| | |
|---|---|
| **Subject:** | BUS |
| **Course Number:** | 565C |
| **Descriptive Title:** | Income Tax Computer Applications |
| **Division:** | Business |
| **Department:** | Accounting |
| **Course Disciplines:** | Accounting |
| **Catalog Description:** | This noncredit course is an introduction to computer applications in tax preparation and planning. A major focus of the course is on preparation and analysis of tax returns by using a current tax software program.<br><br>Note: The content of BUS 565C, a noncredit course, is identical to the content of BUS 165C, a credit course. BUS 565C shall be offered with BUS 165C as a dual-roster course. |
| **Prerequisite:** | BUS 160 with a minimum grade of C or concurrent enrollment or equivalent experience |
| **Co-requisite:** | |
| **Recommended Preparation:** | |
| **Enrollment Limitation:** | |
| **Hours Lecture (per week):** | 1.5 |
| **Hours Laboratory (per week):** | 1.5 |
| **Outside Study Hours:** | 3 |
| **Total Course Hours:** | 54 |
| **Course Units:** | 0 |
| **Grading Method:** | Letter Grade and Pass/No Pass |
| **Credit Status:** | Noncredit |
| **Transfer CSU:** | No |
| **Effective Date:** | |
| **Transfer UC:** | No |
| **Effective Date:** | |
| **General Education ECC:** | |
| **Term:** | |
| **Other:** | |
| **CSU GE:** | |
| **Term:** | |
| **Other:** | |
| **IGETC:** | |
| **Term:** | |

| | |
|---|---|
| **Other:** | |
| **Student Learning Outcomes:** | **SLO #1 – Form 1040 Preparation**<br><br>Prepare an accurate tax return for an individual taxpayer given a set of personal and financial parameters, such as income inclusions and exclusions, deductions, adjustments, capital gains and losses, tax credits, etc.<br><br>**SLO #2 – Schedule C Preparation**<br><br>Prepare Schedule C for a sole proprietorship, given a set of business parameters such as gross income, returns and allowances, cost of goods sold, and business expenses, including the calculation of depreciation.<br><br>**SLO #3 – Schedule E Preparation**<br><br>Prepare Schedule E for a rental activity, given a set of business parameters such as rental income and rental expenses, including the calculation of depreciation. |
| **Course Objectives:** | 1. Interpret tax information on commercial tax preparation program.<br>2. Prepare tax planning on the computer.<br>3. Develop and adjust the tax planning model for specific facts and applications.<br>4. Prepare tax returns for various individual taxpayers.<br>5. Prepare Schedule C for various individual taxpayers.<br>6. Prepare Schedule E for various individual taxpayers. |
| **Major Topics:** | I. **Software Setup and Launch Procedures (4 hours, lecture)**<br>    A. Introduction to the software<br>    B. Initial set-up of firm<br>    C. Initial set-up of business and services<br>II. **Software Setup and Launch Procedures (4 hours, lab)**<br>    A. Introduction to the software<br>    B. Initial set-up of firm<br>    C. Initial set-up of business and services<br><br>III. **Client Setup (4 hours, lecture)**<br>    A. Creating a new client<br>    B. Updating an existing client<br><br>IV. **Client Setup (4 hours, lab)**<br>    A. Creating a new client<br>    B. Updating an existing client<br><br>V. **Tax Return Setup (16 hours, lecture)**<br>    A. Introduction to Form 1040<br>    B. Introduction to Schedule C<br>    C. Introduction to Schedule E<br><br>VI. **Tax Return Preparation and Analysis (16 hours, lab)**<br>    A. Preparation of Form 1040<br>    B. Preparation of Schedule C<br>    C. Preparation of Schedule E |

|  | D. Tax Return Analysis |
|---|---|
|  | VII. **Tax Return Finalization (3 hours, lecture)**<br>    A. Electronic Filing<br>        1. PTIN Number<br>        2. CAF Number<br>        3. EFIN Number<br>    B. Client Billing<br>    C. Tax Planning<br>VIII. **Tax Return Finalization (3 hours, lab)**<br>    A. Electronic Filing<br>        1. PTIN Number<br>        2. CAF Number<br>        3. EFIN Number<br>    B. Client Billing<br>    C. Tax Planning |
| **Total Lecture Hours:** | 27 |
| **Total Laboratory Hours:** | 27 |
| **Total Hours:** | 54 |
| **Primary Method of Evaluation:** | 2) Problem solving demonstrations (computational or non-computational) |
| **Typical Assignment Using Primary Method of Evaluation:** | **1. Tax Forms Problem (Intuit Proconnect)**<br><br>Lance H. and Wanda B Dean are married and live at 431 Yucca Drive, Santa Fe, NM 87501. Lance works for the convention bureau of the local Chamber of Commerce, and Wanda is employed part-time as a paralegal for a law firm.  During 2023, the Deans had the following receipts:<br><br>  a. Salaries: $61,000 for Lance; $41,000 for Wanda<br>  b. Interest income: City of Albuquerque general purpose bonds $1,000; Ford Motor Company bonds $1,10; and Ally Bank certificate of deposit $400<br>  c. Child support payments from John Allen: $7,200<br>  d. Annual gifts from parents: $26,000<br>  e. Settlement from Roadrunner Touring Company: $90,000<br>  f. Lottery winnings: $600<br>  g. Federal income tax refund (from tax year 2020): $400<br><br>  The Deans had the following expenditures for 2023:<br><br>  a. Medical expenses (not covered by Insurance): $7,200<br>  b. Taxes:<br>     1. Property taxes on personal residence: $3,600<br>     2. State of New Mexico income tax (includes amount withheld from wages during 2023): $4,200<br>  c. Interest on home mortgage (First National Bank): $6,000<br>  d. Charitable contributions: $3,600<br>  e. Life insurance premiums (policy on Lance's life): $1,200<br>  f. Contribution to traditional IRA (on Wanda's behalf): $5,000<br>  g. Traffic fines: $300 |

