

**San José State University**  
**College of Business, Accounting Department**  
**Tax Individual Pass Entities, BUS 123C, Sec 05, Course Number 50103**  
**Fall 2016**

**Course and Contact Information**

|                         |  |
|-------------------------|--|
| <b>Instructor:</b>      | Caroline Chen  |
| <b>Office Location:</b> | BT 858   |
| <b>Telephone:</b>       | Work: 408-924-3476; Cell: 415-606-1904   |
| <b>Email:</b>           | <a href="mailto:Caroline.chen@sjsu.edu">Caroline.chen@sjsu.edu</a>   |
| <b>Office Hours:</b>    | Tuesday and Thursday 9:00 to 10:30 am and by appointment.  |
| <b>Class Days/Time:</b> | Tuesday and Thursday 12 to 1:15pm  |
| <b>Classroom:</b>       | BBC 220  |
| <b>Prerequisites:</b>   | BUS 123A with a grade of "C" or better. Accounting and Corporate Accounting Finance Majors only. Upper division standing. Lower Division Business Pool, Business Minor or Accounting or Corporate Accounting Finance major |

**Course Description**

Emphasis on the unique factors involved in taxation of individuals and pass-through entities (partnerships, S corporations, estates and trusts). Taxation of the transfer of wealth through gifts and inheritance.

**Learning Outcomes**

Course in taxation with emphasis on the unique factors involved in taxation of individuals and pass-through entities (partnerships, S corporations, estates and trusts).

**Course Learning Outcomes (CLO)**

- Prepare a basic federal individual income tax return
- Identify and understand the basics of personal income taxes, including but not limited to, filing requirements, filing status, exemptions, gross income, exclusions, deductions, employee expenses, losses, sale of a residence, employee compensation, self-employment taxes and selected tax credits
- Understand the basics of income taxation of partnerships, S Corporations, trusts and estates
- Undertake basic tax research and written analysis

**Required Texts/Readings**

**South-Western Federal Taxation: Comprehensive 2017, IBSN: 9781337199957, 40th Edition.**  
Study guide is optional.

**SPECIAL NOTE:** If you purchase a hardcopy of the book WITHOUT the CengageNow Online Access Card, then you MUST purchase the access code SEPARATELY. You may purchase it on the Cengage website using the ISBN 9781305946606 ([www.cengagebrain.com](http://www.cengagebrain.com)) or at the bookstore.

### **Course Requirements and Assignments and Grading Policy**

SJSU classes are designed such that in order to be successful, it is expected that students will spend a minimum of forty-five hours for each unit of credit (normally three hours per unit per week), including preparing for class, participating in course activities, completing assignments, and so on. More details about student workload can be found in [University Policy S12-3](http://www.sjsu.edu/senate/docs/S12-3.pdf) at <http://www.sjsu.edu/senate/docs/S12-3.pdf>.

**Homework:** Homework assignments are assigned throughout the course. The purposes for the homework assignments are to assist you in understanding the tested subjects and to prepare you for the exams.

All homework assignments must be taken and submitted using the online CengageNow platform. You will receive your scores immediately after you complete each homework assignment. For most homework assignments you can re-take the assignment as many times as you need by the due date until you reach a 100% score to receive full credit for the homework assignment. Homework scores with less than a 100% score and those turned in late will be subject to point reductions. For any homework assignments where an alternative scoring system to that stated above is in place, an announcement will be made in class and/or posted on the Canvas website.

**Reading Assignments:** For the assigned pre-class readings "Chapter" and "Sections" refer to your textbook (South-Western Federal Taxation 2017: Comprehensive, 40th Edition). Unless specifically instructed to you can skip the "Tax in News" and "Global Tax Issues" in each Chapter.

**Research Project:** A tax research paper is required. The project is designed to give students practical experience in researching tax law using online research tools. While RIA's Checkpoint is designed to be the primary research tool, you may use any source. The project will be graded on content and professional appearance (spelling, grammar, and word usage). A substantial amount of points will be deducted for late submissions of the research project.

