COURSE OUTLINE OF RECORD

Number: ACCT G113  TITLE: Business Income Taxation

ORIGINATOR: Alice Rivera

FORMERLY KNOWN AS: Business Income Tax

EFF TERM: Fall 2017

DATE OF OUTLINE/REVIEW: 03-21-2017

CROSS LISTED COURSE:

TOP NO: 0502.10

CID:

SEMESTER UNITS: 3.0

HRS LEC: 54.0  HRS LAB: 0.0  HRS OTHER: 0.0

CONTACT HRS TOTAL: 54.0

STUDY NON-CONTACT HRS RECOMMENDED: 108.0

CATALOG DESCRIPTION:

This course covers income tax laws and regulations as they relate to business entities, with practice on preparation of tax returns and forms. Topics include taxation of corporations, S corporations (small business corporations as defined under Subchapter S of the Internal Revenue Code), partnerships, and limited liability companies, with a comparison of tax implications amongst all forms of business formation. Multi-jurisdictional taxation issues, state and local taxes, as well as special business taxes and credits are included.

JUSTIFICATION FOR COURSE:

PREREQUISITES:

COREQUISITES:

ADVISORIES:

- ACCT G111: Individual Income Taxation

ASSIGNED DISCIPLINES:

Accounting

MATERIAL FEE: Yes [ ] No [X] Amount: $0.00

CREDIT STATUS: Noncredit [ ] Credit - Degree Applicable [X] Credit - Not Degree Applicable [ ]

GRADING POLICY: Pass/No Pass [X] Standard Letter [X] Not Graded [ ] Satisfactory Progress [ ]

OPEN ENTRY/OPEN EXIT: Yes [ ] No [X]

TRANSFER STATUS: CSU Transferable[X] UC/CSU Transferable[ ] Not Transferable[ ]

BASIC SKILLS STATUS: Yes [ ] No [X]  LEVELS BELOW TRANSFER: Not Applicable

CALIFORNIA CLASSIFICATION CODES: Y - Not Applicable

NON CREDIT COURSE CATEGORY: Y - Not applicable, Credit Course

OCCUPATIONAL (SAM) CODE: C

REPEATABLE ACCORDING TO STATE GUIDELINES: No [X]  Yes [ ] NUMBER REPEATS:

REQUIRED FOR DEGREE OR CERTIFICATE: No [ ] Yes [X]

Accounting(Associate in Arts)
IRS Enrolled Agent(Certificate of Specialization)
Staff Accountant(Certificate of Achievement)

GE AND TRANSFER REQUIREMENTS MET:

Degree Applicable

AA Degree Applicable
Program Level Learning Outcomes Supported by this course:

Utilize federal income taxation concepts to compile individual tax returns and forms.

Define the essential elements of the major taxable entities: individuals, partnerships, and corporations, estates, and trusts. Compare and contrast between these taxable entities.

Utilize federal income taxation concepts to compile individual tax returns and forms.

Utilize the fundamental principles of taxation to prepare a variety of tax returns, forms, reconciliations, and supporting schedules.

Describe the unique taxation issues related to each of the taxable entities as they relate to tax planning and public policy.

Gain an overview of tax planning concepts and demonstrate knowledge through the use of practical tax planning exercises.

Outline the major elements of tax administration: information dissemination, tax collection, reviews and audits of tax returns, the appeals process, appearing before the IRS, and other aspects with respect to enforcement of the Internal Revenue Code and related Regulations.

Course Level Student Learning Outcomes Supported by this course:

1. Compare and contrast the tax advantages and disadvantages of the different types of business formations.

2. Outline the criteria for election as an S Corporation, analyze the tax treatment of S Corporations, and compute taxable income and tax liability for S Corporations.

3. Analyze the tax implications for limited liability companies.

4. Describe the corporate capital structure, outline the tax effects of corporate formation and operations, earnings and profits, capital contributions and distributions, and calculate corporate income tax liability and reconcile tax income to financial book income.

5. Determine income tax liability for partnerships and understand the tax implications of partnership formation and transactions.

6. Explore special topics in taxation as they relate to all business entities, including corporate alternative minimum tax, multi-national transactions, state and local taxation issues, and available business tax credits.

