

ACCT G111: INDIVIDUAL INCOME TAXATION

Item	Value
Curriculum Committee Approval Date	02/01/2022
Top Code	050210 - Tax Studies
Units	3 Total Units
Hours	54 Total Hours (Lecture Hours 54)
Total Outside of Class Hours	0
Course Credit Status	Credit: Degree Applicable (D)
Material Fee	No
Basic Skills	Not Basic Skills (N)
Repeatable	No
Grading Policy	Standard Letter (S), • Pass/No Pass (B)

Course Description

This course covers individual income taxation laws and regulations, with emphasis on preparation of tax returns and forms. Topics include gross income and exclusions, business and personal deductions, exemptions, tax credits, property transactions, and capital gains and losses as they apply to individual filers. Transfer Credit: CSU.

Course Level Student Learning Outcome(s)

1. Course Outcomes
2. Differentiate between gross income exclusions, for AGI deductions, and itemized deductions.
3. Calculate passive activity gains and losses.
4. Calculate capital gains and losses and related taxes.
5. Calculate income tax liability and income tax payable or refundable for an individual filer.

Course Objectives

- 1. Identify the determinants of taxable income such as gross income inclusions and exclusions, deductions, exemptions, and phaseouts.
- 2. Calculate income tax liability under the basic income tax model for individuals of all filing statuses.
- 3. Identify the various components of business income and expense as they are compiled in Schedule C.
- 4. Specify the methods to satisfy income tax liability such as tax credits, withholdings, and estimated tax payments.
- 5. Prepare common individual tax returns and forms, including but not limited to Form 1040 and related schedules.

Lecture Content

The Federal income tax system History, formation, and objectives Taxable entities Filers and filing status Basic federal income tax formula Filers and filing status Personal and dependency exemptions The standard deduction Special rules for high-income taxpayers Electronic filing Gross income and exclusions Interest, dividends, municipal bond interest Alimony Prizes and Awards Annuities Life insurance, accidental (ADD) insurance, health insurance Gifts and Inheritances Scholarships

Employee benefits Unemployment compensation, Social Security benefits Alternative minimum tax (AMT) Business income and expenses Schedule C items Self-employment tax Inventories Meals and entertainment (50% deduction) Home office Safe harbor rule Small business and self-employed retirement plans Individual Retirement Accounts (IRAs), Self-Employed Pensions (SEPs), SEP IRAs, SIMPLE IRAs Self-employed 401(k), Solo 401(k) Qualified retirement plans Net operating losses: carrybacks and carry forwards Rental income and expenses Capital assets Holding periods for short-term versus long-term capital gains and losses Netting rules Capital gain/loss treatment Vacation homes Passive activity gains and losses Net operating losses Itemized deductions Medical expenses Taxes: income tax, sales tax property tax, personal property tax Interest: property, educational loans, investment interest Charitable contributions Casualty losses Unreimbursed employee expenses Educational incentives Phaseouts and exemptions for high-income taxpayers Other taxes Kiddie tax Nanny tax Alternative minimum tax Special taxes for high-income taxpayers Tax credits Child tax credit Earned income credit (EIC) Child and dependent care credit Affordable Care Act (ACA) Education credits American Opportunity Tax Credit Lifetime Learning Credit Other credits: Foreign Tax Credit, adoption credits, energy credits Depreciation Modified Accelerated Cost Recovery System (MACRS) Listed property Limitation on luxury automobiles Section 197 - intangible assets Section 267 - related party transactions Withholdings and estimated tax payments Withholding methods Pensions and deferred income Tip reporting Backup withholdings Withholdings and estimated tax payments Payroll taxes Partnership taxation Corporate taxation Tax administration The Internal Revenue System (IRS) The audit process The appeals process Interest and penalties Statute of limitations Tax practitioners: proof and privilege The Taxpayer Bill of Rights Tax planning

Method(s) of Instruction

- Lecture (02)
- DE Live Online Lecture (02S)
- DE Online Lecture (02X)

Reading Assignments

Textbook

Writing Assignments

Tax returns and forms Case studies Research projects

Out-of-class Assignments

Tax databases (RIA Checkpoint, CCH) Tax periodicals and journals Websites

Demonstration of Critical Thinking

Tax calculations, identification of tax issues, and justification for certain tax positions, and tax planning require critical thinking and analysis.

Required Writing, Problem Solving, Skills Demonstration

Tax calculations through publisher portal Preparation of tax returns and forms

Eligible Disciplines

Accounting: Masters degree in accountancy or business administration with accounting concentration OR bachelors degree in business with accounting emphasis or business administration with accounting emphasis or economics with an accounting emphasis AND masters degree in business, business administration, business education, economics, taxation, or finance OR the equivalent. Masters degree

required. (NOTE: A bachelors degree in accountancy or business administration with accounting concentration, with a CPA license is an alternative qualification for this discipline)

Textbooks Resources

1. Required Whittenburg. Income Tax Fundamentals, Current year ed. Cengage, 2022 Rationale: . 2. Required Raabe, William A. South-Western Federal Taxation 2022: Individual Income Taxes, Current ed. Cengage, 2022