

## **INDIVIDUAL INCOME TAX - ACC 3400-X01**

Spring 2008

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### **COURSE MATERIALS:**

Individual Income Taxes, 2008 Edition, Hoffman, Smith, Willis; West/Southwestern Publishing Co. ISBN: 0-324-38058-5

Drake Demo software, available at [drakesoftware.com](http://drakesoftware.com) for your own computer or Computer Access Fee \$32 for access to the School of Business computers, \$1 Supply Fee Distance Education Off campus Fee \$52.

### **COURSE DESCRIPTION:**

This course is a study of federal and state individual income taxes for accounting majors and other interested business students. The course work is designed to teach the student the practical application of the income tax laws and regulations including the use of computer preparation of individual income tax returns and research of the sources of tax law through the use of electronic sources.

### **COURSE OBJECTIVES:**

The objective of this course is to give the student an understanding of the requirements for individuals to comply with the various tax laws. The homework assignments and exams are designed to develop, reinforce and then test the student's knowledge of the material presented in the text and other materials provided in the class.

### **COURSE PROCEDURES:**

Distance Education: There is no classroom time scheduled for this class. This course provides you with the flexibility to complete the course at your own pace within the 15 week semester. It is a 3 hour college level course. In a regular course, according to accreditation guidelines, you would be expected to spend three hours in the classroom and about 9 hours outside the classroom in study and preparation or a total of 12 hours each week for the 15 weeks of the semester, approximately 180 hours of total time. With the distance education course you are not tied to a classroom lecture schedule. You may schedule the 180 hours of study it takes to complete the course according to your schedule. You have the option to accelerate the work into a shorter period. You can complete it in ten weeks by spending 18 hours per week or in 7 ½ weeks by spending 24 hours per week on the material. If you are really aggressive you could try to complete the course in 2 ½ weeks if you are willing to spend 8 hours per day on the course.

The most difficult part of a distance education course is that there is no one looking over your shoulder to push you to complete the work at a set schedule. If you do not discipline yourself, you can find yourself with a significant amount of material to cover and insufficient time to cover it adequately. You could try to complete the course in 15 days if you were willing to spend 12 hours each day. It is not advisable to try to complete it by studying 24 hours a day for 7 ½ days. For the most part, your success in this course will depend on the amount of time you spend in the study of the material. The earlier you start your work on the course, the better your chances are of successfully completing the course.

A suggested time-line is included at the end of the syllabus to guide you in the study of this course over a 15 week period. If you have any problems with the quizzes or exams on the web site, please send me an e-mail so that I can correct the problem.

Accounting Lab: Accounting Lab Assistants are available to help you in the "Accounting Lab" in the Business Building (WB124b). The lab is also available for group study. You may also use the computer lab in WB130.

Coursework: The work in this course is divided into five different activities:

- reading the material in the book,
- taking the topic quizzes and chapter exams for each chapter online at the course web site,
- tax return preparation projects to be submitted online,
- tax research memorandum/letter projects to be submitted online,
- the mid-term and final exams.

The book we are using is divided into 20 chapters. Each chapter is divided into topic sections. The pages to read are noted in the beginning of each topic quiz. You should read the topic before you try the quiz on the Course Web Site. There are 20 quiz questions for each chapter. Each topic quiz may be taken up to five times. The highest score will be recorded. At the end of the chapter, there is an online chapter exam. The exam may be taken twice. The scores will be averaged. After chapter 10 there is a mid-term exam and after chapter 20 there is a final exam.

Each chapter has two projects, a tax return project and a research project. The tax returns should be prepared with computer software complete with federal and state returns. (If no state is indicated assume Utah.) You may use the software on the computer in the business building or send for a demo copy of the Drake software to use at home. You will want to install the PDF printer software to convert the tax returns to pdf files to submit. The returns will be submitted at the course web site.

The research projects involve looking up tax code sections, regulations, revenue rulings, court cases, etc. to respond to a request of a client. You will prepare a response to the client and submit it at the course web site. In the memorandum or letter you will first need to restate the facts of the situation as you understand them from the client's information. Second you need to include a short paragraph of explanation regarding how the data source relates to the clients facts. Last of all, you will recommend a course of action for the client to follow. The research problem responses must be prepared in letter or memo format with a word processor and must contain proper citations to the sources cited. Half of the available points can be lost for failure to cite the source of your information. There are examples of how the memorandum or letter should look on pages 2-35, 2-36 and 2-37 of the 2008 text. Lexus/Nexus and the CCH Web resource tools are available on campus and through the library link on the web to assist you with the research.

Extra Credit: Extra credit is available for the preparation of extra credit returns listed in the schedule.

Exams: There are chapter exams at the end of each chapter on the web site. The exams may be taken once, or twice and the grades will be averaged. In addition there is a mid-term exam that will be available after chapter 10 and a final exam that will be available during the final exam period. The mid-term and final exams may only be taken once.

Grading: A summary schedule of your homework and exam grades will be available for you to review throughout the semester at the course web site. Please review the schedule to be sure you have received credit for all of the work that you have done. Your final grade in the class will be a composite of the credit received in each area of work. Each area of work will receive the following weight toward your final grade for the course:

Points:

Chapter Reading Quizzes @ 20 points/Chapter	400
Research Projects and Tax Returns @ 10 points/Chapter	200
Tax Returns @ 10 points/Chapter	200
On-line Chapter Exams @ 50 points/Chapter	1,000
Mid-term Exam	100
Final Exam	100
Total	2,000

The following grade table will be used to assign letter grades:

1860 and above A	1540 C+
1800 A-	1460 C
1740 B+	1400 C-
1660 B	1200 D
1600 B-	Less than 1200 E

**Attention Students with Disabilities:** If you have any disability which may impair your ability to successfully complete this course, please contact the Accessibility Services office, 863-8747, BU 146. Academic accommodations are granted for all students who have qualified documented disabilities. All services are coordinated with the Accessibility Services office.