**Tax Return Projects:** Two tax return problems will be assigned for this project. At least one of the tax return problems must be completed using online IRS forms. You may use tax return preparation software, IRS forms or any online forms for the other problem. Details of the tax return project will be discussed in class prior to the project due dates. It is expected that the returns will be completed and handed in by the scheduled due dates. A substantial amount of points will be deducted for late submissions of the tax return projects.

**Quizzes:** There are no in-class quizzes.

**Exams:** Three midterms and a final exam will be given. Only ONE 8.5" x 11" page of notes may be brought into the class for all exams. No other materials may be utilized. A basic calculator without the ability to store text may be used during exams. All submitted exam answers will require the use of a Scantron form.

**Grades:** Course grades will be determined on the basis of total points earned in the course. Please see below for additional information on grading:

| ACTIVITY               |  | TOTAL POSSIBLE POINTS                             |
|------------------------|--|---|
| CengageNow Homework    | 12 Assignments                         | 60 (5 Points Each)                                |
| CengageNow Exam Review | 4 Practice Sets                        | 80 (20 Points Each)                               |
| Tax Return Projects    | 2 Projects                             | 50 (25 Points Each)                               |
| Research Project       |  | 60  |
| Midterm Exams          | 3 Exams (lowest score will be dropped) | 200 (100 Points each for 2 of your highest exams) |
| Final Exam             |  | 150   |
| Total Possible Points  |  | 600   |

| POINTS    | GRADE |
|-----------|-------|
| 540-600   | A     |
| 480-539   | B     |
| 420-479   | C     |
| 360-419   | D     |
| BELOW 360 | F     |

Because the lowest score of your 3 midterm exams is dropped, under almost no circumstances are there make-up exams. On rare occasions only at the instructor's discretion, students may be allowed to make up an exam. Students must give advance notification with documentation in order for there to be a decision made regarding a make-up exam. If an exam is missed without prior consent, then the exam grade is zero under almost all circumstances. All exams must be taken on their scheduled date and time detailed in the course schedule.

The Final exam score cannot be dropped and must be taken.

Note "All students have the right, within a reasonable time, to know their academic scores, to review their grade-dependent work, and to be provided with explanations for the determination of their course grades." See [University Policy F13-1](http://www.sjsu.edu/senate/docs/F13-1.pdf) at <http://www.sjsu.edu/senate/docs/F13-1.pdf> for more details.

### **Classroom Protocol**

Attendance is important because we cover a substantial amount of material each session and some of the material may not in the textbook. If you are unable to attend class, please one of your class members to find out what was covered in class and also obtain the class notes from a class member. You should do your best to be on time to class. If you are late, please minimize the disruption to the other students. All students are responsible for everything happening in class.

[University policy F69-24](http://www.sjsu.edu/senate/docs/F69-24.pdf) at <http://www.sjsu.edu/senate/docs/F69-24.pdf> states, "Students should attend all meetings of their classes, not only because they are responsible for material discussed therein, but because active participation is frequently essential to insure maximum benefit for all members of the class. Attendance per se shall not be used as a criterion for grading."

## University Policies

### **General Expectations, Rights and Responsibilities of the Student**

As members of the academic community, students accept both the rights and responsibilities incumbent upon all members of the institution. Students are encouraged to familiarize themselves with SJSU's policies and practices pertaining to the procedures to follow if and when questions or concerns about a class arises. To learn important campus information, view University Policy S90-5 at <http://www.sjsu.edu/senate/docs/S90-5.pdf> and SJSU current semester's Policies and Procedures, at <http://info.sjsu.edu/static/catalog/policies.html>. In general, it is recommended that students begin by seeking clarification or discussing concerns with their instructor. If such conversation is not possible, or if it does not address the issue, it is recommended that the student contact the Department Chair as the next step.