| | h. Contribution to the reelection campaign fund of the mayor of Santa Fe: $500 |
|---|---|
| | The life insurance policy was taken out by Lance several years ago and designates Wanda as the beneficiary. As a part-time employee, Wanda is excluded from coverage under her employer's pension plan. Consequently, she provides for her own retirement with a traditional IRA obtained at a local trust company. Because the mayor is a member of the local Chamber of Commerce, Lance felt compelled to make the political contribution. The Deans' household includes the following, for whom they provide more than half of the support:<br><br>**Required:**<br><br>Determine the Federal income tax for 2023 for the Deans on a joint return by completing the appropriate forms using Intuit Proconnect software.<br><br><br>**2. Tax Forms Problem (TaxSlayer)**<br><br>**Required:**<br><br>Using the same information as return from Problem 1 above, determine the Federal income tax for 2023 for the Deans on a joint return by completing the appropriate forms using TaxSlayer software. |
| **Critical Thinking Assignment 1:** | In a one to two-page paper, discuss the pros and cons of using the Proconnect software. Reference your specific experiences using the software package. |
| **Critical Thinking Assignment 2:** | In a one to two-page paper, discuss the pros and cons of using the Taxslayer software. Reference your specific experiences using the software package. |
| **Other Evaluation Methods:** | Class Performance, Completion, Homework Problems, Laboratory Reports, Matching Items, Multiple Choice, Other Exams, Performance Exams, Quizzes, True/False |
| **If Other:** | |
| **Instructional Methods:** | Demonstration, Lab, Lecture |
| **If other:** | |
| **Work Outside of Class:** | Answer questions, Problem solving activity, Required reading, Skill practice, Written work (such as essay/composition/report/analysis/research) |
| **If Other:** | |
| **Up-To-Date Representative Texts:** | Young et al. South-Western Federal Taxation 2023: Individual Income Taxes with Intuit ProConnect Tax Online. 46th Ed. Cengage, 2023 |
| **Alternative Texts:** | |
| **Required Supplementary Readings:** | |
| **Other Required Materials:** | |
| **Requisite** | Prerequisite |
| **Category** | sequential |
| **Requisite course:** | BUS 160 |

| | |
|---|---|
| **Requisite and Matching skill(s): Bold the requisite skill. List the corresponding course objective under each skill(s).** | **Requisite Skill Needed:**<br><br>**In order to use tax preparation software, students must already have knowledge of tax laws and federal income tax reporting requirements.**<br><br>Course title and number and objective related to that skill:<br><br>BUS 160 - Analyze and evaluate federal income tax laws and regulations in reference to the individual business tax returns.<br><br>BUS 160 - Describe accounting periods, accounting methods, and appeal rights.<br><br>BUS 160 - Prepare individual income tax returns. |
| **Requisite Skill:** | Equivalent experience |
| **Requisite Skill and Matching skill(s): Bold the requisite skill(s). if applicable** | **Requisite Skill Needed:**<br><br>**In order to use tax preparation software, students must already have knowledge of tax laws and federal income tax reporting requirements.**<br><br>Equivalent experience analyzing and evaluating federal income tax laws and regulations in reference to the individual business tax returns.<br><br>Equivalent experience with accounting periods, accounting methods, and appeal rights.<br><br>Equivalent experience preparing individual income tax returns. |
| **Requisite course:** | |
| **Requisite and Matching skill(s): Bold the requisite skill. List the corresponding course objective under each skill(s).** | |
| **Requisite Skill:** | |
| **Requisite Skill and Matching skill(s): Bold the requisite skill. List the corresponding course objective under each skill(s). if applicable** | |
| **Enrollment Limitations and Category:** | |
| **Enrollment Limitations Impact:** | |
| **Course Created by:** | Sidney Porter |
| **Date:** | 10/31/2023 |
| **Original Board Approval Date:** | 06/17/2024 |
| **Effective Term:** | FALL 2025 |