

ACCT 375 INCOME TAXATION I  
 Monday and Wednesday: 2 – 3:50 pm (Section 40021)

Fall 2008  
 CF 225

Professor: Dr. Zite (zeet) Hutton  
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 Office Hours: Monday & Wednesday: 10:45 – 11:30; 4:05 – 4:30pm; other times by appt.

**Course Objectives:**

Ethical [E] issues are covered throughout the course, as are the influence of legal [L] and regulatory [R] issues, and the political [P] and social [S] issues which affect taxation. The use of technology [T] is also a vital component of this course. The occurrence of these issues [E, L, R, P, S & T] are noted below.

Upon completion of this course, you should be able to:

- Identify the objectives and structure of the Federal income tax system [LRPS];
- Understand the basic principles of individual income taxation [ELRPS];
- Understand the basic principles of business taxation, as it applies to sole proprietorships [ELRPS];
- Determine the tax consequences of property transactions [LR];
- Explain important tax concepts [LRS];
- Identify tax issues [ELRPS];
- Perform basic tax research [ELRT];
- Use computerized tax resources and other appropriate technology [LRT];
- Write a legal memorandum [LR]; and
- Prepare a comprehensive individual income tax return [LR].

**Course Materials: (REQUIRED)**

1. Pratt & Kulsrud, Individual Taxation, (2009 Edition)
2. Federal Income Tax Code and Regulations: Selected Sections, 2008-2009 Edition (Commerce Clearing House)
3. Course outlines, etc. – download & print from Blackboard. (*It is your responsibility to print the chapter outlines and bring them to class with you.*)

**Grading:** (to determine the extent to which the course objectives have been attained)

Creation of Blackboard Student Homepage <u>before</u> Oct 1 <sup>st</sup> [T]	1 course point
Midterm exam [LRPS] .....	30 course points
Final exam [LRPS] .....	30 course points
Tax return practice problems, including depreciation ex. [LR] ....	20 course points
Research case #1 [ELRT] .....	9 course points
Research case #2 [ELRT] .....	<u>10 course points</u>
TOTAL .....	<u>100 course points</u>

**Exams:** There will be no make-up exams without prior arrangements and good cause. However, it is possible to take an exam EARLY, by appointment only. Calculators with communications capability (e.g., cellphones, iPhones, Blackberries, etc.) may NOT be used on exams.

The Federal Income Tax Code and Regulations: Selected Sections (see Course Materials above) may be used on exams. You may *write* in this volume, but may *not* add pages to it in any way. (SMALL tabs may be used: maximum size 1½" x 2", used as tabs)

**Research cases:**

Tax research cases are provided in order that you may learn how to do basic tax research. However, knowing how to find the answer is only one part of the problem. It is also essential that you be able to communicate the results of your research. Communication skills are necessary for a successful professional career. Therefore, in the memoranda of your research results, as in any professional communication, no spelling, grammar, or punctuation errors will be tolerated.

**Student Homepage on ACCT 375 Blackboard:** - do before 10/1.

Create your "Homepage" on the ACCT 375 Blackboard (available through "My Western" [mywestern.wwu.edu]) before Wednesday, October 1<sup>st</sup>. Your homepage should contain an introduction of yourself, including at least 2 interesting things about yourself. Posting a photo is optional. Click on Course Tools (in the left menu), then Homepage to do this assignment. To view student homepages in Blackboard, click on Communication, then Roster, then on the student's name. (You may search for a name, or list all names.)

**Tax Return Practice Problems:**

It is essential to make the transition between classroom learning and the preparation of actual income tax returns. Tax return facts *and* forms to be used are in your outlines.

Tax return practice problem schedule:	Points
Wednesday, 10/1 Problem #1 due [LR] .....	3 course points
Monday, 10/20 Problem #2 due [LR] .....	7 course points
Monday, 11/10 Depreciation Exercise (Ch. 9) .....	2 course points
Monday, 11/17 Problem #3 due [LR] .....	<u>8 course points</u>
Total .....	<u>20 course points</u>

**Penalties and Bonuses:**

**Late penalties:** If any assignment is late, you will lose one course point for each day (or part of a day) that it is late. (For example, if a return is 1 minute - 24 hours late you will lose 1 course point, if it is 24 hours, 1 minute late - 48 hours late you will lose 2 course points, etc.)