### **Dropping and Adding**

Students are responsible for understanding the policies and procedures about add/drop, grade forgiveness, etc. Add/drop deadlines can be found on the current academic year calendars document on the Academic Calendars webpage at [http://www.sjsu.edu/provost/services/academic\\_calendars/](http://www.sjsu.edu/provost/services/academic_calendars/). The Late Drop Policy is available at <http://www.sjsu.edu/aars/policies/latedrops/policy/>. Students should be aware of the current deadlines and penalties for dropping classes.

Information about the latest changes and news is available at the Advising Hub at <http://www.sjsu.edu/advising/>.

### **Consent for Recording of Class and Public Sharing of Instructor Material**

University Policy S12-7, <http://www.sjsu.edu/senate/docs/S12-7.pdf>, requires students to obtain instructor's permission to record the course and the following items to be included in the syllabus:

- “Common courtesy and professional behavior dictate that you notify someone when you are recording him/her. You must obtain the instructor's permission to make audio or video recordings in this class. Such permission allows the recordings to be used for your private, study purposes only. The recordings are the intellectual property of the instructor; you have not been given any rights to reproduce or distribute the material.”
  - It is suggested that the greensheet include the instructor's process for granting permission, whether in writing or orally and whether for the whole semester or on a class by class basis.
  - In classes where active participation of students or guests may be on the recording, **permission of those students or guests should be obtained as well.**
- “Course material developed by the instructor is the intellectual property of the instructor and cannot be shared publicly without his/her approval. You may not publicly share or upload instructor generated material for this course such as exam questions, lecture notes, or homework solutions without instructor consent.”

### **Academic integrity**

Your commitment, as a student, to learning is evidenced by your enrollment at San Jose State University. The University Academic Integrity Policy S07-2 at <http://www.sjsu.edu/senate/docs/S07-2.pdf> requires you to be honest in all your academic course work. Faculty members are required to report all infractions to the office of Student Conduct and Ethical Development. The Student Conduct and Ethical Development website is available at <http://www.sjsu.edu/studentconduct/>.

## **Campus Policy in Compliance with the American Disabilities Act**

If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. [Presidential Directive 97-03](http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf) at [http://www.sjsu.edu/president/docs/directives/PD\\_1997-03.pdf](http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf) requires that students with disabilities requesting accommodations must register with the [Accessible Education Center](http://www.sjsu.edu/aec) (AEC) at <http://www.sjsu.edu/aec> to establish a record of their disability.

## **Accommodation to Students' Religious Holidays**

San José State University shall provide accommodation on any graded class work or activities for students wishing to observe religious holidays when such observances require students to be absent from class. It is the responsibility of the student to inform the instructor, in writing, about such holidays before the add deadline at the start of each semester. If such holidays occur before the add deadline, the student must notify the instructor, in writing, at least three days before the date that he/she will be absent. It is the responsibility of the instructor to make every reasonable effort to honor the student request without penalty, and of the student to make up the work missed. See [University Policy S14-7](http://www.sjsu.edu/senate/docs/S14-7.pdf) at <http://www.sjsu.edu/senate/docs/S14-7.pdf>.

## **Student Technology Resources**

Computer labs for student use are available in the [Academic Success Center](http://www.sjsu.edu/at/asc/) at <http://www.sjsu.edu/at/asc/> located on the 1st floor of Clark Hall and in the Associated Students Lab on the 2nd floor of the Student Union. Additional computer labs may be available in your department/college. Computers are also available in the Martin Luther King Library. A wide variety of audio-visual equipment is available for student checkout from Media Services located in IRC 112. These items include DV and HD digital camcorders; digital still cameras; video, slide and overhead projectors; DVD, CD, and audiotape players; sound systems, wireless microphones, projection screens and monitors.

## **SJSU Peer Connections**

Peer Connections' free tutoring and mentoring is designed to assist students in the development of their full academic potential and to inspire them to become independent learners. Peer Connections tutors are trained to provide content-based tutoring in many lower division courses (some upper division) as well as writing and study skills assistance. Small group and individual tutoring are available. Peer Connections mentors are trained to provide support and resources in navigating the college experience. This support includes assistance in learning strategies and techniques on how to be a successful student. Peer Connections has a learning commons, desktop computers, and success workshops on a wide variety of topics. For more information on services, hours, locations, or a list of current workshops, please visit [Peer Connections website](http://peerconnections.sjsu.edu) at <http://peerconnections.sjsu.edu> for more information.

