

BUS 0220 - FEDERAL INCOME TAXATION OF INDIVIDUALS

Catalog Description

Formerly known as BUS 9

Hours: 54 lecture

Description: Study of the United States individual income tax system. Rights and responsibilities of taxpayers under the Internal Revenue Code. Introduction to filing status, exemptions, income exclusions and inclusions, capital gains/losses, itemized deductions, employee business expenses, sale of home, and tax planning. (CSU)

Course Student Learning Outcomes

- CSLO #1: Investigate IRS tax codes and how they relate to individual tax returns.
- CSLO #2: Construct individual tax returns following IRS tax codes.
- CSLO #3: Assess and relate ethics in the accurate reporting, application and interpretation of IRS code in relation to individual tax preparation.

Effective Term

Fall 2020

Course Type

Credit - Degree-applicable

Contact Hours

54

Outside of Class Hours

108

Total Student Learning Hours

162

Course Objectives

Through written or oral presentation, exams and problem-solving the student will:

1. Identify various income types to determine inclusion or exclusion from income taxation.
2. Analyze taxpayer filing status by considering relevant variables.
3. Identify which relationships qualify for dependency exemptions.
4. Calculate the amount of capital gains or losses recognizable.
5. Calculate the amount of itemized deductions related to medical and dental expenses, casualty and theft losses, property taxes, state and total income taxes, charitable contributions and miscellaneous itemized deductions.
6. Calculate the amount of income or loss related to self employment and real estate rentals.

General Education Information

- Approved College Associate Degree GE Applicability
- CSU GE Applicability (Recommended-requires CSU approval)

- Cal-GETC Applicability (Recommended - Requires External Approval)
- IGETC Applicability (Recommended-requires CSU/UC approval)

Articulation Information

- CSU Transferable

Methods of Evaluation

- Essay Examinations
 - Example: Students will write an essay from the hypothetical scenario provided, describe the nature and amount of the exemptions allowable to the taxpayer. Rubric grading. (Objective 3)
- Objective Examinations
 - Example: students will take a multiple-choice examination on gains. Sample question: A feature of ordinary gains as distinguished from capital gains: (a) Gains from sales of assets not stock in trade. (b) May or may not be taxable in full. (c) Sources are capital assets. (d) No holding period. (Objective 4)
- Problem Solving Examinations
 - Example: Given a sample taxpayer case, determine the impact a real estate rental would have on the taxpayer's personal tax return. Instructor Graded. (Objective 6)
- Skill Demonstrations
 - Example: Given a sample taxpayer's information, prepare tax form 1040. Instructor Graded. (Objectives 1 - 5)

Repeatable

No

Methods of Instruction

- Lecture/Discussion
- Distance Learning

Lecture:

1. Lecture and demonstrations by the instructor in conjunction with class discussions of tax problems and student presentations of tax concepts. The instructor will present lectures on tax concepts and principles. Students will work on tax problems individually and in small groups to apply the lecture concepts. Class discussions will be utilized to clarify concepts which students find challenging. (Objective 2)

Distance Learning

1. Following an on-line lecture on how to calculate income and loss related to self-employment, students will be given a real estate rental scenario and be expected to calculate the amount of income or loss. Students will post their findings to the rest of the class and be expected to comment on a minimum of 3 other students posts. (Objective 6)

Typical Out of Class Assignments Reading Assignments

1. Read chapter on Gross Income and Exclusions and be prepared to discuss retirement strategies that minimize tax liability. 2. Read chapter on Business Expenses and be prepared to discuss the tax advantages and disadvantages of self-employment.

Writing, Problem Solving or Performance

1. Analyze the tax situation for a hypothetical taxpayer described by the instructor and create a tax plan to minimize their tax liability. 2. Identify expenditures qualifying as a deduction or tax credit and perform calculations based on a hypothetical taxpayer's gross income, as adjusted.

Other (Term projects, research papers, portfolios, etc.)

Required Materials

- Income Tax Fundamentals
 - Author: Whittenburg, et al
 - Publisher: Thompson Publishing
 - Publication Date: 2017
 - Text Edition:
 - Classic Textbook?: No
 - OER Link:
 - OER:

Other materials and-or supplies required of students that contribute to the cost of the course.