**Bonus:** 2 bonus course points will be awarded if and only if all assignments are turned in *on time*\*

(\**"on time"* means at the beginning of your class period on the date due)  
 (It is possible to have more than 100 total points toward your course grade.)

**Course Grading Scale:**

93 - 100 = A	80 - 82 = B-	67 - 69 = D+
90 - 92 = A-	77 - 79 = C+	63 - 66 = D
87 - 89 = B+	73 - 76 = C	60 - 62 = D-
83 - 86 = B	70 - 72 = C-	Below 60 = F

DATE	CHAPTER(S)	PROBLEMS
9/24	Ch. 1 [Overview of federal taxation]	Ch. 1: 18,30,31
9/29	Ch. 3 [Taxable entities; tax formula]	Ch. 3: 30,37-41,44,45,46,48,49,50
10/1	Ch. 3 [Introduction to property transactions]	Ch. 16: 22-26,28,29,31,36-39
	Tax Return #1 due Must have created Student Homepage on <b>ACCT 375</b> Blackboard <u>before</u> this date	<b>Note:</b> The information needed to do the assigned problems for Chapters 16 & 17 is included in the Ch. 3 Outline.
10/6	Ch. 3 [Introduction to property transactions]	Ch. 17: 26,27,34-36,39,44
10/8	Ch. 3 & 4 [Depreciation recapture; personal & dependency exemptions]	Ch. 4: 34-56
10/13	Ch. 4 [Filing status; tax computation]	
	Last day to have idea for Research Case #1 approved	
10/15	Ch. 4 [Filing requirements]	
10/20	Ch. 7 [Deductions (overview)] Tax Return #2 due	Ch. 7: 22-25,27-30,33-37 39-43,47,49,52,56
10/22	Ch. 7 [Limitations on deductions]	
10/27	Ch. 8 [Education, moving, home office expenses] Research Case #1 due	Ch. 8: 8,23-36,38
10/29	Ch. 8 [Transportation, travel, entertainment expenses]	
11/3	Midterm exam (Chs. 3, 4, 7, & 8)	
11/5	Ch. 9 [Depreciation]	Ch. 9: 27-32,34,35,37-39
	Last day to have idea for Research Case #2 approved	
11/10	Ch. 9 [Depreciation]	
	Depreciation Exercise due	

	CHAPTER(S)	PROBLEMS
11/12	Ch. 10 (pp. 1 through 20 ONLY) [Bad debts; casualty & theft losses]	Ch. 10: 12-19
11/17	Ch. 11 [Itemized deductions] Tax Return #3 due	Ch. 11: 28,29,30,32,33,35-37,39-42
11/19	Ch. 12 [Passive activities] Research Case #2 due	Ch. 12: 11,13,14,15,17-20,22-27,29
11/24	Ch. 14 [Basis determination]	Ch. 14: 21,23-26,28-31,34
11/26	HOLIDAY - Thanksgiving	
12/1	Ch. 15 [Nontaxable exchanges]	Ch. 15: 26-33,36,41-45, 47
12/3	Ch. 15 [Nontaxable exchanges]	
12/11	FINAL EXAM (10:30 – 12:30, Thursday)	

For CCH tax research: Go to the WWU library website <http://www.library.wvu.edu/> and choose Search Databases, then make sure Accounting is in the Search box and click on Submit. Scroll down to Tax Information, and then click on CCH Internet Tax Service. You'll need to log in to the Library if you're off-campus!

**ACCJOB:** I strongly recommend that you subscribe to the ACCJOB listserv. Subscribers to ACCJOB receive, via email, all position announcements received electronically by the WWU Department of Accounting.

The postings on ACCJOB include internship positions and entry-level accounting positions, as well as scholarships available and advanced accounting positions. Once subscribed, you will continue to get email each time a job is posted to ACCJOB, until you "unsubscribe." Directions for subscribing are below.

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4. Do not type anything else!
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