Course Objectives:

1. Describe the corporate capital structure, outline the tax effects of corporate formation and operations, earnings and profits, capital contributions and distributions, and calculate corporate income tax liability and reconcile tax income to financial book income.

2. Determine income tax liability for partnerships and understand the tax implications of partnership formation and transactions.

3. Outline the criteria for election as an S Corporation, analyze the tax treatment of S Corporations, and compute taxable income and tax liability for S Corporations.

4. Analyze the tax implications for limited liability companies.
5. Compare and contrast the tax advantages and disadvantages of the different types of business formations.

6. Explore special topics in taxation as they relate to all business entities, including corporate alternative minimum tax, multi-national transactions, state and local taxation issues, and available business tax credits.

COURSE CONTENT:

LECTURE CONTENT:

A. Corporations: organization, capital structure, operating rules
   1. Introduction to corporate tax
   2. Transfers to corporations
   3. Corporate capital structure
   4. Corporate operations
   5. Procedural matters
      a. Filing requirements
      b. Estimated tax payments
      c. M-1 reconciliation

B. Corporate earnings and profits
   1. Additions to taxable income
   2. Subtractions from taxable income
   3. Timing adjustments
   4. Accumulated earnings and profits

C. Corporate distributions
   1. Non-cash dividends
   2. Constructive dividends
   3. Stock dividends
   4. Restrictions on corporate accumulations
   5. Stock redemptions
   6. Corporate liquidations

D. Partnerships
   1. Formation
   2. Federal tax consequences
   3. Loss limitations
   4. Transactions between partner and partnership
      a. Guaranteed payments
      b. Partners as employees

E. Limited liability companies (LLCs)
   1. Taxation of LLCs
   2. Advantages and disadvantages of the LLC entity

F. S Corporations
   1. Qualifying for S Corporation status
   2. Making the election
   3. Computation of taxable income
   4. Allocation of income and loss
   5. Shareholder's basis in S stock
   6. Treatment of losses
   7. Entity level taxes

G. Special business topics
   1. Multi-jurisdictional taxation issues
   2. U.S. taxation of multi-national transactions
   3. State and local income taxation in the United States
   4. Tax challenges

H. Business tax credits
   1. General business credit
2. Work opportunity tax credit
3. Research activities credit
4. Energy credits
5. Disabled access credit
6. Credit for small employer pension plan startup costs
7. Credit for employer provided child care

I. Corporate alternative minimum tax (AMT)
   1. Corporate AMT formula
   2. AMT adjustments
   3. Tax preferences
   4. Adjusted current earnings (ACE)
   5. Alternative tax net operating loss (NOL) deduction

J. Comparative forms of business formation
   1. Forms of doing business
   2. Non-tax factors that affect the choice of business formation
   3. Single versus double taxation
   4. Minimizing double taxation
   5. Conduit versus entity treatment
   6. Disposition of a business or ownership interest
   7. Conversion to other entity types

METHODS OF INSTRUCTION:
   A. Lecture:
   B. Online:
   C. Independent Study:
   D. Hybrid:

INSTRUCTIONAL TECHNIQUES:

COURSE ASSIGNMENTS:
   Reading Assignments

Textbook

Out-of-class Assignments

Tax databases (RIA Checkpoint, CCH)
Tax periodicals and journals
Websites

Writing Assignments

Tax returns and forms
Case studies
Research projects

METHODS OF STUDENT EVALUATION:
Midterm Exam
Final Exam
Short Quizzes
Written Assignments
Essay Examinations
Objective Examinations
Demonstration of Critical Thinking:

Tax computations, calculations, and preparation of tax returns and forms for business entities: corporations, partnerships, S corporations, and limited liability companies. Analysis of pertinent business tax issues and engagement of appropriate tax planning for businesses.

Required Writing, Problem Solving, Skills Demonstration:

Step-by-step computations of tax calculations, preparation of tax returns and tax forms, and reconciliations of tax ledger to financial records.

TEXTS, READINGS, AND RESOURCES:

TextBooks:


LIBRARY:

Adequate library resources include: Print Materials
Non-Print Materials

Comments:

Attachments:

[Attached Files]