Class lecture location: HEC 908
Higher Education Complex
111 E. Las Olas Blvd., Ft. Lauderdale, FL 33301

Live lectures: Saturdays, 10:30 a.m. – 11:45 a.m. EST

Instructor: George R. Young II, Ph.D., CPA
Associate Professor, Florida Atlantic University
Liberal Arts Building, Room 444
3200 College Avenue
Davie, Florida 33314
(954) 236-1195
E-mail: gyoung@fau.edu

Office locations, days, and hours:

<table>
<thead>
<tr>
<th>Location</th>
<th>Days</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>LA 428C</td>
<td>Mondays and Wednesdays</td>
<td>5:30 p.m. – 7:00 p.m. EST</td>
</tr>
</tbody>
</table>

Objectives: (1) To introduce you to relevant sections and regulations of the Internal Revenue Code that address tax evasion, (2) To help you become familiar with common types of tax evasion scenarios, (3) To make you aware of the methods used to determine the under payment of tax as a means of supporting an assertion that tax evasion has occurred and (4) To help you become familiar with ethical issues involved in the area of tax evasion.

Text:


Links to other materials:


http://www4.law.cornell.edu/uscode/

Internal Revenue Regulations [http://www.access.gpo.gov/cgi-bin/cfrassemble.cgi?title=200426](http://www.access.gpo.gov/cgi-bin/cfrassemble.cgi?title=200426)


Grading Policy (tentative):

<table>
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<tr>
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<th>Points</th>
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<tbody>
<tr>
<td>Mid-term exam</td>
<td>100</td>
</tr>
<tr>
<td>Final exam</td>
<td>100</td>
</tr>
<tr>
<td>Short case(s) worth 20 points apiece</td>
<td>20 – 80</td>
</tr>
<tr>
<td>Discussion postings (2 to 3, worth 10 points apiece)</td>
<td>20 – 30 points</td>
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<tr>
<td>Total points</td>
<td>240 – 310 points</td>
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Grading Scale:

- A = 100 - 90
- A- = 89
- B+ = 88 - 87
- B = 86 - 80
- B- = 79
- C+ = 78 - 77
- C = 76 - 70
- C- = 69
- D+ = 68 - 67
- D = 66 - 60
- D- = 59
- F = below 59

Policies:

Distance learning: Distance learning requires a high degree of responsibility, dedication, and self-discipline on your part. You are responsible for:

1. Either attending or listening to recorded lectures,
2. Reading assigned material,
3. Completing and submitting any assigned homework on a timely basis, and
4. Participating in threaded discussions.

E-mail: When you e-mail me, make certain “ACG 6689” is on the subject line; otherwise, your message may be inadvertently deleted (if you e-mail me from e-College, ACG 6689 is automatically included in message). I will do my best to respond to your course-related questions within 24-36 hours. I reserve the right to post answers to questions on the discussion board if I believe that these answers will benefit members of your class.

Course conduct: When responding to comments made by others, be respectful. According to Sec. 6C5-7.007 of Florida Atlantic University (FAU) Rules and Regulations, students who intentionally act to impair the mission of FAU shall be subject to appropriate disciplinary actions by University authorities for disruptive conduct. Postings of messages that do not reasonably serve to further the educational experience of students can be considered disruptive conduct and may result in the deletions of these postings by the board administrator. Repeated postings can result in more serious action, such as dismissal from the program.

Academic Honesty and Classroom Conduct: A fundamental principle of academic, business, and community life is honesty. In the academic environment, it is imperative that you not plagiarize. Plagiarism guidelines that apply to printed materials also apply to information and materials obtained from the Internet.

Appropriate classroom behavior is expected at all times, including respect for your instructor and peers. All cell phones/beeper are to be turned “off” if you are attending lectures held in the Higher Education Complex.

Academic Irregularities: All students are referred to Chapter 6C5-4.001, entitled “Honor Code, Academic Irregularities, and Student’s Grievances”, of the Student Handbook. It is the policy of the School of
Accounting to adhere to the provisions of this section. Faculty of the School of Accounting will secure the maximum penalty in the event a violation of this section is observed.

**Academic Conduct:** All students are expected to abide by University, College of Business, and School of Accounting policies.

For comprehensive information on Code of Academic Integrity of the University Regulations, Chapter 4, Regulation 4.001, visit:

For more information on School of Accounting Policies, visit:

**Guest Speakers:** During the semester, we may have guest speakers come to class and speak about their experiences. If this occurs, and if you live in the southeast Florida area, please consider attending class. When guest speakers are present, please make certain that you turn cell phones off and accord these speakers respect by listening attentively.

**Accommodations for Students with Disabilities:** Students may seek accommodations in accordance with the Americans with Disabilities Act of 1990 (ADA). Students with disabilities who need academic accommodations should review the University’s ADA policy and work directly with the Office for Students with Disabilities (OSD). Students who require special accommodation due to a disability are required to properly execute the required procedures and must register with the OSD and follow all OSD procedures.

**Changes:** I reserve the right to modify this syllabus at any time in the semester. I pledge to try to be as fair as I possibly can when making any changes to this syllabus.

