



BAKER COLLEGE STUDENT LEARNING OUTCOMES

ACC 2210 Taxation I
3 Semester Hours

Student Learning Outcomes and Enabling Objectives

1. Analyze and apply the basic income tax formula for individuals.
 - a. Explain the concepts of gross income and realization.
 - b. Describe when income and deductions are recognized, and when they are excluded, disallowed, or deferred.
 - i. Identify the circumstances under which various items are excludible from gross income.
 - ii. Differentiate between *deductions for*, and *deductions from*, adjusted gross income and the relevance of the differentiation.
 - iii. Distinguish between deductible and non-deductible losses and expenses.
 - iv. Discuss the rationale for allowing the cost recovery of an asset and identify when the various tax systems (ADR, depreciation, ACRS, and MACRS) apply.
 - v. Identify deductible personal expenses and calculate itemized deductions.
 - vi. Apply the limitations on miscellaneous itemized deductions.
 - vii. Identify income and expense items includible in the computation of an individual taxpayer's alternative minimum taxable income (AMTI).
 - c. Determine when to use the standard deduction and when to itemize deductions.
 - d. Calculate the qualifying business income (QBI) deduction for federal income tax purposes.
 - e. Calculate alternative minimum tax (AMT) for an individual taxpayer.
 - f. Distinguish between refundable and non-refundable credits and demonstrate understanding of the order in which they can be used by taxpayers.
2. Examine the interrelationships and differences between financial accounting and tax accounting.
 - a. Distinguish between the economic, accounting, and tax concepts of gross income.
 - b. Determine the potential application of at-risk rules that can apply to activities for federal income tax purposes.
 - i. Define passive activities for federal income tax purposes.
 - ii. Discuss the at-risk limitation.
 - iii. Calculate net passive activity gains and losses for federal income tax purposes.
 - iv. Prepare a loss carryforward schedule for passive activities for federal income tax purposes.
 - v. Calculate utilization of suspended losses on the disposition of a passive activity for federal income tax purposes.
 - c. Report cost recovery deductions appropriately.

- i. Calculate tax depreciation for tangible business property and tax amortization of intangible assets.
 - ii. Calculate depletion for federal income tax purposes.
 - iii. Compare the tax benefits of the different expensing options for tax depreciation for federal income tax purposes.
 - iv. Reconcile the activity in the beginning and ending accumulated tax depreciation account.
3. Assess how taxes affect economic decisions.
 - a. Analyze asset sale and exchange transactions to determine whether they are taxable or nontaxable.
 - i. Calculate the tax basis of an asset.
 - ii. Determine the holding period of a disposed asset for classification of tax gain or loss.
 - iii. Distinguish between realized and recognized gain or loss.
 - iv. Review asset transactions to determine the character (capital vs. ordinary) of the gain or loss for federal income tax purposes.
 - v. Calculate the realized and recognized gain or loss on the disposition of assets for federal income tax purposes.
 - vi. Calculate the realized gain, recognized gain and deferred gain on like-kind property exchange transactions for federal income tax purposes.
 - vii. Calculate the amount of capital gains and losses for federal income tax purposes.
 - viii. Calculate the amount of ordinary income or loss for federal income tax purposes.
 - ix. Explain the rationale for non-recognition (postponement) of gain or loss for certain property transactions.
 - b. Analyze an agreement of sale of an asset to determine whether it qualifies for installment sale treatment for federal income tax purposes.
 - c. Determine the impact of related party ownership percentages on acquisition and disposition transactions of property for federal income tax purposes.
 - i. Define related parties for federal income tax purposes.
 - ii. Calculate the direct and indirect ownership percentages of corporation stock to determine whether there are related parties for federal income tax purposes.
 - iii. Calculate a taxpayer's basis in an asset that was disposed of at a loss to the taxpayer by a related party.
 - iv. Calculate a taxpayer's gain or loss on a subsequent disposition of an asset to an unrelated third party that was previously disposed of at a loss to the taxpayer by a related party.
 - v. Calculate the impact of imputed interest on related party transactions for federal tax purposes.
 - d. Determine when 1245 and 1250 recapture provisions apply and calculate the impact.
4. Conduct and document tax research and planning.
 - a. Identify and assess tax law sources – statutory, administrative, and judicial.
 - b. Apply research techniques and document the results.
 - c. Identify tax planning opportunities.
 - d. Apply and document appropriate tax planning strategies.
5. Evaluate and apply tax-related statutory, regulatory, and professional ethics obligations.

- a. Prepare federal Form 1040 — U.S. Individual Income Tax Return and/or appropriate supporting schedules based on the information provided.
 - i. Calculate the amounts that should be included in, or excluded from, an individual's gross income as reported on federal Form 1040 — U.S. Individual Income Tax Return.
 - ii. Calculate the amount of adjustments and deductions to arrive at adjusted gross income and taxable income on federal Form 1040 — U.S. Individual Income Tax Return.
 - iii. Determine taxpayer filing status for federal income tax purposes.
 - iv. Apply the rules for determining whether someone is a dependent.
 - v. Calculate the tax liability based on an individual's taxable income for federal income tax purposes.
 - vi. Calculate the impact of the tax deductions and tax credits and their effect on federal Form 1040 — U.S. Individual Income Tax Return.
 - b. Distinguish between employee and independent contractor status.
 - c. Discuss potential federal tax return preparer penalties.
 - d. Calculate taxpayer penalties relating to federal tax returns.
 - e. Explain the audit and appeals process as it relates to federal tax matters.
 - f. Analyze the minimum requirements for individual federal estimated tax payments to avoid penalties.
6. Explain basic tax policy considerations.
- a. Describe the objectives of Federal tax law.
 - b. Discuss the influence of economic, social, equity, and political considerations on the development of tax law.
 - c. Discuss the appropriate hierarchy of authority for federal tax purposes.
 - d. Discuss how the IRS has affected tax law.
 - e. Describe the role of the courts in interpreting and shaping tax law.
 - i. Explain the different levels of the judicial process as they relate to federal tax matters.
 - ii. Identify options available to a taxpayer within the judicial process given a specific scenario.
 - f. Explain how tax credits are used as a tool of Federal tax policy.

These SLOs are approved for experiential credit.

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