

**Paralegal  Course Outlines**

**TITLE:** Estate, Gift, and Trust Taxation  
(PARA 446)

**NOTE:** This course is cross-listed as Accounting (ACCT) 446.

- OBJECTIVES:**
1. To learn the concepts and laws regarding taxation of estates, gifts, and trusts.
  2. To learn the principles of taxation of the income earned by estates and trusts.
  3. To develop skills in preparation of tax returns for estates and trusts.

**CREDITS:** 3 semester credit hours

**INSTRUCTION:** Lecture; group work on projects

**EVALUATION:** Tests; tax preparation projects and other case studies.

**OUTLINE:**

	<u>Time</u>
<p>I. Overview of transfer tax law and property interests</p> <ul style="list-style-type: none"> <li>A. Gift and estate taxes</li> <li>B. Transfers, valuations, and basis</li> <li>C. Charitable gifts</li> <li>D. Computation and filing</li> <li>E. Property interests                             <ol style="list-style-type: none"> <li>1. Review of types of ownership</li> <li>2. Co-ownership</li> </ol> </li> <li>F. Form 701: gift tax return</li> </ul>	4 hours
<p>II. Property transfers at death</p> <ul style="list-style-type: none"> <li>A. Testate and intestate</li> <li>B. Probate</li> <li>C. Taxable estate</li> <li>D. Valuation and basis</li> <li>E. Life insurance and survivor benefits</li> <li>F. Gifts in contemplation of death</li> <li>G. Transfers for insufficient consideration</li> </ul>	4 hours

III.	Deductions from gross estate	4 hours
	A. Debts and mortgages	
	B. Funeral and administrative expenses	
	C. Marital deduction	
	D. Estate tax credits	
IV.	Exercises and discussion of problems on Forms 701 (gift tax return) and 706 (estate tax return)	4 hours
V.	Income taxation of estates and trusts	4 hours
	A. Relevant sections of Internal Revenue Code	
	B. Estates and trusts as legal entities	
	C. Income, receipts and disbursements	
	D. Exemptions	
	E. Limitations on deductibility of expenses	
VI.	Exercises and discussion of problems on Form 1041 (fiduciary income tax)	4 hours
VII.	Family tax planning	4 hours
	A. Minimization of tax consequences	
	B. Income-shifting devices	
	C. Family members as employees and business owners	
	D. Trusts	
	E. Planning for deferred payment of estate taxes	
VIII.	Exercises and discussion of problems	4 hours