

SYLLABUS

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Office Hours MWF 10:30-12:00  
and by appointment



Textbook: CONCEPTS IN FEDERAL TAXATION: 1999 EDITION, Murphy  
Internet access

Summary: An introduction to the federal income tax structure as it applies to the individual taxpayer. The major focus of this course will be upon the conceptual and legal underpinnings of the Internal Revenue Code (IRC). This class is a service learning course. We all have the responsibility to return something to society. It is especially important that people in business have a social conscience. In this class you will have the option to participate in a service project that relates to the field of accounting.

**Course Objectives and Student Responsibilities**

To learn and refine methods of reasoning and analysis, and apply these to problems arising in an individual's situation, using the following steps:

- a) Applying the rules of law (IRC) to specific facts, either real-life or hypothetical;
- b) Discerning ~~the range~~ of possible outcomes or results;
- c) Recommending appropriate courses of actions for individual taxpayers in similar situations; and
- d) Identifying general rules or policies that might be established from the IRC and the facts.

Study methods of statutory analysis and interpretation (of the IRC) and apply them to individual problems.

Understand the basic principles of the IRC that relate to taxable and nontaxable transactions, and learn how to apply these principles to problems that arise in the context of the individual taxpayer's personal and business transactions.

Learn the nature of the IRC, how tax laws are made, and the complex interactions between tax law and social, political, and economic forces.

To explain tax jargon in simple, plain, and yet accurate English so that such terms will be of use to you as a future accountant or business manager.

To develop an increased awareness of legal, governmental, and ethical restraints facing tax planners and business managers.

To raise and discuss issues in regard to actions which may be legal but not ethical or moral.

To increase skills in making decisions which have tax and legal ramifications.

To increase your awareness of when a CPA or legal counsel is necessary or appropriate and how to seek such counsel.

Course Competencies: Upon satisfactory completion of the course the student should be able to:

General:

Demonstrate a broad understanding of the Internal Revenue Code--its evolution and procedures.

Recognize broad principles of tax law relating to how an individual can plan to legally minimize the taxes that they must currently account for and pay.

Specific:

Understand different types of taxes.

Sources of tax law.

Tax calculation.

Income tax accounting vs. Financial accounting.

Income concepts and deduction concepts.

What is income.

Capital gains and losses.

Income exclusions.

Business expenses vs. personal expenses.

Deductions and deductibility.

Limits on mixed use expenses.

Losses and there deductibility.

Tax-shelters.

Income tax entities.

Personal and dependency Exemptions.

Filing status.

For AGI vs. From AGI.

Property transactions.

Cost recovery concepts.

Property dispositions.

Nonrecognition (deferred) transactions.

Alternative Minimum Tax (AMT).

### Choice of business entity.

To achieve the above objectives and competencies, students are expected to attend all classes; complete all written and reading assignments as advance class preparation; take an active part in class discussions; organize and participate in a study group (optional); and write out the answers for all assigned problems.

Grades: (class curve)

There will be three (3) essay style problem solving examinations [two midterms and one final] given throughout the semester. These exams will be cumulative. This comprehensive nature is to assist the student in discerning the interrelationships among the various tax and legal concepts in the course.

Your grade for this course will be determined by the weighted average of these examinations, class participation and group case write-ups, and a Tax Return or similar project.

!If there is any student in this class who has need for special accommodations for test-taking or note-taking, please feel free to come and discuss this with me.)

25%	Group case write up papers
25%	Final Examination (Last week of class)
50%	Midterm Exams (date to be announced)

Further, please note that a rule in my class is the primacy of the TEXTBOOK/IRC. If for some odd reason there happens to be a conflict between what I say in the lecture and what is written in the textbook; the textbook will control. This means that the correct answer for the exam will be that which is found in the textbook and not that given in class. Generally, there is no conflict between the lecture and the textbook.

MAKE-UP EXAMINATIONS will be given only at the option of the instructor; immediate arrangements must be personally made by any student that misses an exam, and there must be a showing of good cause before any make-up test will be allowed.

THE POLICY AND REGULATIONS OF THE UNIVERSITY ON ACADEMIC DISHONESTY WILL BE STRICTLY ENFORCED IN THIS COURSE.

ATTENDANCE AND PARTICIPATION! **Attendance is** and participation is welcomed. If you are absent, you must check with the instructor or a fellow student to learn of any changes in assignments or exam schedules, and you will be responsible for any information provided in the missed class.

