San José State University  
Lucas College of Business  
Accounting and Finance Department  
Business 123A – Section 3, Tax Factors of Business and Investment Decisions  
Spring 2017

Course and Contact Information

Instructor: Melody Barta
Office Location: Business Tower 860
Telephone: (408) 924-3459
Email: Melody.Barta@sjsu.edu
Office Hours: Mondays – 5:00 pm – 6:00 pm or by appointment
Class Days/Time: Mondays 1800 - 2045
Classroom: BBC 107
Prerequisites: BUS 20 with a minimum grade of "C" and declared Accounting, Accounting Information Systems or Corporate Accounting Finance Major. Upper division standing. Lower Division Business Pool.

Course Format

Faculty Web Page and MYSJSU Messaging
Course materials such as syllabus, handouts, notes, assignment instructions, etc. can be found on my faculty web page at http://www.sjsu.edu/people/melody.barta and/or on Canvas Leaning Management System course login website at http://sjsu.instructure.com. You are responsible for regularly checking with the messaging system through MySJSU at http://my.sjsu.edu (or other communication system as indicated by the instructor) to learn of any updates.
Course Description

Introductory course in taxation with emphasis on certain themes that pervade the federal income tax system and its impact on business. Property transactions, deferral techniques, accounting periods, accounting methods and research techniques with emphasis on corporations.

Course Learning Outcomes (CLO)

Upon successful completion of this course, students will be able to:

CLO 1: Understand the legislative creation, judicial interpretation and administrative ruling processes and their interrelationships to Federal taxes

CLO 2: Recognize major sources of economic and financial accounting income and expense that are and are not includible as taxable income and tax-deductible expenses – including the public policy rationale behind the inclusion / exclusion of certain items for Federal tax purposes

CLO 3: Calculate taxable income and total tax liability for particular tax periods given certain applicable taxpayer items including property sales/exchanges/conversions, cost recovery allowances, alternative minimum tax, preferential tax rates and other items of taxable income and deductions

CLO 4: Detail the fundamental ethical issues surrounding the tax profession – including required and optional licensing requirements and knowing the difference between legal tax avoidance and illegal tax evasion

CLO 5: Explain the tax determination impacts between deductions and credits – including the detailed calculations and requirements of certain tax credits

CLO 6: Understand and apply Federal tax rules specific to subchapter C corporations – including corporate distributions

CLO 7: Prepare an intermediate-level corporate Federal income tax return

Required Texts/Readings

Textbook

You must have the required (current version) textbook (see below) for the course and bring it to class every session as many in-class questions and exercises will utilize the textbook materials. You may purchase and use either a (1) hardcopy textbook bundled with the CengageNOW system or (2) have the electronic version of the textbook bundled with CengageNOW. Some purchase options available for you include:


SPECIAL NOTE Regarding the Required CengageNow Online Program – If you decide to purchase a hardcopy of the textbook without the CengageNow Online Access Card included (for example, you purchase a used copy of the textbook), you must purchase the CengageNow Access Code (option #2 above) separately through Cengage.

For additional help with Cengage, go to http://v2.cengagenow.com/ilrn/course/createBoardingPass.do?id=34408&discipline=
Course Requirements and Assignments

SJSU classes are designed such that in order to be successful, it is expected that students will spend a minimum of forty-five hours for each unit of credit (normally three hours per unit per week), including preparing for class, participating in course activities, completing assignments, and so on. More details about student workload can be found in University Policy S12-3 at http://www.sjsu.edu/senate/docs/S12-3.pdf.

Homework: Homework assignments are assigned throughout the course. The primary purposes for the homework assignments are to assist you in understanding the course subjects and to prepare you for the exams. All homework assignments must be taken and submitted using the online CengageNow system. Only with advanced consent of the instructor and under very limited circumstances may homework assignments be turned in other than through the CengageNOW online system. As such, you are responsible for ensuring that you purchase the CengageNOW system in sufficient time before the first (and subsequent) assignments are due.

You will receive your scores immediately after you complete each homework assignment. Unless instructed otherwise, you can re-take the assignment as many times as you need to up until the due date of the assignment until you reach a 100% score to receive full credit for the homework assignment. Homework scores with less than a 100% score and those turned in late are subject to point reductions. Late submissions of homework or the tax return project will only be allowed with consent by the instructor. If no consent is given by the instructor, your score for that particular homework assignment will be zero.

For some homework assignments where an alternative scoring system to that stated above is in place, an announcement will be made in class and/or posted on the Canvas website.