**Academic Dishonesty:** No academic dishonesty will be tolerated. The penalty for a first offense is an “F” for the assignment and the assignment cannot be redone. A second offense means that you *fail* (forfeit credit) the course and will be reported to the Department Chair and to Student Advising. Please read the complete “*Student Rights and Responsibilities*” section in the 2007-2008 UVSC catalog to be aware of your academic responsibilities.

**Note:** This schedule is subject to change without notice.

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### Suggested Course Time-line Spring 2008

The following is a suggested schedule that you could follow to finish the course over the 15 weeks of the semester. If you want to complete it over a different time period, you should create your own personal schedule over the time you wish to cover.

Dates	Chapter Assignment
Jan 3-7	Chapter 1 - Introduction, Understanding the Tax Law
Jan 8-12	Chapter 2 - Working With the Tax Law
Jan 13-17	Chapter 3 - Tax Determination, Exemptions, Property Transactions
Jan 18-22	Chapter 4 - Gross Income: Concepts & Inclusions
Jan 23-27	Chapter 5 - Gross Income: Exclusions
Jan 28-Feb 1	Chapter 6 - Deductions and Losses: In General
Feb 2-6	Chapter 7 - Deductions and Losses: Certain Business Expenses and Losses
Feb 7-11	Chapter 8 - Depreciation
Feb 12-16	Chapter 9 - Deductions: Employee Expenses
Feb 17-21	Chapter 10 - Deductions and Losses: Certain Itemized Deductions
	The Midterm Exam over Chapters 1-10
Feb 22-26	Chapter 11 - Passive Activity Losses
Feb 27-Mar 2	Chapter 12 - Alternative Minimum Tax
Mar 3-7	Chapter 13 - Tax Credits and Payment Procedures
Mar 8-12	Chapter 14 - Property Transactions: Determination of Gain or Loss and Basis
Mar 13-18	Chapter 15 - Property Transactions: Nontaxable Exchanges
Mar 19-24	Chapter 16 - Property Transactions: Capital Gains and Losses
Mar 25-30	Chapter 17 - Property Transactions: Section 1231 and Recapture Provisions
Mar 31-Apr 5	Chapter 18 - Accounting Periods and Methods
Apr 6-11	Chapter 19 - Deferred Compensation
Apr 12-17	Chapter 20 - Corporations and Partnerships
Apr 21-24	The Final Exam on Chapters 11 to 20

Enrollment in the Tax Return Preparation Class (ACC 341R-X01) is recommended to give you more experience in preparing tax returns with the information you are learning in the individual income tax class.

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Homework Assignments - Spring 2008 – 2008 Edition

Quizzes - 20 Pt	Research - 10 Pts	Tax Returns - 10 Points	Extra Credit - 5 Points Each
Chapter 1	E-Mail & Web Sites	Alice Adams 1040EZ	
Chapter 2	2- 3, 9, 11, 12, & 13	Benjamin Baker 1040A	
Chapter 3	3-4	3-55 Nancy Keating	3-54 Austin & Sarah Dalton
Chapter 4	4-4	4-59 Dan & Freida Butler	4-60 Cecil Seymour
Chapter 5	5-2	5-60 Martin Albert	5-59 Alfred Old
Chapter 6	6-2	6-63 John Sanders	6-62 Helen Archer
Chapter 7	7-5	7-60 Jane Smith	7-61 Alan Rice
Chapter 8	8-4	8-63 John Smith	8-62 Janice Morgan
Chapter 9	9-3	9-50 George Jordan	9-51 Kelly Morgan
Chapter 10	10-1	10-49 Alice & Bruce Byrd	10-50 Paul & Donna Decker
Chapter 11	11-3	Kerry King 1040	
Chapter 12	12-3	12-64 Robert Armstrong	12-65 Ron Freeman
Chapter 13	13-4	13-54 Beth Jordan	13-55 Tim Lawrence
Chapter 14	14-3	14-61 John Custer	14-60 Albert Sims
Chapter 15	15-1	15-62 Tammy Walker	15-61 Arnold Young
Chapter 16	16-4	16-42 Paul Barrone	16-41 Sue Lowe
Chapter 17	17-2	17-55 Glen Okumura	17-54 Justin Stone
Chapter 18	18-2	Comprehensive Return 1 - Bernard Palmer App. F-1	
Chapter 19	19-2	Comprehensive Return 2 - Austin & Carla Wilson App. F-2	
Chapter 20	20-1	ABC Corporation	

**\*Please use the Drake in the Classroom link for all returns prepared for homework on the computers at UVSC. Please use your last name for the Taxpayer last name followed by a dash and the taxpayer name from the problem. Also, to avoid duplication of social security numbers, assign each return problem an identifying number that starts with your three digit assigned preparer number, a two digit chapter number and a three digit number that you assign to the return followed by a 0. (eg. NNN CC ### 0). For example if your preparer number is 13 and you are working on your first return in chapter 1 you would use the SSN 013-01-0010.**

Please note that this schedule, including chapter assignments, homework assignments, and exams is subject to change. Any adjustments to the schedule will be posted as a notice to the course web site.