

**Monfort College of Business
Semester Course Syllabus**

(2017-2018)

COURSE PREFIX/TITLE: BAAC 325 – Income Tax I

Sem. Hrs. 3
Ed. Cap: 40

CATALOG DESCRIPTION: Prerequisite: BAAC 221 with a minimum grade of “C-“. Business majors only. Juniors or above. A comprehensive introduction to federal income taxation with emphasis on tax implications of business transactions. Basic tax concepts are applied to a broad range of taxpayer activities and related entities.

PREREQUISITES: BAAC 221 with a minimum grade of “C-“. Business majors only. Juniors or above.

COURSE OBJECTIVES:

1. To introduce students to a broad range of tax concepts and types of taxpayers.
2. To provide a framework for integrating income tax planning into the business decision-making process.
3. To provide students with the ability to conduct basic tax research using professional tax guides and online tax resources.
4. To expose students to professional standards and ethics.
5. To provide students with a working knowledge of the interrelationships and differences between financial accounting and tax accounting.
6. Increase students’ technological comfort and proficiency by providing hands –on experience with technology applications used in accounting and business.

MCB ACCOUNTING ASSURANCE OF LEARNING GOALS AND OBJECTIVES:

Learning Goal	Learning Objective	Course Coverage
Demonstrate knowledge of key concepts in major business disciplines	Students will score at the 80 th percentile or higher on each section of the ETS Major Field Test.	Objectives 1, 2
Demonstrate effective communication skills	Students will demonstrate competency in preparing and delivering professional quality presentations on various accounting topics.	
	Students will demonstrate competency in preparing professional accounting documents.	Objective 1
Demonstrate conceptual and analytical skills	Students will analyze accounting data/information to identify key accounting issues, generate and evaluate appropriate alternatives, and propose feasible accounting alternatives at a competent level.	Objectives 1, 5
Demonstrate technology skills	Students will demonstrate competence in business software packages to solve accounting problems.	
	Students will demonstrate competency in the use of professional accounting software such as ACS, ACL, RIA’s Checkpoint and a general ledger package.	Objective 3

Demonstrate knowledge of accounting ethics concepts	Students will demonstrate competency on course-embedded ethics and social responsibility assessments.	
	Students will competently identify the ethical issues or problems in an accounting case based on the AICPA's Code of Professional Conduct and the Colorado State Board of Accountancy's Rules of Professional Conduct, analyze the consequences for various stakeholders and develop an acceptable resolution.	Objective 4
Demonstrate knowledge of key accounting concepts	Students will demonstrate competency on test questions specifically tied to individual course objectives (as outlined on course syllabi).	Objective 1

COURSE TOPICS:

Approx.
50 Min.

<u>Periods</u>	<u>Topics Covered</u>	<u>Description</u>
2	Introduction	Policy considerations; interrelationship between taxing authorities; types of taxpayers; other types of tax.
3	Introduction to Tax Research	Sources of authority; weight of authorities, tax research methodology; tax research memorandum; use of online tax research database; keyword searching.
2	Accounting Periods and Methods	Cash versus accrual; taxable years (fiscal years); installment method; inventory, related party transactions.
2	Income	Section 61; forgiveness of indebtedness; tax exempt income; includable versus excludable; who is the taxpayer.
2	Book/Tax Differences	Financial accounting treatment versus tax treatment for revenue/expense timing. Permanent and temporary differences.
3	Deductions and Losses	Deductible versus nondeductible; business versus personal; NOLs; depreciation and amortization, bad debts and casualty losses; passive lose rules (baskets).
3	Tax Deferred Exchanges	Capital contributions to Partnerships & Corporations, Like-kind exchanges, involuntary conversions.

<u>Approx. 50 Min. Periods</u>	<u>Topics Covered</u>	<u>Description</u>
3	Property Transactions	Amount realized and recognized; basis; short -term and long-term capital gains; Section 1231; recapture; nontaxable exchanges personal residence.
2	C Corporations	Reasons for and against incorporation; non-tax aspects of incorporations; PSCs; deductions unique to corporations; debt versus equity.
2	Partnerships	Entity versus conduit theory; general versus limited interest; basis and loss limitations (at risk); partnership income versus separately stated items; guaranteed payments to partners.
2	S Corporations	Flow-through entity; reasons for electing S corporation status; restrictions on use; basis limitations; election of status; involuntary termination.
2	Choice of Business Entity	Tax planning with pass-through entities; partnership or S corporation; tax planning with closely held corporations.
5	Individuals	Schedule C; dependents and exemptions; filing status; deductions for and from AGI; taxation of social security benefits; phase-out provisions for itemized deductions and personal exemptions; alimony.
2	Fringe Benefits & Retirements Planning	Qualified versus nonqualified; IRAs, working condition fringe benefits.
1	Computation of Tax	Rate comparisons for planning purposes; alternative minimum tax (AMT); other special tax computations; tax credits.
1	Professional Responsibilities in Tax Practice	Advocate versus auditor; privilege, ethics; Circular 230 (mention only).
2	Estates and Gifts	Tax responsibility, unified exclusions.
6	Exams	
45	Total	

COURSE REQUIREMENTS: A minimum of two, 50-minute examinations will be required as well as daily accounting homework assignments.