<table>
<thead>
<tr>
<th>Date</th>
<th>Session</th>
<th>Topic</th>
<th>Reading Assignment*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan. 22</td>
<td>1</td>
<td>Intro and tax environment</td>
<td>Read “Assistance of a Forensic Tax Accountant in a Criminal Tax Investigation” by M. Schainbaum posted in doc sharing. JT (Chapter 1)</td>
</tr>
<tr>
<td>Jan. 39</td>
<td>2</td>
<td>Types of taxes and filing requirements; Pronouncements of the IRS; judicial interpretations of tax law; Federal Grand Juries; Forfeitures; use of experts in tax cases</td>
<td>FI (Chapters 2 and 11) IRM (Parts 9.7, 25.3, 25.5, 34, 35, and 36)</td>
</tr>
<tr>
<td>Feb. 5</td>
<td>3</td>
<td>IRC § 7201: Attempt to evade or defeat tax; Additional on IRC § 7201;</td>
<td>IRC § 7201 IRM (skim Part 25.1) CTM (Section 8) IRC § 7206 IRC § 7212</td>
</tr>
</tbody>
</table>
| Date  | Page | IRC § 7206 and 19 USC § 1001: False statements; IRC § 7212: Interference with tax laws and forcible rescue of property; 18 USC § 286: Conspiracy | 18 USC § 1001  
18 USC § 286  
18 USC § 371  
CTM (Sections 12, 13, 17, 21, and 24)  
JT (Chapter 2A; Chapter 2B: 57-72: 97-110; 112-116) |
|-------|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Feb. 12 | 4    | IRC § 7202: Willful failure to collect or remit tax; IRC § 7203: Willful failure to file return, supply information, or pay tax; IRC § 7207: Fraudulent returns, statements, or other documents | IRC § 7203  
IRC § 7202  
IRC § 7207  
CTM (Sections 9, 10, 11, and 16)  
JT (Chapter 2B: 75-85) |
| Feb. 19 | 5    | IRC § 6531: Statute of limitations in criminal tax prosecutions; IRC § 6501; computation of civil and criminal penalties | IRC § 6531; JT (362-376)  
IRM (skim Part 20 and 25.6)  
CTM (Section 7)  
IRC § 6663  
IRC § 6651  
IRC § 6701  
IRC § 6501  
JT(Chapter 5: 176-181; Chapter 13: 377-382; 387-389) |
| Feb. 26 | 6    | Mail and wire fraud; currency transaction reporting; money laundering | 18 USC § 1341  
18 USC § 1343  
Bank Secrecy Act, CTRs, FBARs  
18 USC § 1956  
18 USC § 1957  
FI (Chapters 6, pp. 137-144, and 10)  
IRM (Part 4.26)  
CTM (Section 25)  
JT (Chapter 2B: 85-86; Chapter 3: 117-125) |
| Mar. 5  | 7    | Continuation of Mail and wire fraud; currency transaction reporting; money laundering | Bank Secrecy Act, CTRs, FBARs  
18 USC § 1956  
18 USC § 1957  
FI (Chapters 6, pp. 137-144, and 10)  
IRM (Part 4.26)  
CTM (Section 25)  
JT (Chapter 2B: 85-86; Chapter 3: 117-125) |
<p>|       |      | <strong>Midterm exam due by 11:59 p.m.</strong> |
|       | Spring break | No class |</p>
<table>
<thead>
<tr>
<th>Date</th>
<th>Page</th>
<th>Topic</th>
<th>Relevant Resources</th>
</tr>
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<tr>
<td>Mar. 19</td>
<td>8</td>
<td>Civil tax audits; liens and levies; “Eggshell” civil tax audits; Methods of proof; appropriate use of these methods</td>
<td>IRM (Parts 4.2, 4.10, 4.11, 4.16, 4.18, 4.22, 4.28, 5.8-5.12) FI (Chapter 7) IRM (Part 9.5.9) CTM (Sections 30, 31, 32, and 33) JT (Chapter 4: 127-158; Chapter 6: 215-218; Chapter 7: 247-248)</td>
</tr>
<tr>
<td>Mar. 26</td>
<td>9</td>
<td>Guest lecturers: IRS Special Agent</td>
<td>FI (Review chapters 7, 10, and 11; read chapters 1 and 9) IRM (Parts 9.1 and 9.2) JT (Chapter 14: 399-407)</td>
</tr>
<tr>
<td>Apr. 9</td>
<td>12</td>
<td>Tax protestors and arguments</td>
<td>Find information on the Internet on tax protestors and visit <a href="http://www.irs.gov/individuals/content/0,,id=97749,00.html">www.irs.gov/individuals/content/0,,id=97749,00.html</a> and <a href="http://evans-legal.com/dan/tpfaq.html">http://evans-legal.com/dan/tpfaq.html</a></td>
</tr>
<tr>
<td>Apr. 16</td>
<td>13</td>
<td>Ethics of tax evasion</td>
<td>M (pp. 5-35)</td>
</tr>
<tr>
<td>Apr. 23</td>
<td>14</td>
<td>Alternatives to present income tax system; off the books income: A threat to all tax systems</td>
<td>Search news and Internet for tax plans proposed by Congresspersons; find information from books, articles, Internet on the types of plans, including flat tax and national sales tax. Final exam due by 11:59 p.m.</td>
</tr>
</tbody>
</table>

* All references to the IRC are references to Title 26 of the United States Code. The other abbreviations used here refer to:

- FI: *Financial Investigations* (Internal Revenue Service)
- M: McGee, Robert W. *The Ethics of Tax Evasion*
- IRC: *Internal Revenue Code*
- IRM: *Internal Revenue Manual*
- CTM: *Criminal Tax Manual*