Reading Assignments: For the assigned pre-class readings "Chapter" and “Sections” refer to your textbook. Other supplemental reading assignments may be posted on Canvas and/or given out in class.

Tax Return Project: A tax return project is required for this course. This is an individual and not a group project. The project is designed to give students practical experience in preparing a Federal tax return. Online tax research may also be required. No late submission of this project will be accepted. Completion of a return other than the assigned return will result in a zero on this project.

Quizzes: There are in-class assignments that take the place of quizzes.

Exams: Three midterms and a final examination will be given. Only one 8.5” x 11’ page of notes may be brought into the class for all examinations. You may handwrite or type (or a combination thereof) your notes on both sides of the single page. No other materials may be utilized. You must use the calculator provided to you by the instructor unless prior arrangements are made.

All submitted exam answers will require the use of a Scantron form (Version 882-E)

Grading Information

Course grades will be determined on the basis of total points earned in the class. Please see below for additional information on grading:

Because the lowest score of your three midterm exams are dropped, under almost all circumstances there are no make-up exams. On rare occasions and at my discretion, students may be allowed to make up an exam. Students
must give advance notification with documentation in order for me to make a decision regarding a make-up exam. If an exam is missed without prior consent, the exam grade is zero under almost all circumstances. All exams must be taken on the scheduled date and time detailed on the assignment schedule unless approved in the advance by the instructor.

**The final exam score cannot be dropped and must be taken at the scheduled time.**

Extra credit is not available for this course.

**Determination of Grades**

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Points</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cengage Now Homework</td>
<td>200</td>
<td>20 points each</td>
</tr>
<tr>
<td>Assignments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In Class Assignments</td>
<td>50</td>
<td>12.5 points each</td>
</tr>
<tr>
<td></td>
<td></td>
<td>200 points each for the two highest scores</td>
</tr>
<tr>
<td>Midterm Exams</td>
<td>400</td>
<td></td>
</tr>
<tr>
<td>Tax Return Project</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Final Exam</td>
<td>250</td>
<td></td>
</tr>
<tr>
<td><strong>Total Points Possible</strong></td>
<td>1000</td>
<td></td>
</tr>
</tbody>
</table>

Grades will follow the pattern of 90% or higher for an A, 80% or higher for a B, 70% or higher for a C, etc. Plus and minus grades will be used for scores within two percentage points (rounded), of the grade breakpoint. I may lower the percentage required to earn a certain grade, however, I will not raise the percentage. Note that “All students have the right, within a reasonable time, to know their academic scores, to review their grade-dependent work, and to be provided with explanations for the determination of their course grades.” See University Policy F13-1 at [http://www.sjsu.edu/senate/docs/F13-1.pdf](http://www.sjsu.edu/senate/docs/F13-1.pdf) for more details.

Extra credit is not available for this course.

**Classroom Protocol**

Attending class is very important as we will cover a substantial amount of material each session and some of the class material is not in the textbook. If you know you are unable to attend class in advance, you should contact me to help ensure that you are up to date on what was covered in class. In addition, you should contact another class member to obtain class notes.

You should do your best to be on time to class. If you are late to class, please minimize the disruption for other class members.

Please turn all cell phones off or place them on vibrate mode during class (phones must be completely turned off during exams).
For further information, please see Lucas College and Graduate School of Business: Program Goals and Class room policy at http://www.sjsu.edu/cob/Students/policies/index.html

University Policies

General Expectations, Rights and Responsibilities of the Student
As members of the academic community, students accept both the rights and responsibilities incumbent upon all members of the institution. Students are encouraged to familiarize themselves with SJSU’s policies and practices pertaining to the procedures to follow if and when questions or concerns about a class arises. To learn important campus information, view University Policy S90–5 at http://www.sjsu.edu/senate/docs/S90-5.pdf and SJSU current semester’s Policies and Procedures, at: http://info.sjsu.edu/static/catalog/policies.html. In general, it is recommended that students begin by seeking clarification or discussing concerns with their instructor. If such conversation is not possible, or if it does not address the issue, it is recommended that the student contact the Department Chair as the next step.

Dropping and Adding
Students are responsible for understanding the policies and procedures about add/drops, grade forgiveness, etc. Refer to the current semester’s Catalog Policies section at http://info.sjsu.edu/static/catalog/policies.html. Add/drop deadlines can be found on the current academic year calendars document on the Academic Calendars webpage at http://www.sjsu.edu/provost/services/academic_calendars/. The Late Drop Policy is available at http://www.sjsu.edu/aars/policies/latedrops/policy/. Students should be aware of the current deadlines and penalties for dropping classes.