TYPE OF GRADING: Letter

SUGGESTED TEXT AND/OR SUPPLEMENTS: (Note: These books are only suggested. Prior to purchasing books and other materials, students need to check with the class instructor for their book and class material choices.)

Taxation of business entities textbook such as:

Spilker, Brian. (2013) *Taxation of individuals and business entities* (2013 ed.), New York: McGraw-Hill.

ASSESSMENT STATEMENT: The Monfort College of Business may collect data in this course that will be used to assess student progress toward our program learning goals and objectives. Individual student performance information will be kept confidential; however, this data may be disseminated in an aggregate form to professional groups and through research publications. If you do not wish your performance in this class to be included in research about overall student performance (beyond the accreditation process), please inform your instructor in writing of this intent.

COMPUTER UTILIZATION: Use of a variety of technology, including word processors, spreadsheets, e-mail, online resources, tax research software, and tax return preparation software.

LIBRARY UTILIZATION: A traditional library research project is required utilizing the standard tax research services of RIA. Students are encouraged to use the Michener Library collections and online subscription information resources to supplement readings and to complete assignments. Library databases are available at <http://libguides.unco.edu/business>.

GLOBAL DIMENSION COVERAGE: The global scope of the tax area is discussed in the introductory material, the foreign earned income exclusion and foreign tax credit are discussed.

ETHICAL DIMENSION COVERAGE: Ethical considerations are included in the various chapters when introducing taxes in a self-reported system, in working with the tax law, and in identifying items reported in gross income as well as deductions and/or credit.

STUDENTS WITH DISABILITIES: Any student requesting disability accommodation for this class must inform the instructor giving appropriate notice. Students are encouraged to contact Disability Support Services at (970) 351-2289 to certify documentation of disability and to ensure appropriate accommodations are implemented in a timely manner.

CLASSROOM TECHNOLOGY GUIDELINES: Each student is required to review and become familiar with the following classroom technology guidelines:
<http://mcb.unco.edu/pdf/Classroom-Technology-Guidelines.pdf>

FOOD AND BEVERAGE GUIDELINE: Food is not allowed in classrooms. Only drinks in a container with a screw top lid are allowed.

KENNETH W. MONFORT COLLEGE OF BUSINESS STATEMENT

The Kenneth W. Monfort College of Business students are expected to conduct themselves in accordance with the highest standards of academic honesty. Cheating, plagiarism, illegitimate possession and disposition of examinations, alteration, forgery, or falsification of official records and documents, and similar acts or the attempt to engage in such acts are grounds for disciplinary action. This action can include the following in addition to any University disciplinary action:

1. A failing grade for a particular assignment.
2. A failing grade for a particular course.
3. Suspension from the College of Business Administration.
4. Expulsion from the College of Business Administration.

Students are expected to complete all prerequisites for a business class prior to the first day of class. Students may not concurrently enroll in a class and its prerequisite(s) unless it is expressly stated in the bulletin that the class is a co-requisite. Any exception to this policy must be approved by the Chair of the School offering the class.

Students must submit original works for assignments required in this class. This includes term papers, cases and other course requirements. A student who submits a work that was previously submitted to another class without prior approval from the instructor is in violation of this policy. A student who violates this policy may receive a failing grade for the assignment, a failing grade for the class, and face termination of his/her business degree program.

Additionally, the Dean of Students Office may be notified in writing of all violations of academic honesty in this class.

MONFORT COLLEGE OF BUSINESS STUDENT CODE OF PROFESSIONAL CONDUCT

Monfort College of Business students represent the professional and academic interests of the entire MCB & UNC communities. Accordingly, MCB expects all students to behave in a professional manner and adhere to high ethical standards in every business class and in every activity connected with the Monfort College of Business. This professional behavior is required not only in the classroom but also in all MCB-related interactions such as e-mails, conferences and use of technology.

MCB students should exhibit respectful behavior in classes. This behavior includes arriving on time to class, staying in class until the lecture ends, having the discipline to stay engaged in class, turning-off or silencing cell phones and pagers while in class, refraining from text-messaging, and avoiding coming to class wearing clothing that is unduly provocative or has written messages that are rude, insensitive or obscene. MCB students should engage in respectful behavior in all activities where they act directly or indirectly as a representative of the MCB. Respectful behavior creates a more desirable, civilized, and productive learning environment, and it models behavior that is both productive and pleasant when students transition from the classroom to the workplace.

MCB students should master and apply the fundamental skill of preparing and sending class or university related e-mails that are properly written, show professionalism and communicate a clear message. E-mails containing profanity, spelling mistakes, punctuation errors, or poor composition evidence sloppiness and show disrespect to the recipient. MCB students should use proper forms of address when communicating orally or in writing with faculty or staff (i.e., Dr. Smith, Professor Jones, Ms. Abbot, etc.). If a student does not know how to address a faculty member, he or she should ask.

This code of professional conduct complements, but does not replace, the Honor Code of the Monfort College of Business or the Honor Code of the University.

Last Updated: June 2012
By: Accounting Department
Rolled over: June 2017