

San José State University
Lucas College of Business & Graduate Studies, Accounting & Finance Department
Masters of Accountancy
BUS 220P – Taxation of Individuals & Pass-through Entities
Summer 2022

COURSE AND CONTACT INFORMATION

Instructor:	Caroline Chen
Email:	caroline.chen@sjsu.edu
Twitter:	@ctsochen
LinkedIn:	www.linkedin.com/in/caroline-tso-chen
Office Hours:	Flexible, before or after class, please email for an in-person or Zoom appointment
Class Time & Days:	Boccardo Business Center, Room 106; 9:00 to 1:00pm Monday, Tuesday, Thursday & Friday: July 18 to July 22 Monday, Tuesday, Thursday & Friday: July 25 to July 29 Monday & Tuesday: August 1 and 2 No class Wednesdays, July 20 and July 7 – see Course Schedule

Course Description

Introductory course in federal taxation about certain issues in the federal income tax system affecting individuals and certain passthrough entities under the Internal Revenue Code and Treasury Regulations.

Course Learning Outcomes (CLO)

This course is in U.S. taxation with emphasis on the unique factors involved in taxation of individuals and their businesses and investments. Upon successful completion of this course, students will be able to:

1. Understand the legislative creation, judicial interpretation and administrative ruling processes and their interrelationships to Federal taxes.
2. Recognize major sources of economic and financial accounting income and expenses that are and/or are not characterized as taxable income and/or tax-deductible expenses – including public policy rationales behind the inclusion/exclusion of certain items for Federal income tax purposes.
3. Calculate taxable income and total tax liability given certain applicable taxpayer items including property sales and exchanges, preferential tax rates and other items of taxable income and deductions.
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.
5. Explain the tax determination impacts between deductions and credits – including the detailed calculations and requirements of certain tax credits.
6. Understand and apply Federal tax rules specific to individuals, including tax credits, dependents and qualified business income.
7. Prepare an intermediate-level federal individual income tax return (Form 1040 with accompanying schedules).
8. Understand various ethical and legal impositions on tax professionals and their work product.
9. More information about course learning outcomes can be found in University Syllabus Policy S16-9 at <http://www.sjsu.edu/senate/docs/S16-9.pdf>.

CANVAS ANNOUNCEMENTS

Course materials are on Canvas Learning Management System. You are responsible for regularly checking with the messaging system through Canvas for any course updates or changes.

REQUIRED TEXT South-Western Federal Taxation 2023 Comprehensive 46TH Edition Options

1. Cengage Unlimited (1 term) cNOWv2 eBook + ALL titles for these SJSU courses: South-Western Federal Taxation 2023: Comprehensive (with Intuit ProConnect Tax Online & RIA Checkpoint; Price: \$124.99 (+\$7.99 book rental) ISBN: 9780357700037
2. Cengage Unlimited (2 terms) cNOWv2 eBook + ALL titles for these SJSU courses: South-Western Federal Taxation 2023: Comprehensive (with Intuit ProConnect Tax Online & RIA Checkpoint; Price: \$189.99 (+\$7.99 book rental) ISBN: 9780357700044
3. CNOWv2 + eBook (1 term): South-Western Federal Taxation 2023: Comprehensive (with Intuit ProConnect Tax Online & RIA Checkpoint; Price: \$249.99 ISBN: 9780357719749 IAC: 9780357719732
4. Bundle Loose Leaf + CNOWv2 + eBook (1 term): South-Western Federal Taxation 2023: Comprehensive (with Intuit ProConnect Tax Online & RIA Checkpoint; Price: \$202.50 ISBN: 9780357754276 IAC: 9780357754269

Questions? Call: 1-800-354-9706

- [Chat Support and Online Self-Help](#)
- [Purchase CNOWv2 Access Online](#)
- [Student CNOWv2 Help Site](#)
- [Support Services to Create a Case](#)

Course Requirements, Assignments and Grading Policy

Success in this course is based on the expectation that students will spend, for each credit, a minimum of 45 hours over the course for instruction, preparation/studying, or related activities. Details about student workload can be found in [University Syllabus Policy S16-9](#).