## **SJSU Writing Center**

The SJSU Writing Center is located in Clark Hall, Suite 126. All Writing Specialists have gone through a rigorous hiring process, and they are well trained to assist all students at all levels within all disciplines to become better writers. In addition to one-on-one tutoring services, the Writing Center also offers workshops every semester on a variety of writing topics. To make an appointment or to refer to the numerous online resources offered through the Writing Center, visit the [Writing Center website](http://www.sjsu.edu/writingcenter) at <http://www.sjsu.edu/writingcenter>. For additional resources and updated information, follow

the Writing Center on Twitter and become a fan of the SJSU Writing Center on Facebook. (Note: You need to have a QR Reader to scan this code.)



**SJSU Counseling and Psychological Services**

The SJSU Counseling and Psychological Services is located on the corner of 7th Street and San Carlos in the new Student Wellness Center, Room 300B. Professional psychologists, social workers, and counselors are available to provide confidential consultations on issues of student mental health, campus climate or psychological and academic issues on an individual, couple, or group basis. To schedule an appointment or learn more information, visit [Counseling and Psychological Services website](http://www.sjsu.edu/counseling) at <http://www.sjsu.edu/counseling>.

## COURSE SCHEDULE

THIS SCHEDULE IS SUBJECT TO CHANGE WITH FAIR NOTICE  
Any changes will be announced in class and/or posted on Canvas

| CLASS | DATE       | PROJECTS DUE                     | CLASS TOPICS   | READING ASSIGNMENTS BEFORE CLASS   | HOMEWORK & OTHER ASSIGNMENTS  |
|-------|------------|----------------------------------|--|--|---|
| 1     | 8/25/2016  |                                  | Introduction to course Introduction to CengageNow                            | Chapter 1 (Skip Sections 1-2, 1-3, 1-5g, 1-7 & 1-8); Chapter 2 (Sections 2-1a through 2-1b, 2-1c (only to bottom of page 2-16), 2-2, 2-3 through 2-3c and 2-5) | None  |
| 2     | 8/30/2016  |                                  | Overview of Federal Tax Formula, Personal Exemptions & Dependency Exemptions | Chapter 3 (Sections 3-1 through 3-3)   | 1) Register for CengageNow<br>2) Register your online account with CengageBrain |
| 3     | 9/1/2016   |                                  | Tax Filing Requirements and Tax Computations                                 | Chapter 3 (Sections 3-4 through 3-6)   | CengageNow Assignment #1  |
| 4     | 9/6/2016   |                                  | Gross Income Tax Periods and Methods   | Chapter 4 (Sections 4-1 through 4-2)   |   |
| 5     | 9/8/2016   |                                  | Income Sources   | Chapter 4 (Sections 4-3 through 4-4)   | CengageNow Assignment #2  |
| 6     | 9/13/2016  |                                  | Gross Income Exclusions  | Chapter 5 (Sections 5-1 through 5-8)   |   |
| 7     | 9/15/2016  |                                  | Gross Income Exclusions  | Chapter 5 (Sections 5-9 through 5-16)  | CengageNow Assignment #3  |
| 8     | 9/20/2016  |                                  | <b>Review Chapters 3, 4, &amp; 5</b>   | <b>None</b>  | CengageNow Exam #1 Practice Set   |
| 9     | 9/22/2016  |                                  | Exam #1: Chapters 3, 4 & 5   |  | Begin working on Tax Return Project #1 - #59 p. 5-42                            |
| 10    | 9/27/2016  |                                  | Deductions & Losses - In General   | Chapter 6 (Skip Section 6-4)   | CengageNow Assignment #4  |
| 11    | 9/29/2016  | <b>TAX RETURN PROJECT #1 DUE</b> | Business Deductions & Losses   | Chapter 7 (skip Sections 7-5 & 7-7)  | CengageNow Assignment #5  |
| 12    | 10/4/2016  |                                  | Employee v. Self-Employed  | Chapter 9 (Sections 9-1 through 9-8)   | None  |
| 13    | 10/6/2016  |                                  | Employee v. Self-Employed  | Chapter 9 (Sections 9-9 through 9-13)  | CengageNow Assignment #6  |
| 14    | 10/11/2016 |                                  | Itemized Deductions  | Chapter 10 (Sections 10-1 through 10-2)  |   |

