

Minnesota State University Moorhead

ACCT 441: Tax Accounting I

A. COURSE DESCRIPTION

Credits: 4

Lecture Hours/Week: 4

Lab Hours/Week: 0

OJT Hours/Week: *.*

Prerequisites: None

Corequisites: None

MnTC Goals: None

Outline of federal tax system; tax professional responsibilities, tax procedures, and tax research; concepts of gross income and deductions; tax computations and tax credits; property transactions; individual tax planning; retirement planning; taxation of C corporations, S corporations, partnerships, limited liability companies, and tax-exempt organizations.

B. COURSE EFFECTIVE DATES: 01/14/2022 - Present

C. OUTLINE OF MAJOR CONTENT AREAS

1. Responsibilities in tax practice (Internal Revenue Code and regulations related to tax return preparers)
2. Methods of taxation
3. Federal tax procedures (audits, appeals and judicial process; substantiation and disclosure of tax positions; authoritative hierarchy)
4. Tax research
5. Legal duties and responsibilities (common law duties and liabilities to clients and third parties; privileged communications, confidentiality, and privacy acts)
6. Federal taxation of individuals (gross income; reporting items from pass-through entities; deductions to arrive at adjusted gross income and taxable income; loss limitations; filing status; tax computations and credits; sole proprietorships)
7. Acquisition, use, and disposition of assets (tax basis of assets; depreciation and amortization; amount and character of gain (loss) on dispositions, and netting process; nontaxable dispositions; related party transactions (including imputed interest)
8. Individual tax planning
9. Retirement planning
10. C corporations (computations of taxable income, tax liability, and allowable credits; net operating losses; differences between book and tax income (expense))
11. S corporations (eligibility and election; determination of ordinary business income (loss) and separately stated items; basis of shareholder's interest)
12. Partnerships (determination of ordinary business income (loss) and separately stated items; basis of partner's interest; basis of assets contributed to the partnership)
13. Limited liability companies
14. Tax-exempt organizations
15. Technology and digital acumen (using technology and data analysis in the tax function; digital acumen; analytical review leveraging data and technology)

D. LEARNING OUTCOMES (General)

1. Recall and apply the regulations governing practice before the Internal Revenue Service.
2. Describe methods of taxation.
3. Explain audits, appeals, and judicial process; explain importance of substantiation and disclosure of tax positions; explain authoritative hierarchy in tax guidance.
4. Explain and apply tax research techniques.
5. Explain the tax preparers; common law duties and liabilities to clients and third parties and identify violations; explain rules regarding privileged communications, confidentiality, and privacy acts.
6. Calculate the tax basis of assets; recall basics of cost recovery and explain concepts related to depreciation, amortization and depletion; calculate depreciation, amortization, and depletion using current and emerging tax preparer technology; determine holding periods; compare tax benefits of different expensing options; reconcile balance in accumulated depreciation; analyze sale and exchange property transactions and calculate gain (loss) and character of gain (loss) for federal tax purposes; describe and calculate tax consequences of related party transactions.
7. Explain components of and calculate gross income using appropriate tax preparer technology; describe reporting of items from pass-through entities and report on federal Form 1040-US Individual Income Tax Return, using appropriate tax preparer technology; identify and calculate deductible and nondeductible losses by an individual and possible limitations using appropriate tax preparer technology, describe filing status types & related concepts, describe & compute tax liability and tax credits for an individual using appropriate tax preparer technology; explain taxation of sole proprietorships.
8. Discuss individual tax planning, including tax reduction/management techniques, timing of income and expenses, tax consequences of various charitable/philanthropic giving options, and professional standards.
9. Describe concepts related to retirement planning.
10. Calculate C corporation taxable income, tax liability, and allowable credits using appropriate tax preparer technology; explain and calculate net operating losses using appropriate tax preparer technology; calculate differences between book and tax income (expense) for Schedules M-1 and M-3 using appropriate tax preparer technology.
11. Explain eligibility requirements for an S corporation election and related concepts; identify and calculate ordinary business income (loss) and separately stated items for an S corporation using appropriate tax preparer technology; calculate increases and decreases to shareholder basis and determine their impact on S corporation owners using appropriate tax preparer technology.
12. Determine partnership ordinary business income (loss) and separately stated items; calculate increases and decreases to partner basis and determine their impact on partners using appropriate tax preparer technology.
13. Describe concepts related to taxation of limited liability companies.
14. Recall the different types of tax-exempt organizations and federal reporting requirements.
15. Identify prevailing technological trends and applications and their impact on tax compliance and planning; explain the use of technology and data analysis in the tax function beyond the use of tax preparation software; explain analytical review leveraging data and technology.

E. Minnesota Transfer Curriculum Goal Area(s) and Competencies

None

F. LEARNER OUTCOMES ASSESSMENT

As noted on course syllabus

G. SPECIAL INFORMATION

None noted