

**Cedar Crest College**  
**ACC218 –70 Spring 2009**  
**Personal Income Tax Accounting**

**Instructor:** Ibolya Balog, CPA, MBA  
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**Office Hours:** Monday, 2:30 –5:00  
Tuesday 10:00 -12:00  
Thursday 5:00 – 6:00  
And by appointment

**Course meets:** Tuesdays, 7:00 – 9:30 in Room Curtis 353

**Credits:** 3

**Prerequisites:** ACC 101,102, CIS 214

**Course Description:** This course is a study of the preparation of federal income tax returns for individuals and small businesses based on current law, regulations and current decisions. Students are required to research applicable tax law, regulations, and current decisions, using various tax reference services and computer data-base access.

**Course Text:** Individual Income Taxes, 2009 edition, Hoffman W H Jr., Smith J E, Willis E, Thomson Southwestern; ISBN 978-0-32466020-3

**Tools:** Study guide, Individual Practice Sets, TaxCut (disk included in textbook); RIA Checkpoint Tax research (access code in text book) financial calculator, computer, access to internet, Excel and library resources. Related website:  
<http://www.thomsonedu.com/taxation/wft>

**Format:** Lecture, discussion, problems and exercises

**Courses Objective:** Introduction to basic theory and concepts of income taxation with an emphasis on the application of the Internal Revenue Code to individual tax returns from both the non-business and business perspective; application of tax research using internet based resources and understanding of updated Circular 230 tax preparer responsibilities.

**Outcome/Assessment:** At the completion of the course students are able to:

1. Understand the history and reasoning for the development of current tax code and methods to research tax questions
2. Determine filing status and exemptions allowed
3. Identify items to be included or excluded on tax returns
4. Identify allowable deductions on individual tax returns
5. Determine application of passive activity rules

6. Determine gains and losses from capital and non-capital transactions
7. Identify and apply various tax credits available
8. Understand the alternative minimum tax and its applicability to individual tax payers
9. Prepare individual tax returns

**Student evaluation and Grading:**

Minimal requirements for completion of the course are that students successfully take and pass a mid-term and final exam, successfully prepare two tax returns using TurboTax and regularly attend and participate in class.

• Midterm	20%
• Final exam	30%
• Two tax returns	30%
• Class participation, attendance	<u>20%</u>
Total	100%

Both exams will be take home and consist of multiple choices, problems and short answer essay questions. The midterm will cover Chapters 1 through 7; the final exam will cover Chapters 8 through 17

Details for the tax returns to be completed will be distributed in class and provide opportunities for applying the material learned in a practical situation.

Class discussion is evaluated based on relevance and contribution to a topic. In an effort to have students gain new perspective, questions are encouraged.

There are no extra credit opportunities.

**Classroom Expectations:**

All students are expected to attend class and contribute regularly to discussions. Students are expected to come to class prepared to discuss the assigned topics; therefore, they should read the assigned chapters prior to class. Students who miss class are expected to contact the professor and/or classmate. In addition, a missed class does not imply an automatic extension on an assignment’s due date. All assignments are due on the assigned due dates.

Each student is required to use her/his Cedar Crest email account for communication with the professor and fellow students. Students should check their email regularly.

Please turn off all cell phones, beepers and pagers prior to the start of class. Notebook computers in class are limited to note taking and class related work only.

“Appropriate classroom behavior is implicit in the Cedar Crest College Honor Code. Such behavior is defined and guided by the complete protection for the rights of all students and faculty to a courteous, respectful classroom environment. That classroom environment is free from distractions such as late arrivals, early departures, inappropriate conversations and any other behaviors that might disrupt

instruction and/or compromise students' access to their Cedar Crest College education.” (Cedar Crest College Catalog, page 29)

The Cedar Crest Honor Philosophy states, “Students shall uphold community standards for academic and social behavior in order to preserve a learning environment dedicated to personal and academic excellence. Individuals who accept the honor of membership in the Cedar Crest College community of scholars pledge to accept responsibility for their actions and the effect their actions may have on other members of the College Community.” (Cedar Crest College Catalog, page 28)

Whether “deliberate or accidental, academic dishonesty is a serious academic offense and a violation of the spirit of the Cedar Crest Honor Code.” (Cedar Crest College Catalog, page 28)

Any confirmed instance of academic dishonesty can result in a failing grade for this course.

### Students with Documented Disabilities

Students with documented disabilities who may need academic accommodations should discuss these needs with the professor during the first two weeks of class. Students with disabilities who wish to request accommodations should contact the Advising Center.

Syllabus is subject to change with prior notice from the professor.

Date	Topic	Reading	Suggested Homework	
Tuesday 1/20	Introduction to taxation and understanding the federal tax law Working with the tax law	Chapter 1  Chapter 2	1-12, 1-19, 1-25, 1-31, 1-38, 1-44  2-9, 2-27	
Tuesday 1/27	Tax determination personal and dependency exemptions, overview of property transactions	Chapter 3	3-53, 3-55	
Tuesday 2/3	Gross Income: Concepts and Inclusions Gross Income: Exclusions	Chapter 4  Chapter 5	4-7, 4-59  5-59	
Tuesday 2/10	Deductions and Losses in General Deductions and Losses: Certain Business Expenses And Losses	Chapter 6  Chapter 7	6-33, 6-34, 6-37, 6-62  7-37, 7-43, 7-50, 7-51	
Tuesday 2/17	Depreciation, Cost Recovery, Amortization and Depletion Deductions: Employee and Self-Employed Expenses	Chapter 8  Chapter 9	8-36, 6-45, 8-62  9-50, 9 Research problem 2	Mid Term Distributed
Tuesday 2/24	Deductions and Losses: Itemized Deductions Investor Losses	Chapter 10  Chapter 11	10-28, 10-40  . , 10-47  11-58, 11-60, 11 Res. Prob. 2	Tax Return 1 assigned
Tuesday 3/3	Alternative Minimum Tax Tax Credits and Payment	Chapter 12 Chapter 13	12-64, 12-65, 12 Res. Prob. 1	Mid Term Due

	Procedures			
Tuesday 3/10	Spring Break			
Tuesday 3/17	Property Transactions: Determination of Gain or Loss and Basis Consideration	Chapter 14	14-15, 14-60, 14 Res. Prob. 1	Tax return 1 due Tax return 2 assigned
Tuesday 3/24	Property Transactions: Nontaxable Exchanges	Chapter 15	15-61	
Tuesday 3/31	Property Transactions: Capital Gains and Losses	Chapter 16	16-17, 16-40	Tax return 2 due
Tuesday 4/7	Property Transactions: Sec. 1231 and Recapture Provisions	Chapter 17	17-54, 17-55 17 Res. Prob. 1	Final Distributed
Tuesday 4/14	Accounting Periods and Methods	Chapter 18	18-11, 18-14, 18-35	
Tuesday 4/21	Deferred Compensation	Chapter 19	19-14, 19-16	Final Due
Tuesday 4/28				