FEDERAL TAX I, TAX 4001
COURSE OUTLINE, SPRING 2008

Instructor: Ken Orbach    Office: BH 132 (Boca)    Phone: (561) 297-2779
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Instruction time and location: R, 7:10-10:00 pm, Boca, BU 203
Office hours and location: T, R 2:00-3:30pm. Please contact me for appointments.

Catalog description and prerequisites: See FAU Undergraduate Catalog.

1/10    Introduction (Chapters 1-5)

1/17    Chapter 6: Business Taxable Income
Q: 2-8, 10; AP: 1,3,5,6,8,9,11,12,18-20,22,27

1/24    Chapter 7: Property Acquisitions
Q: 3-5, 9-13, 15-17; AP: 2, 4, 6, 7, 10-12, 14, 17, 18, 24, 27, 29

1/31    Chapter 8: Property Dispositions
Q: 1-3, 5, 6, 7, 8,11, 12; AP: 3, 4, 7, 9, 16, 17, 20-25, 27, 28, 31, 34-36, 40

2/7    Chapter 9: Nontaxable Exchanges
Q: 3-6, 12, 14; AP: 1, 3, 4, 9, 10, 15, 16, 18, 20-24, 28

2/14    Exam 1

2/14, 21 Chapter 10: Sole Proprietorships, Partnerships, and S Corporations
Q: 1, 3-5, 8, 9, 10, 13; AP: 2-5, 10-12, 15, 17-19, 22-25

2/21, 28 Chapter 11: Corporate Taxpayer
Q: 1, 5, 7-10; AP: 1, 3, 5, 8, 9, 11, 14, 16, 18, 20, 22, 23

2/28    Chapter 12: Choice of Business Entity
Q: 1-6, 11, 12; AP: 4-7, 10, 17

3/13    Exam 2

3/13, 20 Chapter 14: Individual Tax Formula
Q: 2, 6-8, 12; AP: 3, 4, 8, 15, 16, 21, 28

3/20, 27 Chapter 17: Personal Activities
Q: 3, 4, 6, 12; AP: 1-3, 10-12, 14, 15, 17, 20-23, 25-28

3/27, 4/3 Chapter 15: Compensation
Q: 2, 3, 5, 6, 8-11; AP: 2, 7, 9, 11-15, 19, 20

4/3, 10 Chapter 16: Investment & Personal Financial Planning
Q: 1, 2, 5-7; AP: 1, 2, 4-6, 8, 10-14, 16-18, 22-24, 26-28, 30-34
4/17  Catch-up
5/1  Exam 3

*Q = Questions and Problems for Discussion
*AP = Application Problems


**Objectives:** This course is designed to be a comprehensive introduction to the federal income tax system. Primary emphasis will be on those tax provisions that affect business and individual taxpayers in the context of a three-dimensional framework (tax formulas, taxpayer activities, and taxpayer entities). Upon completion of the course, you should be capable of fulfilling your roles as: (1) an informed citizen who understands our federal tax system and can make educated judgments about proposed legislative changes to the system and the effect of taxation on personal financial planning and (2) an effective business manager or consultant who can manage the tax costs associated with business operations and analyze the tax costs and tax savings of alternative business decisions.

**Outcomes:** This course encompasses six learning objectives in the form of cognitive outcomes:

1. **Knowledge.** Describe the federal tax system in terms of (1) the taxes imposed and the affected taxpayers and (2) the legislative and judicial development of the tax law.
2. **Comprehension.** Understand (1) the impact of taxation on the U.S. economy and personal financial planning and (2) the fundamental tax concepts that apply to business, investment, employment, and personal transactions.
3. **Application.** Identify tax issues in transaction-based fact patterns that are encountered in compliance and planning situations and (1) apply tax concepts and rules to resolve the issues and (2) use the English language to report information derived from the application of concepts and rules.
4. **Analysis.** Analyze (1) the manner in which tax information is disclosed in financial statements and the relationship between financial accounting and tax accounting for business transactions and (2) how tax costs and savings are integrated into net present value calculations of after-tax cash flows.
5. **Synthesis.** Develop a financial analysis methodology that (1) identifies and assesses information relevant to the tax and non-tax costs and savings of alternative business, investment, employment, and personal decisions and (2) compares the tax and non-tax costs and savings of these decisions.
6. **Evaluation.** Employ a financial analysis methodology to evaluate and communicate the tax and non-tax costs and savings of alternative business, investment, employment, and personal decisions.
Course Format: The principal material in this course is covered in a lecture/discussion format in class meetings. Additional material is covered in out-of-class assignments.

Grade:

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<th>Exam</th>
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<td>Exam 1</td>
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Grading Scale:

- 92 ≤ A
- 90 ≤ A- < 92
- 88 ≤ B+ < 90
- 82 ≤ B < 88
- 80 ≤ B- < 82
- 78 ≤ C+ < 80
- 72 ≤ C < 78
- 70 ≤ C- < 72
- 68 ≤ D+ < 70
- 62 ≤ D < 68
- 60 ≤ D- < 62
- F < 60

Exams: Only the Lathrope book may be used during exams (including marginal comments therein).

Notes:

1. If we have time, we will cover Chapter 13, Jurisdictional Issues in Business Taxation.
2. No recording devices are allowed in order to have unfettered discussion.
3. Homework will not be collected.
4. If you are the type of student who does not read the text or who wants to learn everything from the lectures or who feels that the lectures must cover everything in the text or feels that homework must be gone over in class, this course is not for you. Likewise, if you feel that you must be motivated by exams, quizzes, or graded homework, this course is not for you.
5. This is not a return preparation course.
6. The School of Accounting has adopted a set of uniform policies for all courses offered by the School. These policies are to be considered a part of this syllabus and can be found at [http://soa.fau.edu/uniform_course_policies1.htm](http://soa.fau.edu/uniform_course_policies1.htm).