 4 |
| Session 8 Feb 12, 2015 | Exempt Income | Complete VITA Exam or Special Case |
| Session 9 | Review of Exam and Special Case. Distribution of Comprehensive Case 1. | Read BFIT Chapter 7 |

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| Feb 17, 2015 | Introduction to Business Taxes. Types of Business Entities. Self Employment Earnings. | |
| Session 10 Feb 19, 2015 | Business expenses. Material Participation. Hobby Loss Rules. | Read BFIT Chapter 8 and 11 |
| Session 11 Feb 24, 2015 | Mixing of Personal and Business Expenses. Timing of Income. Net Operating Losses. Claim of Right. | |
| Session 12 Feb 26, 2015 | Home Office and Special Expenses. | Read Depreciation Handout. |
| Session 13 Mar 3, 2015 | Capitalization, Depreciation and Cost Recovery | |
| Session 14 Mar 5, 2015 | Capitalization, Depreciation and Cost Recovery | |
| Session 15 Mar 10, 2015 | Review | Complete Comprehensive Case 1 |
| Session 16 Mar 12, 2015 | Case Review | |
| Mar 16–20 2015 | Spring Break | |
| Session 17 Mar 24, 2015 | Partnership Formation and Operations. Types of Partnerships and Differences in Control and Liability. Outside Basis and Loss Limits. Pass-through Taxation. Distribution of Comprehensive Case 2. | Read TBE Chapter 1 |
| Session 18 Mar 26, 2015 | Partnership Operations. Book v Tax. Inside Basis. Liquidating and Non-Liquidating Distributions. Hot Assets. | |
| Session 19 Mar 31, 2015 | Partnership Taxation and Special Issues | Read TBE Chapter 2 |
| Session 20 Apr 2, 2015 | Corporation Formations and Capital Structure. Book v Tax. | Read TBE Chapter 3 |
| Session 21 Apr 7, 2015 | Non-Liquidating Distributions. | |
| Session 22 Apr 9, 2015 | Review of Partnerships and Corporations | Complete Comprehensive Case 2. Read TBE Chapter 5. |

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| Session 23 Apr 14, 2015 | Corporate Acquisitions and Reorganizations | |
| Session 24 Apr 16, 2015 | Liquidating Distributions | Read TBE Chapter 6. |
| Session 25 Apr 21, 2015 | S Corporations Eligibility and Formation. Comparison to C Corporation and Partnership. | |
| Session 26 Apr 23, 2015 | S Corporations Special Tax Situations. Reasonable Compensation. | |
| Session 27 Apr 28, 2015 | Review of 4 Business Entities: Sole proprietor, Partnership, C Corporation, S Corporation. | |
| Session 28 Apr 30, 2015 | Alternative Minimum Tax. | |
| Session 29 May 4, 2015 | Final Review | Complete Comprehensive Case 3. |
| May 12, 2014 | Final Session from 11:30 to 2:30 | |