This course is IN-PERSON and Zoom. See [University Policy F13-2](#).

Reading Assignments: For the assigned pre-class readings "Chapter" and "Sections" refer to your textbook listed above. Unless told otherwise, you can *skip* "Tax in News" and "Global Tax Issues" in every Chapter.

Assignments: The purposes for the assignments are to assist you in understanding and mastering the tested topics. **There is NO acceptance of late work.** Assignments are listed as follows:

- **Online CNOW Homework** uses online CengageNowv2 platform and are graded immediately after submission. You are allowed re-take CNOW assignments unlimited times as you until you reach a 100% score to receive full credit. CNOW Homework is due by 11:59pm on due date listed.
- **In-Class Assignments** are started during assigned class time in groups, and must be submitted through CANVAS by 11:59pm on the due date listed, and are traditionally graded. Every student must submit their **OWN** assignment for points even if you worked in a group. No submission will be zero points.

Tax Return Project: This is a group project with 2 students per team, although you have option of submitting the project individually. Any change in team members must be approved by instructor. Details of the project are uploaded to Canvas and discussed in class. The completed project must be uploaded to Canvas on the assigned due date listed in the course schedule by **EVERY** student. No upload as of the due date will result in zero points or a substantial deduction of points.

Exams: There are two (2) OPEN BOOK exams (**no internet use is allowed**). Only a basic calculator without the ability to store text can be used during all exams. ***These two exams are IN-PERSON and taken through CANVAS with LockDown Browser.***

Final Exam: The Final Exam is the culminating activity for this course; it must be taken and its score cannot be dropped. ***Final Exam is cumulative and OPEN BOOK (no internet use is allowed), taken in-person NOT through Canvas.*** See [University Policy S17-1](#).

Grading: Course grades are determined based on total points earned in the course as listed below.

ACTIVITY/ASSIGNMENT		TOTAL POSSIBLE POINTS
Cengage Homework	6 Assignments	60 (10 Points each)
In-Class Assignments	4 Assignments	60 (15 points each)
Tax Return Project		120
Exams	2 Exams	200 (100 Points Each Exam)
Final Exam		160
Total Possible Points		600

POINTS	GRADE
580-600	A+
560-579	A
540-559	A-
520-539	B+
500-519	B
480-499	B-
460-479	C+
440-459	C
420-439	C-
400-419	D+
380-399	D
360-379	D-
BELOW 360	F

No make-up exams unless permitted by instructor. In order for any decision to be made about a make-up exam, students must give **advance notification with documentation** when requesting a make-up exam. If an exam is missed *without* permission, then the exam grade is zero. All exams including the final exam, must be taken on their scheduled date and time listed in the Course Schedule.

There is NO discussion about grades by e-mail or over the telephone. If you wish to discuss your grades, you must do so via office hours where there is a reasonable degree of privacy.

You are encouraged to ask and/or answer questions in class, but points are not awarded for class participation.

Note “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](#) for more details.

In-Person and Zoom Class Protocol

Attendance for this course is important because we cover a substantial amount of material each session and certain covered material may not in the textbook. Attendance is also required for the in-class assignments. If you are unable to attend class, you are still responsible for *everything covered in class*. [Lucas College and Graduate School of Business: Program Goals and Class room policy](#) at <http://www.sjsu.edu/cob/Students/policies/index.html>

For in-person attendance, you are required to wear a mask under the current university and county mandates. A seating chart is required where you must sit in the same seat every class.

For Zoom attendance, you are required to list your entire name (if you would prefer to be called another name please put it parentheses next to your given name) and may set a Zoom profile image of your choice. You are not required to have your microphone and camera on during Zoom class **except** when you are in breakout rooms, then your microphone and camera are required to be ON.

College of Business Library Liaison: Christa Bailey, Ph: 408-808-2422. Email: christa.bailey@sjsu.edu

University Policies

Per [University Policy S16-9](#) (<http://www.sjsu.edu/senate/docs/S16-9.pdf>), relevant information to all courses, such as academic integrity, accommodations, dropping and adding, consent for recording of class, etc. is available on Office of Graduate and Undergraduate [Syllabus Information Web Page](#).