Information about the latest changes and news is available at the Advising Hub at http://www.sjsu.edu/advising/.

Consent for Recording of Class and Public Sharing of Instructor Material
University Policy S12-7, http://www.sjsu.edu/senate/docs/S12-7.pdf, requires students to obtain instructor’s permission to record the course. Common courtesy and professional behavior dictate that you notify someone when you are recording him/her. You must obtain the instructor’s permission to make audio or video recordings in this class. Such permission allows the recordings to be used for your private, study purposes only. The recordings are the intellectual property of the instructor; you have not been given any rights to reproduce or distribute the material.

In classes where active participation of students or guests may be on the recording, permission of those students or guests should be obtained as well.

Course material developed by the instructor is the intellectual property of the instructor and cannot be shared publicly without his/her approval. You may not publicly share or upload instructor generated material for this course such as exam questions, lecture notes, or homework solutions without instructor consent.

Academic integrity
Your commitment as a student to learning is evidenced by your enrollment at San Jose State University. The University Academic Integrity Policy S07-2 at http://www.sjsu.edu/senate/docs/S07-2.pdf requires you to be honest in all your academic course work. Faculty members are required to report all infractions to the office of Student Conduct and Ethical Development. The Student Conduct and Ethical Development website is available at http://www.sjsu.edu/studentconduct/.

Fall 2016
Instances of academic dishonesty will not be tolerated. Cheating on exams or plagiarism (presenting the work of another as your own, or the use of another person’s ideas without giving proper credit) may result in a failing grade and sanctions by the University. For this class, all assignments are to be completed by the individual student unless otherwise specified. If you would like to include your assignment or any material you have submitted, or plan to submit for another class, please note that SJSU’s Academic Integrity Policy S07-2 requires approval of instructors.

**Campus Policy in Compliance with the American Disabilities Act**

If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. Presidential Directive 97-03 at [http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf](http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf) requires that students with disabilities requesting accommodations must register with the Accessible Education Center (AEC) at [http://www.sjsu.edu/aec](http://www.sjsu.edu/aec) to establish a record of their disability.

**Accommodation to Students' Religious Holidays**

San Jose State University shall provide accommodation on any graded class work or activities for students wishing to observe religious holidays when such observances require students to be absent from class. It is the responsibility of the student to inform the instructor, in writing, about such holidays before the add deadline at the start of each semester. If such holidays occur before the add deadline, the student must notify the instructor, in writing, at least three days before the date that he/she will be absent. It is the responsibility of the instructor to make every reasonable effort to honor the student request without penalty, and of the student to make up the work missed. See University Policy S14-7 at [http://www.sjsu.edu/senate/docs/S14-7.pdf](http://www.sjsu.edu/senate/docs/S14-7.pdf).

**Jack Holland Student Success Center - Tutorial Center**

Highly qualified students are available to help you with specific classes. If you experience difficulty with the materials covered in this class, you may want to seek assistance from the Tutorial Center. For details on hours, locations and additional information for the Tutorial Center see: [http://www.sjsu.edu/lcobssc/tutoring/index.html](http://www.sjsu.edu/lcobssc/tutoring/index.html)

**SJSU Peer Connections**

Peer Connections’ free tutoring and mentoring is designed to assist students in the development of their full academic potential and to inspire them to become independent learners. Peer Connections tutors are trained to provide content-based tutoring in many lower division courses (some upper division) as well as writing and study skills assistance. Small group and individual tutoring are available. Peer Connections mentors are trained to provide support and resources in navigating the college experience. This support includes assistance in learning strategies and techniques on how to be a successful student. Peer Connections has a learning commons, desktop computers, and success workshops on a wide variety of topics. For more information on services, hours, locations, or a list of current workshops, please visit Peer Connections website at [http://peerconnections.sjsu.edu](http://peerconnections.sjsu.edu) for more information.