The instructor reserves the right to issue an automatic "F" grade to any student that is chronically absent. This will occur if a student neglects to explain to the instructor the reasons for the absences.

EXTRA CREDIT IN THIS CLASS may be negotiated with your instructor and will consist of one of the following options: Service learning project or a research paper.

**SERVICE LEARNING** is a method by which students learn through active participation in thoughtfully organized service conducted in and meeting the needs of the community. Service learning is integrated into and enhances the curriculum. It includes structured time for reflection and helps to foster civic responsibility. As a pedagogy, service learning emerges from experiential learning theory and encourages active student involvement in the learning process.

A NOTE ON ENGLISH--Whether we like it or not, English is the language of communication in this course. Thus, it is important that correct English Grammar and spelling is used. In our class discussions, informal or "pigeon" English may be used so long as it is designated and recognized as such. However, on exams, formal and correct English will be expected to be used.

Caveat: ALL DISCUSSIONS AND EXAMPLES IN THIS CLASS ARE TO BE USED FOR ACADEMIC PURPOSES ONLY. THE EXPLANATIONS GIVEN BY YOUR INSTRUCTOR ARE NOT TO BE CONSTRUED AS LEGAL ADVISE. AS INDIVIDUAL SITUATIONS ARE UNIQUE, A SOUND LEGAL OPINION WOULD REQUIRE INTENSIVE INVESTIGATION AND RESEARCH. ACCORDINGLY A SOUND LEGAL OPINION CAN NOT BE RENDERED WITHIN THE TIME LIMITATIONS OF A CLASS DISCUSSION. IF YOU HAVE A LEGAL OR TAX PROBLEM, CONSULT AN ATTORNEY OR CERTIFIED PUBLIC ACCOUNTANT (CPA) THAT PRACTICES IN THE AREA OF TAX LAW IN WHICH YOU ARE EXPERIENCING DIFFICULTIES. I WILL BE HAPPY TO REFER YOU AN CPA THAT PRACTICES IN A SPECIFIC AREA SHOULD YOU NEED PERSONAL LEGAL ASSISTANCE.

August 31, 1998

Dear Student,

Teaching classes in accounting & law is my vocation. Both accounting & law and my students are important to me. I work hard at teaching and expect my students to work hard at learning. I am a professor, an attorney, a tax and business consultant, an author, and a financial planner.

My office phone number is 739-4606 (Chaminade). Please use this number if you wish to reach me or if you have problems with the homework.

It is your responsibility to learn the material. It is my responsibility to make the learning process as productive as possible. If you miss a class, check the course outline to determine what you must do, read the material in the text, do the homework, and call if you need help.

Tests are like job interviews scheduled weeks in advance: treat them as such.

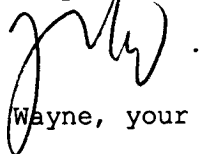
Do not miss a test. If you do miss a test, be sure that I know about it as soon as you do or I will have to assume that you are no longer interested in passing this class.

Being a student is not an easy job. It is work. Plan time to attend class, as well as time to work on the material outside of class. If I can be of help, call me or see me in my office or just after class.

I have one additional thought for you as we start this semester: If you have something to do, in the now immortal words of Nike "JUST DO IT", if not, relax and have some fun.

HAVE A GOOD SEMESTER.

Very truly yours,



Wayne, your instructor

P.S. I have a teaching assistant that usually accompanies me to class. His name is R.P. orange, the Reasonably Prudent (a term of great legal significance) Orangutan. You may have previously seen or heard of him. In reality, he is a stuffed animal. However, it is what he stands for that is important. There are three things that he is in class to promote: First, there is more to life than what is in any single class or classroom (priorities); Second, grades are not everything (it is what you learn or the knowledge that is gained that really matters); and Third, if you need a hug or something to make you take yourself (this instructor included) less seriously, R.P. Orange is there for you.

Now, write a letter to me, Wayne, your instructor, telling me who you are. Tell me of your strengths, weaknesses, fears, and goals. Discuss your world and how your roles in this world might affect your performance in this class.

Speak of your accounting & business background. Discuss how accounting might play a role in your future.

Tell me what I might do to help you achieve your goals for this class. Include in your letter a statement that you have read and understood the grading for this class and the academic dishonesty policy of the university.