|    |                                |                                  |   |   |  |
|----|--------------------------------|----------------------------------|---|---|--|
| 15 | 10/13/2016                     |                                  | Itemized Deductions   | Chapter 10 (Sections 10-3 through 10-8)   | CengageNow Assignment #7                                 |
| 16 | 10/18/2016                     |                                  | Review Chapters 6, 7, 9 & 10                                      |   | CengageNow Exam #2 Practice Set                          |
| 17 | 10/20/2016                     |                                  | Exam #2: Chapters 6, 7, 9 & 10                                    |   | Begin working on Tax Research Project - #5 on p. 12-38   |
| 18 | 10/25/2016                     |                                  | Passive Losses, Tax Credits & Payments                            | Chapter 11 (Sections 11-3 through 11-5) and Chapter 12 (Section 12-2a)                          | CengageNow Assignment #8                                 |
| 19 | 10/27/2016                     |                                  | Tax Credits & Payments  | Chapters 12 (Sections 12-3c, 12-4c, 12-4e, 12-4g & 12-5)  | CengageNow Assignment #9                                 |
| 20 | 11/1/2016                      | <b>TAX RESEARCH PROJECT DUE</b>  | IRC Sec. 179 & Bonus Depreciation Property Transactions           | Chapter 8 (Section 8-1 through 8-2a, 8-3a through 8-3b; and pages 8-7 and 8-8)                  |  |
| 21 | 11/3/2016                      |                                  | Property Transactions   | Chapter 13 (Sections 13-3, 13-4 & 13-6)   | CengageNow Assignment #10                                |
| 22 | 11/8/2016                      |                                  | Property Transactions   | Chapter 14 (Sections 14-1, 14-2, 14-4 & 14-5)   |  |
| 23 | 11/10/2016                     |                                  | Property Transactions   | Chapter 14 (Sections 14-7 through 14-11)  | CengageNow Assignment #11                                |
| 24 | 11/15/2016                     |                                  | Alternative Minimum Tax (AMT)                                     | Skim Chapter 15 (Section 15-1). Focus on pages 15 & 16 (Itemized Deductions & Medical Expenses) | None   |
| 25 | 11/17/2016                     |                                  | Review Chapters 11, 12, 13, 14 & 15                               |   | CengageNow Exam #3 Practice Set                          |
| 26 | 11/22/2016                     |                                  | Exam #3: Chapters 11, 12, 13, 14 & 15                             |   | Begin working on Tax Return Project #2 - #89 on p. 14-63 |
|    | 11/24/2016                     |                                  |   | <b>THANKSGIVING NO CLASS</b>  |  |
| 27 | 11/29/2016                     |                                  | Partnerships  | Chapter 21 (Sections 21-1 through 21-4)   | None   |
| 28 | 12/1/2016                      | <b>TAX RETURN PROJECT #2 DUE</b> | Partnerships & Limited Liability Companies (LLC) & S Corporations | Chapter 21 (Sections 21-5 through 21-7). Chapter 22 (Sections 22-1 through 22-3)                | CengageNow Assignment #12                                |
| 29 | 12/6/2016                      |                                  | Estate & Trusts   | Chapter 28 (skip Section 28-6)  | None   |
| 30 | 12/8/2016                      |                                  | Review of Chapters 21, 22 & 28                                    |   | CengageNow Exam #4 Practice Set                          |
| 31 | Monday, 12/19/2016 9:45am-12pm |                                  | Final Exam: All Chapters (Chapters 21, 22 & 28 emphasized)        |   | None   |