**SJSU Writing Center**

The SJSU Writing Center is located in Clark Hall, Suite 126. All Writing Specialists have gone through a rigorous hiring process, and they are well trained to assist all students at all levels within all disciplines to become better writers. In addition to one-on-one tutoring services, the Writing Center also offers workshops every semester on a variety of writing topics. To make an appointment or to refer to the numerous online resources offered through the Writing Center, visit the Writing Center website at
SJSU Counseling and Psychological Services
The SJSU Counseling and Psychological Services is located on the corner of 7th Street and San Carlos in the new Student Wellness Center, Room 300B. Professional psychologists, social workers, and counselors are available to provide confidential consultations on issues of student mental health, campus climate or psychological and academic issues on an individual, couple, or group basis. To schedule an appointment or learn more information, visit Counseling and Psychological Services website at http://www.sjsu.edu/counseling

Lucas College and Graduate School of Business:
Mission: We are the institution of opportunity in Silicon Valley, educating future leaders through experiential learning and character development in a global business community and by conducting research that contributes to business theory, practice and education.

Lucas College of Business Learning Goals:

Goal One: Business Knowledge
Understand basic business principles and demonstrate discipline-specific competencies as applied to local and global environments.

Goal Two: Communication
Communicate ideas clearly, logically, and persuasively in oral and written format, using technology appropriately.

Goal Three: Ethical Awareness
Recognize, analyze, and articulate solutions to ethical issues that arise in business.

Goal Four: Leadership, Teams and Diversity
Comprehend the challenges and opportunities of leading and working in diverse teams and environments.

Goal Five: Critical Thinking
Comprehend, analyze, and critically evaluate complex and unstructured qualitative and quantitative business problems, using appropriate tools and technology.

Goal Six: Innovation
Recognize, analyze, and articulate strategies for promoting creativity and innovation.
# Course Schedule

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Class Topics</th>
<th>Reading to be done Before class</th>
<th>Assignments to be done Before class</th>
</tr>
</thead>
</table>
| 1    | 1/30 | Introduction to course  
      |                    | Ch. 1, Sections 1-1 through 1-3  |                                      |
|      |      | Introduction to CengageNow  
      |                    |                                      |                                      |
|      |      | Introduction to Taxation   |                    |                                      |                                      |
| 2    | 2/6  | Federal Tax Law Hierarchy | Ch. 2, Section 2-1 | Register for CengageNow              |
| 3    | 2/13 | Gross Income              | Ch. 4, all          | CengageNow Assignment #1             |
| 4    | 2/20 | Business Deductions       | Ch. 5, all          | CengageNow Assignment #2             |
| 5    | 2/27 | **Exam #1**               |                    |                                      |
|      |      | Chapters 1, 2, 4 & 5      |                    | CengageNow Assignment #3             |
| 6    | 3/6  | Losses and Loss Limitations | Ch. 6, all        |                                      |
| 7    | 3/13 | Property Transactions – Basis, Gain and Loss and Nontaxable Exchanges | Ch. 7, Sections 7-1 through 7-5 | CengageNow Assignment #4             |
| 8    | 3/20 | Property Transactions – Capital Gains and Losses, Section 1231 and Recapture | Ch. 8, all | CengageNow Assignment #5             |
|      | 3/27 | No Class                  | Spring Break        |                                      |
| 9    | 4/3  | **Exam #2**               |                    | CengageNow Assignment #6             |
|      |      | Chapters 6, 7 & 8         |                    |                                      |
| 10   | 4/10 | Corporate Organization, Capital Structure and Operating Rules  
<pre><code>  |                    | Ch. 12, all          |                                      |
</code></pre>
<p>|      |      | <strong>Discuss Tax Return Project</strong> |                |                                      |
| 11   | 4/17 | Corporate Earnings &amp; Profits, and Distributions | Ch. 13, all | CengageNow Assignment #7             |
| 12   | 4/24 | Business Tax Credits      | Ch. 17, Section 17-1 | CengageNow Assignment #8              |
|      |      |                           |                    | <strong>Tax Return Project Due</strong>          |</p>
<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Class Topics</th>
<th>Reading to be done Before class</th>
<th>Assignments to be done Before class</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>5/1</td>
<td><strong>Exam #3</strong>&lt;br&gt;Chapters 12, 13, 17 (Section 17-1 only)</td>
<td></td>
<td>CengageNow Assignment #9</td>
</tr>
<tr>
<td>14</td>
<td>5/8</td>
<td>Corporate Alternative Minimum Tax</td>
<td>Ch. 17, Section 17-2</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>5/15</td>
<td>Comparative Forms of Doing Business&lt;br&gt;Review for Final Exam</td>
<td>Ch. 18, all</td>
<td>CengageNow Assignment #10</td>
</tr>
<tr>
<td>Final Exam</td>
<td>5/22</td>
<td><strong>Cumulative Final Exam</strong>&lt;br&gt;5:15 – 7:30 pm</td>
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<td></td>
</tr>
</tbody>
</table>