COURSE SCHEDULE

THIS SCHEDULE IS SUBJECT TO CHANGE WITH FAIR NOTICE

Any changes will be announced in class, via Remind, and/or posted on CANVAS

CLASS	DATE	CLASS TOPICS	READING ASSIGNMENTS FOR CLASS	DUE ONLINE OR IN-CLASS
1	7/18/2022 Monday IN-PERSON	Chapter 1 Introduction to Taxation Chapter 26 – Tax Practice & Ethics Chapter 3 – Tax Formula for Individuals Discussion of Tax Return Project & Team Assignment	READ SECTIONS: 1-1b; 1-1c; 1-3b; & 1-4 READ SECTIONS: 26-1 and 26-2 SKIP SECTIONS: Role of Informants in 26-1e; Understatement, Overvaluation, Undervaluation Appraiser, Improper Refund Claim, False Info with Respect to Withholding, Failure to Provide Info Re: Tax Shelters and Criminal Penalties in 26-1i; and 26-2f Sections 26-2a through 26-2d READ SECTIONS: 3-1 to 3-9 SKIP SECTIONS: Multiple Support Agreements in 3-4b; Kiddie Tax - Unearned Income of Dependent Children in 3-6c; and 3-7	Register for CNOW
2	7/19/2022 Tuesday ZOOM	Chapter 3 – Tax Formula for Individuals Chapter 4 – Gross Income: Inclusions Chapter 5 – Gross Income: Exclusions Chapter 13 – Property Transactions: Sale of Personal Residence in 13-6	READ SECTIONS: 3-1 to 3-9 SKIP SECTIONS: Multiple Support Agreements in 3-4b; Kiddie Tax - Unearned Income of Dependent Children in 3-6c; and 3-7 READ SECTIONS: 4-1 to 4-4 SKIP SECTIONS: Economic Accounting Concepts Of Income in 4-1c; Financial Accounting Income v. Taxable Income in 4-1d; Form of Receipt in 4-1e; Accrual Method and Hybrid Method in 4-2b; Income Received By Agent, Original Issue Discount & Income Received By An Agent and Original Issue Discount and Series E & Series Ee Bonds in 4-2c; Special Rules For Accrual Method in 4-2d; Income From Partnerships, S Corp Trusts & Estates in 4-3c; Community Property Spouses Living Apart in 4-3d; Imputed Interest on Below Market Loans in 4-4b; and Annuities in 4-4c. READ SECTIONS: 5-1 to 5-13 and 13-6 SKIP SECTIONS: Non-Income Items in 5-1b; Employer Payments to Employees in 5-2b; Wrongful Incarceration in 5-5b; Accident & Health Insurance Benefits in 5-5d; in Sponsored Accident & Health Plans in 5-6; Meals & Lodging in 5-7; Cafeteria Plans in 5-8b; Flexible Spending Plans in 5-8c; Foreign Earned Income in 5-9; Educational Saving Bonds in 5-11; Educational Saving Programs in 5-12; Qualified Able Programs in 5-13; and 5-15	Work on In-Class Assignment #1
	7/20/2022 Wednesday	NO CLASS	NO CLASS	CNOW Homework #1 (Chap. 1 & 26) In-Class Assignment #1 CNOW Homework #2 (Chap. 3, 4, 5 & 13-6)

