

San José State University

Taxation of Individuals and Pass-Through Entities

Business 123C Fall 2015

| | |
|-------------------------|--|
| Instructor: | Thomas Moschetti |
| Office Location: | Business Tower 456 |
| Telephone: | SJSU (408) 924-3492 Home (831) 688-2696 |
| Email: | Thomas.Moschetti@sjsu.edu |
| Office Hours: | M & W 8:00 to 8:45 am And by appointment |
| Class Days/Time: | MW 10:30 – 11:45 am MW 1:30 – 2:45 pm |
| Classroom: | (10:30) BBC 106 & (1:30) BBC 108 |
| Prerequisites: | Completion of Bus. 123A with a grade of C or better |

Textbook:

The required text is *Federal Taxation, 2016 Edition* by Pratt and Kulsrud **published by Van-Griner Publishing (ISBN 9781617402531)**. If you wish to use *Federal Taxation, 2015 edition* (9781617401619) or the *2014 edition* (ISBN 9781617400957) instead of the *2016 edition*, you may do so. However, some minor differences may exist, including the end-of-chapter problems. The syllabus and Course Outline indicate the differences.

I have prepared a course outline that you may purchase from the Associated Student's Print Shop or you may obtain an electronic version at no cost by requesting it from me. Some material in the outline is not in the textbook. Using the outline should save you a substantial amount of time.

Project: A tax return project is required. The project is designed to give students practical experience in preparing an individual income tax return and to demonstrate their written communication skills as applied to taxation. Details of the paper will be distributed after the first examination. The project will be graded on content and professional appearance (spelling, grammar, and word usage).

Exams: Three midterms and a final examination will be given. All examinations are closed book. Also, no photocopies of the text may be used. However, you will be allowed to use notes and the course outline during examinations.

Quizzes: At least 14 quizzes will be given. Only the highest 9 will count toward the final grade. All quizzes are closed book and closed notes. The quizzes are designed to encourage students to have read the material in advance of each class meeting. Generally, no makeup quizzes will be given.

Homework: Various readings and problems will be assigned each session. Although these assignments will not be collected for grading, you will learn more and gain a better understanding of the material if you complete the assigned problems prior to each class meeting.

Class Participation: While you are encouraged to ask or answer questions in class, points will not be awarded for participating.

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

| | | |
|------------------|-------------------------|------|
| Midterms | 200 points (67, 67, 66) | 50% |
| Research Project | 40 points | 10% |
| Quizzes | 45 points | 11% |
| Final Exam | 115 points | 29% |
| Total | 400 points | 100% |

Your course grade will depend on the percentage of points earned for the class.

| | |
|---------------|----|
| 92% and above | A |
| 90% - 91% | A- |
| 88% - 89% | B+ |
| 81% - 87% | B |
| 79% - 80% | B- |
| 77% - 78% | C+ |
| 70% - 76% | C |
| 60% - 69% | D |
| Below 60% | F |

I may lower the percentage required to earn a certain grade, however, I will not raise the percentage.

Bonus points may be offered from time to time. However, you must be present in class to earn bonus points. No other extra credit will be allowed.

Tentative course calendar including assignment due dates, exam dates, date of Final exam: (Please note that the course calendar is "subject to change with fair notice")

| Session | Date | Reading | Assignment |
|---------|---------|--------------|------------|
| 1 | Aug. 24 | Introduction | |

| | | | |
|----|----------|--|------------------------------------|
| 2 | Aug. 26 | Chapters 3 & 4 Review of basic concepts Filing requirements, filing status, exemptions, standard Deduction. (Chapter 3 read pages 1-29 only) | 3-37 |
| 3 | Aug. 31 | Chapters 3 & 4 Continued (2013 Edition = 4-34, 4-39, 4-40, 4-41, 4-44, 4-45) | 4-35, 4-40, 4-41, 4-42, 4-45, 4-46 |
| 4 | Sept. 2 | Chapters 3 & 4 Continued | |
| | Sept. 7 | Holiday – No Classes Held | |
| 5 | Sept. 9 | Chapters 3 & 4 continued | |
| 6 | Sept. 14 | Chapter 6 Gross income, exclusions (2015 or 2014 edition 6-29, 6-51) | 6-30, 6-52 |
| 7 | Sept. 16 | Chapter 6 continued Chapter 7 Deductions and losses Read pages 19 to 38 only (2015/2014 editions Chapter 7 read pages 20 to 38 only) | 7-34, 7-40, 7-41, 7-56 |
| 8 | Sept. 21 | Chapter 7 continued | |
| 9 | Sept. 23 | Examination #1 Chapters 3, 4, 6, and 7 | |
| 10 | Sept. 28 | Chapter 8 Employee business expenses | 8-25, 8-33, 8-36 |
| 11 | Sept. 30 | Chapter 8 continued | 8-24, 8-26, 8-28 |
| 12 | Oct. 5 | Chapter 11 Itemized deductions | 11-27, 11-28, 11-31, |
| 13 | Oct. 7 | Chapter 11 Continued | 11-35, 11-37(a), 11-38, 11-39 |
| 14 | Oct. 12 | Chapter 10 Net operating losses, casualty losses (Chapter 10 read pages 7 to 18 only) | 10-7, 10-18, 10-19 |
| 15 | Oct. 14 | Examination #2 Chapters 8, 10, and 11 | |
| 16 | Oct. 19 | Chapter 12 Investment expenses and losses | 12-18, 12-19 |
| 17 | Oct. 21 | Chapter 12 continued | 12-25 |
| 18 | Oct. 26 | Chapter 13 Alternative minimum tax, personal tax credits (Chapter 13 read pages 1-25 and 42 to end of chapter only) | 13-18, 13-39 |

| | | | |
|----|--|---|----------------------------------|
| 19 | Oct. 28 | Chapter 13 continued | 13-37 |
| 20 | Nov. 2 | Chapter 15 Sale of a residence (Chapter 15 read pages 1 to 15 only) | 15-29, 15-30 |
| 21 | Nov. 4 | Chapter 15 continued | |
| 22 | Nov. 9 | Examination #3 Chapters 12, 13, and 15 | |
| | Nov. 11 | Holiday – No Class Meeting | |
| 23 | Nov. 16 | Chapter 18 Employee compensation and retirement plans | 18-19, 18-20, 18-24, 18-32 (Mod) |
| 24 | Nov. 18 | Chapter 18 continued | |
| 25 | Nov. 23 | Chapter 22 Partnerships | 22-23, 22-29, 22-31, 22-36 |
| 26 | Nov. 25 | Chapter 22 continued | |
| 27 | Nov. 30 | Chapter 23 S Corporations | 23-26, 23-29, 23-36, 23-46 |
| 28 | Dec. 2 | Chapter 23 continued | |
| 29 | Dec. 7 | Chapter 25 Income taxation of estates and trusts | 25-18, 25-24, 25-25 |
| 30 | Final examination will cover chapters 18, 22, 23, and 25 | | |

Final Examination 10:30 Class – Tuesday Dec. 15, 9:45 am to 12:00 pm

Final Examination 1:30 Class – Wednesday Dec. 16, 12:15 pm to 2:30 pm