

## SYLLABUS

**COURSE # AND TITLE:** ACCT 232 – Income Tax I  
**# OF CREDITS:** 3

**CATALOG DESCRIPTION:**

Federal income taxation of individuals and proprietorships under the Internal Revenue Code and regulations, including accounting periods, methods, income deductions, property transactions, tax credits, and research and planning.

**Prerequisite:** ACCT 201 or equivalent

**Semester Offered:** Fall

<i>Common Student Learning Outcomes</i>	
<i>Upon successful completion of San Juan College programs and degrees, the student will....</i>	
<i>Learn</i>	<i>Students will actively and independently acquire, apply and adapt skills and knowledge to develop expertise and a broader understanding of the world as lifelong learners.</i>
<i>Think</i>	<i>Students will think analytically and creatively to explore ideas, make connections, draw conclusions, and solve problems.</i>
<i>Communicate</i>	<i>Students will exchange ideas and information with clarity and originality in multiple contexts.</i>
<i>Integrate</i>	<i>Students will demonstrate proficiency in the use of technologies in the broadest sense related to their field of study.</i>
<i>Act</i>	<i>Students will act purposefully, reflectively, and respectfully in diverse and complex environments.</i>

**GENERAL LEARNING OBJECTIVES:**

- I. Explore some of the history and trends related to taxation and Federal tax law.
- II. Work with the tax law using appropriate tax law sources and gain an understanding of the tax research process.
- III. Understand and apply the components of the Federal income tax formula to determine tax liability.
- IV. Study the income component of the basic tax model to include gross income, concepts and inclusions.
- V. Understand that statutory authority is required to exclude an item from gross income and identify tax planning strategies for minimizing gross income.
- VI. Study the deduction component of the basic tax model and how deductions are classified in general; Identify tax planning strategies for maximizing deductions and minimizing the disallowance of deductions.
- VII. Recognize and determine deductions and losses for certain businesses.
- VIII. Understand and apply the rationale for the cost consumption concept and identify the relevant time periods for depreciation, cost recovery, amortization and depletion.
- IX. Consider various planning procedures available to maximize the deductibility of employee and self-employed-related expenses.
- X. Distinguish between certain deductible and nondeductible itemized deductions and losses and recognize the inherent limitations.

**SPECIFIC LEARNING OUTCOMES:**

Related General Learning Objectives and related Common Student Learning Outcomes are shown in parenthesis at the end of each Specific Learning Outcome.

Upon successful completion of the course, the student will be able to ...

1. Recognize the economic, social, equity and political considerations that justify various aspects of the tax law and some of the criteria and components of a tax structure (I) (L,T,A).
2. Describe the role played by the IRS and the courts in the evolution of the Federal tax system and appreciate some of the ethical guidelines involved in tax practice (I) (L,T,C,A).
3. Distinguish between the statutory, administrative and judicial sources of the tax law and understand the purpose of each source (II) (L,T).
4. Apply various tax research techniques and planning procedures and communicate the results of the tax research process in a client letter and a tax file memorandum (II) (L,T,C,I,A).
5. Recognize and apply the rules and requirements for arriving at personal and dependency exemptions and filing status (III) (L,T).
6. Identify and work with kiddie tax situations and possess and overview of property transactions (III) (L,T).
7. Explain the concepts of gross income and realization; Distinguish between the economic, accounting and tax concepts of gross income; Identify who should pay the tax (IV) (L,T,C).
8. Apply the Internal Revenue Code provisions on alimony, loans made at below-market interest rates, annuities, prizes and awards, group term life insurance, unemployment compensation and social security benefits (IV) (L,T).
9. Identify the circumstances under which various items are excludible from gross income and determine the extent to which receipts can be excluded under the tax benefit rule (V) (L,T,C).
10. Differentiate between deductions *for* and *from* adjusted gross income and understand the relevance of the differentiation (VI) (L,T).
11. Apply the Internal Revenue Code deduction disallowance provisions associated with the following: public policy limitations, political activities, excessive executive compensation, investigation of business opportunities, hobby losses, vacation home rentals, payment of others' expenses, personal expenditures, capital expenditures, related-party transactions and expenses related to tax-exempt income (VI,) (L,T).
12. Determine the amount, classification and timing of the bad debt deduction, casualty and theft losses and research and experimental expenditures (VII) (L,T).
13. Determine the amount of the net operating loss and recognize the impact of the carryback and carryover provisions (VII) (L,T).
14. Determine the amount of cost recovery under ACRS and MACRS and perform the reporting procedures (VIII) (L,T,I).
15. Recognize when and how to make the section 179 expensing election and calculate the amount of the deduction (VIII) (L,T,I).
16. Determine the amount of depletion expense for natural resources; Identify intangible assets that are eligible for amortization and calculate the amount of the deduction (VIII) (L,T,I).
17. Distinguish between employee and self-employed status (IX) (L,T).
18. Recognize and determine the deductibility of travel, moving, education, entertainment and other employee expenses and how they are treated (IX) (L,T).
19. Define, compute and recognize limitations on medical expenses, fees and licenses, state and local income taxes, interest, charitable contributions and miscellaneous itemized deductions (X) (L,T,I).
20. Complete periodic tax returns to apply the analytical, conceptual and procedural knowledge gained throughout the course (All Inclusive) (L,T,C,I, A).

Syllabus developed by Connie C. Kett Date: August 21, 2004

Syllabus reviewed by Dr. Sam Dosumu Date: 8/23/04