CLASS	DATE	CLASS TOPICS	READING ASSIGNMENTS FOR CLASS	DUE ONLINE OR IN-CLASS
3	7/21/2022 Thursday IN-PERSON	EXAM #1 Tax Return Project: Class Senior Meeting	EXAM #1: Chapters 1, 3, 4, 5, 13-6 & 26	EXAM #1 Tax Return Project: Class Senior Meeting
4	7/22/2019 Friday ZOOM	Chapter 6 – Deductions & Losses in General Chapter 9 – Employment & Self-Employed Deductions/Expenses	READ SECTIONS: 6-1 to 6-3 SKIP SECTIONS: Qualified Business Income in 6-1f; Accrual Method Deduction Requirements in 6-2c; Prepaid Expenses – 12 Month Rule in 6-2d; Time Value of Tax Deductions in 6-2e; Excessive Executive Compensation in 6-3c; Determining Amount of Deduction in 6-3e; Rental of Vacation Homes in 6-3f; Disallowance for Capital Expenses in 6-3i; Expenses Related to Tax Exempt Income in 6-3l; and Other Disallowances in 6-3m. READ SECTIONS: 9-1 to 9-8	
5	7/25/2022 Monday ZOOM	Chapter 10 – Itemized Deductions Chapter 11 – Investor Losses	READ SECTIONS: 10-1 to 10-6 and skim Comprehensive Ex. of Schedule A in 10-7.	

SKIP SECTIONS: Health Saving Accounts 10-1h; Affordable Care Act Provisions in 10-1i; Limitations on Charitable Contribution Deductions in 10-4e; and Timing of Payments to Max Deductions in 10-5

READ SECTIONS: 11-1 to 11-3 SKIP SECTIONS: Passive Activity Credits and Carryovers of Passive Activity Credits in 11-3a; Special Grouping Rules for Rental Activities in 11-3c; Special Activity Rules for Real Estate in 11-3e; and Dispositions of Passive Interests in 11-3f	CNOW Homework #3 (Chap. 6 & 9) Work on In-Class Assignment #2 UPLOAD Team Client Questions for Client meeting to Canvas
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6	7/26/2022 Tuesday IN-PERSON	Chapter 13 – Property Transactions Chapter 12 – Tax Credits Client-Team Meetings	READ SECTIONS: 13-1 to 13-4 SKIP SECTIONS: Causalities and Thefts, Amortizable Bond Premiums and Easements in 13- 1a; Income in Respect of a Decedent and Survivor’s Share of Property in 13-2c; 13-2d; 13- 2e; and 13-5 READ SECTIONS: 12-1; 12-2a; 12-4; and 12-5 SKIP SECTIONS: General Business Credit in 12-2b; Treatment of Unused GBCs in 12-2c; Specific Business-Related Tax Credits in 12-3; and Credits Available to Businesses and Individuals in 12-5	Client-Team Meetings Work on In-Class Assignment #3
	7/27/2022 Wednesday	NO CLASS	NO CLASS	In-Class Assignment #2 CNOW Homework #4 (Chap. 10 & 11) In-Class Assignment #3
7	7/28/2022 Thursday IN-PERSON	EXAM #2 Tax Return Project Discussion	EXAM #2: Chapters 6, 9, 10, 11, 12 & 13 Tax Return Project Discussion	CNOW Homework #5 (Chap. 12 & 13) Tax Return Project Discussion
CLASS	DATE	CLASS TOPICS	READING ASSIGNMENTS FOR CLASS	DUE ONLINE OR IN- CLASS
8	7/29/2022 Friday ZOOM	Chapter 15 – Deduction for Qualified Business Income Chapter 28 – Taxation of Trusts & Estates	READ SECTION: 15-3 The Qualified Business Income Deduction READ SECTIONS: 28-1 to 28-4 SKIP SECTIONS: Alternative Minimum Tax in 28-2c; Net Investment Income in 28-2d; Noncash Property Distributions and Income in Respect of Decedent in 28-3b; Deductions for Losses in 28-3d; Charitable Contributions in 28-3e; Tax Credits in 28-3g; Distributions by Estates and Complex Trusts in 28-4b; and Character of Income in 28-4c	Work on In-Class Assignment #4
9	8/1/2022 Monday IN-PERSON	COURSE REVIEW Tax Return Project Discussion	COURSE REVIEW Tax Return Project Discussion	In-Class Assignment #4 CNOW Homework #6 (Chap. 28)
10	8/2/2022 Tuesday IN-PERSON	CUMULATIVE FINAL EXAM & TAX RETURN PROJECT DUE	CUMULATIVE FINAL EXAM TAX RETURN PROJECT DUE UPLOAD TO CANVAS	CUMULATIVE FINAL EXAM TAX RETURN PROJECT

