



Syllabus

ACC 207 Income Tax Accounting

General Information

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Department Business

Course Prefix ACC

Course Number 207

Course Title Income Tax Accounting

Course Information

Catalog Description This course is designed to familiarize accounting students with aspects of income taxation of individuals and provide a foundation upon which they can act in either an advisory or functional capacity.

Credit Hours 3

Lecture Contact Hours 3

Lab Contact Hours 0

Other Contact Hours 0

Grading Scheme Letter

Prerequisites

ACC 101

Co-requisites

None

First Year Experience/Capstone Designation

This course DOES NOT satisfy the outcomes applicable for status as a FYE or Capstone.

SUNY General Education

This course is designated as satisfying a requirement in the following SUNY Gen Ed categories

None

FLCC Values

Institutional Learning Outcomes Addressed by the Course

Vitality, Inquiry, Perseverance, and Interconnectedness

Course Learning Outcomes

Course Learning Outcomes

1. Prepare simple and more complex Federal 1040 Income Tax returns for most individuals, including associated schedules
2. Calculate Federal Withholding, Social Security Tax, and Medicare Tax related to payroll
3. Demonstrate various aspects of tax planning and identify the differences between tax avoidance and tax evasion
4. Research tax issues as they relate to individual tax returns

Outline of Topics Covered

I. History and Objectives of the Tax System

- a.** Introduction to Taxes
- b.** Understanding the Federal tax law
- c.** Reporting and Taxable Entities

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II. Tax Formula for Individuals

- a.** Who must file
- b.** Filing Status and Tax Computation
- c.** Overview of property transactions
- d.** Standard Deductions
- e.** Tax and the internet

- f. Electronic Filing

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III. Gross Income Inclusions and Exclusions

- a. Nature of gross income
- b. Interest and Dividend Income
- c. Prizes and Awards
- d. Annuities
- e. Life Insurance
- f. Gifts and Inheritances
- g. Scholarships
- h. Accident and Health Insurance
- a. Meals and Lodging
- j. Municipal Bond Interest
- k. Unemployment Compensation Tax
- l. Employee Fringe Benefits
- m. Social Security Benefits

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IV. Business Income and Expenses

- a. Schedule C
- b. Inventories
- c. Transportation
- d. Travel Expenses
- e. Meals and Entertainment
- f. Educational Expenses
- g. Dues, Subscriptions, and Publications
- h. Special Clothing and Uniforms
- a. Business Gifts
- j. Bad Debt

- k.** Office in the home
- l.** Net operating losses
- m.** Hobby Losses

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V. Other Business Income and Expenses

- a.** Rental Income and Expenses
- b.** Passive Loss Limitations
- c.** Self-employed Health Insurance Deduction
- d.** Health Savings Accounts
- e.** Moving Expenses
- f.** Individual Retirement Accounts
- g.** Small Business and Self-employed retirement accounts
- h.** Qualified retirement plans
 - a.** Rollovers

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VI. Itemized deductions and other incentives

- a.** Medical Expenses
- b.** Taxes
- c.** Interest
- d.** Charitable Contributions
- e.** Casualty and Theft Losses
- f.** Miscellaneous Deductions
- g.** Educational incentives
- h.** Phase-out of itemized deductions

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VII. Credits and Special Taxes

- a.** Child tax credit

- b.** Earned income credit
- c.** Child and dependent care credit
- d.** The Affordable Care Act
- e.** Education Tax Credits
- f.** Foreign Tax Credit
- g.** Adoption Expenses
- h.** Energy Credits
- a.** Individual Alternative Minimum Tax (AMT)
- j.** Unearned income of minor children

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VIII. Depreciation, Amortization, and Depletion

- a.** Methods of Depreciation
- b.** MACRS – Modified Accelerated Cost Recovery System
- c.** Election to expense (Section 179)
- d.** Listed property
- e.** Limitation of Depreciation of Luxury Automobiles
- f.** Intangibles

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IX. Capital Gains and Losses

- a.** Capital Asset
- b.** Holding Period
- c.** Calculation of Gains or Losses
- d.** Net Capital Gains
- e.** Net Capital Losses
- f.** Section 1231 Gains and Losses
- g.** Depreciation Recapture
- h.** Casualty Gains and Losses
- a.** Installment Sales

- j. Like-Kind Exchanges
- k. Involuntary Conversion Sale of a Personal Residence

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10) Withholding, Estimated Payments, and Payroll Taxes

- a. Withholding Methods
- b. Estimated payments
- c. FICA Tax
- d. Federal Deposit Tax System
- e. Employer Reporting Requirements
- f. Self- Employment Tax
- g. FUTA Tax
- h. Nanny Tax

XI. Â Tax Administration and Tax Planning

- a. The Internal revenue Service
- b. The audit process
- c. Interest and penalties
- d. Statute of Limitations
- e. Taxpayer Bill of Rights
- f. Tax Planning

Program Affiliation

This course is not required as a core course in any programs.