

San José State University
Lucas College and Graduate School of Business
BUS 227C

Tax Symposium: – State Tax Compliance,
Planning, Client Representation and
Regulation of the Tax Profession in California

Semester: Early Spring
Year: 2018

Instructor:	Prof. Joel Busch, CPA, Esq.
Office Location:	Lucas Graduate School of Business
Telephone:	408-924-3494
Email:	joel.busch@sjsu.edu
Office Hours:	30 minutes before class and by appointment
Class Days/Time:	Wednesdays, 1/3, 10 and 17; 6:00 – 10:00P
Classroom:	Lucas Graduate School of Business Silicon Valley Site 2933 Bunker Hill Lane - Suite 120 Santa Clara, CA 95054
Prerequisites:	Graduate standing in the MST Program or enrolled via Open University

Course Description

A detailed examination on important Federal/California differences in income, deductions, loss limitations, §280E, credits, elections, §1031, entity filings, due dates, penalties, statute of limitations and other compliance and planning opportunities. Representation of clients before various State of California and local tax agencies, as well as the regulation of tax practitioners in California, will also be covered.

MST Program Administrative Guidelines:

- Students are responsible for understanding the policies and procedures about add/drops, academic renewal, etc. Please see the 2017/2018 New Student Handbook at: http://www.sjsu.edu/lucasgsb/docs/MST_New%20Student%20Handbook%20Fall%202017_rev_090817.pdf

Assignments and Grading Policy

READING ASSIGNMENTS:

Class readings for each class session will be posted on the Canvas website and/or provided in class. Students are to read the assigned materials *before* the beginning of the applicable class session. No formal textbook is required for this course.

EXAMS:

There is a final exam which will be administered in the last class session. The final is based on the material presented in class and assigned in the readings (and videos, if applicable). 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 will be zero under almost all circumstances. Point adjustments may be applied to exams not taken on the last class session.

CANVAS ONLINE QUIZZES

There will be two quizzes that will be taken on the Canvas website outside of class hours. Each quiz is to be completed *individually*. The quizzes will be undertaken online via the course Canvas website.

The due dates for the two quizzes are as follows:

- Quiz #1 - Wednesday, January 10, 2018 @ 6:00 p.m.
- Quiz #2 - Wednesday, January 17, 2018 @ 6:00 p.m.

A significant loss of points may apply for quizzes submitted after the deadline.

POINTS:	Quizzes	40 (20 points each x 2)
	Final	<u>60</u>
	Total	100

GRADING POLICY:

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, the percentage needed to earn a certain grade will not be increased.

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

University Policies

Per University Policy S16-9, university-wide policy information relevant to all courses, such as academic integrity, accommodations, etc. will be available on Office of Graduate and Undergraduate Programs' [Syllabus Information web page at:](http://www.sjsu.edu/gup/syllabusinfo/)
<http://www.sjsu.edu/gup/syllabusinfo/>

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.

Course Learning Outcomes

Upon completion of this course students will be able to:

CLO 1: Understand and identify important differences between Federal and California income tax laws applicable to both individuals and businesses.

CLO 2: Be aware of recent trends and developments in statutory, regulatory and administrative guidance regarding state and local governmental tax authorities in California and their rights and limitations to review and potentially adjust taxpayers' reported tax liabilities to the governmental agency.

CLO 3: Develop an understanding of how practitioners are increasing their use of technology and data analytics in state tax modeling and other state tax endeavors.

CLO 4: Understand specific guidance on the regulation of tax practitioners in California – including the unlawful practice of law by non-attorneys.

CLO 5: Be able to recognize and advise regarding beneficial tax planning techniques that may be applicable in various aspects of California tax law.

CLO 6: Develop conceptual and analytic skills with real world applications.

CLO 7: Identify, understand and resolve complex and multijurisdictional tax issues within the context of our global economy and society.

CLO 8: Learn and acquire research skills for exploring both familiar and novel areas of the tax law and to communicate the findings using clear terms.

CLO 9: Appreciate tax policy issues and foundations of the tax law.

CLO 10: Understand the ethical implications of tax practice.

CLO 11: Develop skills for effective tax practice including keeping current, interacting with others, and career advancement.

Schedule

(Subject to Change with Fair Notice)

Topic	Presenter	Time (Est.)
Wednesday January 3, 2018		
Introduction to the Course	Joel Busch, San Jose State University	6:00 – 6:15
Important California tax updates, important Federal/California differences and penalties	Joel Busch	6:15 – 7:00
Local Business Taxes in California – A Detailed Look at San Francisco’s Gross Receipts and Payroll Expense Taxes	Ernie Liran and Nicholas Wu (PwC)	7:00 -8:30
State Income Tax - Modeling using Data Analytics		
Regulation of tax professionals in California	Joel Busch	8:45 – 9:45
An overview of statute of limitations for California taxes		
An introduction to property tax audits in California		
The unlawful practice of law by non-attorneys ... when assisting clients goes too far.		
Assigned Readings:		
1) (Skim) Articles 12, 12-A and 12-A-1 of the San Francisco Business and Tax Regulations Code – available at: SF Gross Receipts and Payroll Taxes (Link)		
2) IRC §280E		
3) California Rev. & Tax §§17282; 24436; 24436.1; 24953		
4) San Diego County Bar Association – Ethics Opinion 1983-7, available at: https://www.sdcba.org/index.cfm?Pg=ethicsopinion83-7		
5) California Business and Professions Code §6125, 6126, 6126.3 and 6126.5 [available using the following link: Cal Business and Professions Code 6125-6126.5		
6) Other potential readings posted on Canvas		

Wednesday January 10, 2018

Recent and substantial changes to the BOE, including the formation of the Office of Tax Appeals (OTA) and Department of Tax and Fee Administration (CDFTA). Rules associated with tax appeals ...from the BOE to the OTA.	Benedict Cabaltica and James Ford (KPMG)	6:00 – 7:30
State sales/use tax nexus – the Supreme Court’s revisiting of <i>Quill</i> Expected target sales/use tax audit areas in 2018 FTB audit and administrative trends – with a focus on apportionment factor issues surrounding treatment of Upfront and Milestone payments and multi-state startups with NOLs	Jim Besio and Mark Stefan (EY)	7:50 – 9:50
<u>Assigned Readings:</u> 1) <i>Quill Corporation vs. North Dakota</i> , 504 U.S. 298 (1992) 2) South Dakota Senate Bill 106 available at: http://sdlegislature.gov/docs/legsession/2016/Bills/SB106ENR.pdf 3) Other potential readings posted on Canvas		

Wednesday January 17, 2018

Tax planning for California income; sales/use; property tax and other taxes – including those in the context of mergers and acquisitions.

Toni Lewis, Nadar Adnani, Galina Philipovich and Lindsay Crews (Deloitte)

6:00 – 8:00 p.m.

Dealing with California income tax and sales/use tax audits, including uses of technology.

Brian Pedersen (Alvarez & Marsal Taxand LLC)

8:15 – 9:15

Final Exam

9:25 – 10:00 p.m.

Assigned Readings:

Readings to be posted on Canvas