

Minnesota State College Southeast

ACCT 2217: Income Tax I

A. COURSE DESCRIPTION

Credits: 3

Lecture Hours/Week: 3

Lab Hours/Week: *.*

OJT Hours/Week: *.*

Prerequisites: None

Corequisites: None

MnTC Goals: None

This course covers individual income tax law as prescribed in the Internal Revenue Code of 1986. A brief overview of federal tax legislation provides a framework for understanding the law. The components of the tax formula are defined and discussed. The incremental nature of tax rates is explained, and tax rate schedules are used to compute sample cases. Gross income is defined along with exclusions and deductions, as well as various tax credits. Business deductions including depreciation are described and calculated in the last part of the course. (Prerequisite: None) (3 credits: 3 lecture/0 lab)

B. COURSE EFFECTIVE DATES: 01/30/2013 - Present

C. OUTLINE OF MAJOR CONTENT AREAS

1. The history of US Individual Income Tax and the Internal Revenue Code of 1986
2. The tax formula, filing statuses, and claiming personal and dependent exemptions
3. Gross Income, Exclusions, Deductions, Credits and Business Expenses

D. LEARNING OUTCOMES (General)

1. Describe the history of US Individual Income taxes starting with the passage of the 16th amendment to the US Constitution. Outline the various administrative sources of income tax law and the Internal Revenue Code of 1986 as amended by all subsequent legislation. A brief overview of the judicial system for tax law is also included.
2. Describe the tax formula and all of its components. Define the various individual filing statuses for taxpayers and when each status should be used. Personal and dependency exemptions are covered. The tax rate schedules for the various filing statuses are covered and sample cases allow students to see how the application of tax law impacts individuals.
3. Discuss the concept of gross income and why the IRS chooses such a vague definition of the term. Exclusions from gross income like life insurance proceeds are covered. A discussion of deductions includes comparing the standard deduction with itemized deductions and when it is best to use each method. Define business expense deductions including depreciation of fixed assets. Explain tax credits and how they differ from tax deductions.
4. Analyze filing status
5. Analyze individual returns
6. Complete periodic examinations
7. Compute tax
8. Define casualty and theft losses
9. Define deductible interest
10. Define deductible taxes
11. Define dependency exemption
12. Define earned income
13. Define income exclusions
14. Define income rules
15. Define other income
16. Define personal deductions
17. Define refundable credits
18. Define standard deduction
19. Define tax credits
20. Define taxable entities
21. Define taxable income
22. Describe IRS
23. Describe federal revenue system
24. Describe tax research
25. Explain constructive receipt doctrine
26. Explain economic benefit doctrine
27. Explain gains and losses
28. Explain history of income tax
29. Explain personal exemption phase out
30. Explain personal exemptions
31. Explain sale of personal residence
32. Explain tax rates
33. Outline Social Security taxes
34. Outline accounting methods
35. Outline accounting periods
36. Outline deductible contributions
37. Outline deductible medical expenses

38. Outline employee business expenses
39. Outline federal tax law
40. Outline gross income
41. Outline income tax withholding
42. Outline interest and dividend income
43. Outline legislative process
44. Outline nonrefundable credits
45. Outline rent and royalty income
46. Outline tax tables

E. Minnesota Transfer Curriculum Goal Area(s) and Competencies

None

F. LEARNER OUTCOMES ASSESSMENT

As noted on course syllabus

G. SPECIAL INFORMATION

None noted