

Montgomery County Community College
ACC 241
Tax Accounting
3-3-0

COURSE DESCRIPTION:

Students learn the laws, regulations, and accounting practices pertaining to individual Federal taxes. Students will analyze gross income, exclusions, business expenses, depreciation, itemized deductions, capital gains, sales of personal residences, exemptions, and filing status. Relevant forms will be discussed.

REQUISITES:*Previous Course Requirements*

- ACC 116 Managerial Accounting with a minimum grade of "C" *

Concurrent Course Requirements

None

COURSE COMMENT

*ACC 112 - Accounting Principles II with a minimum grade of "C" may be substituted

LEARNING OUTCOMES Upon successful completion of this course, the student will be able to:	LEARNING ACTIVITIES	EVALUATION METHODS
1. Identify and apply the components of the Federal income tax formula and apply rules for arriving at personal and dependency exemptions.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice	Assignments Written Examinations
2. Explain the concepts of gross income and realization and distinguish between the economic, accounting, and tax concepts of gross income.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice	Assignments Written Examinations

LEARNING OUTCOMES	LEARNING ACTIVITIES	EVALUATION METHODS
3. Identify the circumstances under which various items are excludible from gross income, and determine the extent to which receipts can be excluded under the tax benefit rule.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice	Assignments Written Examinations
4. Differentiate between deductions <i>for</i> and <i>from</i> adjusted gross income and understand the relevance of the differentiation.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice	Assignments Written Examinations
5. Discuss the rationale for the cost consumption concept and identify the relevant time periods for depreciation, and determine the depreciation under ACRS and MACRS. Recognize when and how to make the section 179 expense election.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice	Assignments Written Examinations
6. Distinguish between employee and self-employed status and determination of deductible employee expenses.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice	Assignments Written Examinations
7. Distinguish between deductible and nondeductible personal expenses (itemized deductions). Emphasis on planning opportunities with these deductions.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice	Assignments Written Examinations

LEARNING OUTCOMES	LEARNING ACTIVITIES	EVALUATION METHODS
8. Determine gains and losses, basis considerations, and non-taxable exchanges of property. Planning with 1031 exchanges and sales of personal residences.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice	Assignments Written Examinations
9. Distinguish capital assets from ordinary assets, and describe the tax treatment for capital gains and the detrimental tax treatment for capital losses.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice	Assignments Written Examinations
10. Explain the rationale for the alternative minimum tax (AMT) and identify the formula for computing the AMT for individuals.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice	Assignments Written Examinations
11. Discuss tax shelters and the reasons for at-risk and passive loss limitations.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice	Assignments Written Examinations
12. Explain how tax credits are used as a tool of the Federal tax policy and identify various business and individual tax credits.	Assigned Readings Lecture and Discussion Online Textbook Learning Resources Demonstration and Practice	Assignments Written Examinations

At the conclusion of each semester/session, assessment of the learning outcomes will be completed by course faculty using the listed evaluation method(s). Aggregated results will be submitted to the Associate Vice President of Academic Affairs. The benchmark for each learning outcome is that *70% of students will meet or exceed outcome criteria.*

SEQUENCE OF TOPICS:

1. Federal Revenue System
2. Individual Taxes Overview
3. Gross Income

4. Exclusions from Gross Income
5. Deductions
6. Tax Credits, Prepayments, Alternative Minimum Tax
7. Property Transactions

LEARNING MATERIALS:

Rope, Rupert, Anderson. (2016). *Prentice Hall's Federal Taxation* (29th ed.). Pearson.

Access to online textbook learning system may be required.

Other learning materials may be required and made available directly to the student and/or via the College's Libraries and/or course management system.

COURSE APPROVAL:

Prepared by: Carl Essig	Date: 3/2005
Revised by: David Nave	Date: 3/2009
VPAA/Provost Compliance Verification: Dr. John C. Flynn, Jr.	Date: 9/11/2009
Revised by: Heather Thomas	Date: 2/2013
VPAA/Provost or designee Compliance Verification: Victoria L. Bastecki-Perez, Ed.D.	Date: 3/27/2013
Revised by: Heather Thomas	Date: 6/16/2014
VPAA/Provost or designee Compliance Verification: Victoria L. Bastecki-Perez, Ed.D.	Date: 6/17/2014
Revised by: Heather Thomas	Date: 3/15/2015
VPAA/Provost or designee Compliance Verification: Victoria L. Bastecki-Perez, Ed.D.	Date: 3/23/2015
Revised by: Heather Thomas	Date: 5/2015
VPAA/Provost or designee Compliance Verification: Victoria L. Bastecki-Perez, Ed.D.	Date: 5/28/2015

This course is consistent with Montgomery County Community College's mission. It was developed, approved and will be delivered in full compliance with the policies and procedures established by the College.