PEPPERDINE UNIVERSITY
THE GEORGE L. GRAZIADIO
SCHOOL OF BUSINESS AND MANAGEMENT

Dr. H. Drew Fountaine, CPA MBA

ACCT 631.11

Accounting for Taxes

Summer 2015, Session A

Monday

6:00 p.m. – 10:00 p.m.

Malibu

SYLLABUS
Accounting for Taxes
631.11
Summer, 2015

Day/Class time: Monday 6:00 p.m. – 10:00 p.m.
Location: Malibu
Professor’s Name: Dr. H. Drew Fountaine, CPA MBA
E-mail address: drew.fountaine@pepperdine.edu
(Guaranteed 24 hour response to emails, usually much quicker. If you do not get a reply from me within 24 hours, I didn’t get your email. Please resend it!)

Course Description
This course provides the student with insights into the myriad of tax issues that impact business and individuals. The student will explore the tax implications of both income and expense elements. Heavy focus will be on those tax issues that appear in the CPA exam. The course is a requirement for students pursuing the MSAF Accounting track. It may also be taken by MBA students as finance elective. Prerequisites: Full-Time - ACCT 591 Financial Accounting or equivalent. Fully Employed - ACCT 652 Accounting Information and Control Systems or ACCT 500 Advanced Topics: Accounting.

Course Objectives and Learning Outcomes
This course introduces a variety of business and individual taxation topics and adds managerial, global, and proactive perspectives to the subject. Students will prepare business tax returns and tax allocations of various types, and prepare other schedules and calculations.

Although the course carries with it voluminous practical work, conceptual thinking will be heavily emphasized in several ways throughout the semester, and students will need to consider our tax material in the context of their earlier accounting work as well as other related disciplines (e.g., economics, finance) to score in the top tier of grades.

Globalization and automation present ubiquitous opportunity for entities and tax practitioners; those failing to understand and avail themselves of these opportunities will be left behind in our competitive world. Strategic aspects of taxation will be emphasized. Students will be required to read publications in addition to required text chapters because extensive attention will be given to current events – domestic and international – as well as expectations for future fiscal policy actions on the part of the U.S. Government and others worldwide.

The Wall Street Journal is required to be among students’ ancillary readings. AICPA tax bulletins, IRS pronouncements, legislative announcements, The Financial Times, The Economist, etc. will also be appropriate as requested by students and approved by the professor. The key is to create a discussion forum, making class members conversant on salient issues and appreciative of the taxation environment.
To summarize, the professor’s objective in this course is two-fold. First: Impart and foster working knowledge of various individual and business tax laws and regulations, and the manner of preparing business tax returns. Second: Build students’ capacity to contextualize that practical knowledge into unique company circumstances and the external environment.

**Required Text, Journal, and Calculator**
Taxation of Business Entities, Smith, Raabe, Maloney, Young, 2014 ed., South-Western 2014
Selected chapters to be purchased on line at:
http://www.cengagebrain.com/shop/isbn/9781285424514

**Wall Street Journal:** Any option including buying it at the newsstand or bookstore, subscribing on line, utilizing the University’s Factiva resource, or subscribing (recommended).
The URL for the student 15 week subscription is:

**Financial Calculator:** HP 10bII or similar financial calculator (non-programmable)

**Grading**
Examinations (2)-50%; homework/tax return-20%; project-20%; class participation/WSJ-10%

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<tr>
<th>% Score</th>
<th>Letter Grade</th>
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<tr>
<td>94-100%</td>
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<tr>
<td>90-93.99%</td>
<td>A-</td>
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<tr>
<td>87-89.99%</td>
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<td>83-86.99%</td>
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<td>80-82.99%</td>
<td>B-</td>
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<td>77-79.99%</td>
<td>C+</td>
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<tr>
<td>73-76.99%</td>
<td>C</td>
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<td>70-72.99%</td>
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<td>D-</td>
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<tr>
<td>0-59.99%</td>
<td>F</td>
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Letter grades will be awarded based on relative performance within the class (curved) in accordance with University policy. Historically, the main reasons for disappointing grades have been failure to keep up with the reading, poor class attendance, and failure to keep up with the homework – resulting in poor performance on exams.

**Attendance Policy**
Attendance at all class meetings is expected. Assignments will be given in class and be due at the next class. I recommend that you exchange phone numbers with other students. If you miss a class, these other students, as your partners, can update you on assignments and other materials missed due to your absence. The nature and complexity of this course, and its structure, require consistent attendance and preparation, and that the student “keep-up” with the coursework. Failure to do these things will result in deteriorating performance across all performance metrics.
**Class Format**
A chronological listing of topics and chapters to be covered, and examination dates, is included with this syllabus. This timeline is meant as a guide only and **the instructor reserves the right to modify the class schedule**. Homework will be assigned for each chapter in conjunction with that chapter’s lecture.

Classes will generally alternate between review/self-correction of homework assigned at the previous class and presentation/lecture of new material (including brief in-class exercises), followed at the end of most sessions with discussion of current events relating to course topics. Students should read chapters *prior* to their scheduled discussion date and are strongly encouraged to engage in class discussions, contributing their unique knowledge, background, and ideas for the benefit of the group. Two (2) examinations will be administered.

**Homework**
Homework (hardcopy) will be due at the start of the class following its assignment and will be collected at unannounced intervals at the professor’s discretion. Students will self-correct assignments in class before turning them in. Late homework will not be accepted, sloppy homework will not be scored. Each homework assignment will be assigned a value ranging from 1 to 5 based on accuracy, completeness, effort, and clarity/neatness. Homework should be computer generated (i.e., Excel) since familiarity with spreadsheets is critical to success in the business world. Handwritten homework will receive an automatic two (2) point deduction (*3 points maximum possible*), incomplete homework will receive an automatic two (2) point deduction (*3 points maximum possible*). *(This means incomplete AND handwritten homework earns a maximum score of 1.)* Homework must be stapled, in the order of assignment, and clearly numbered to receive full credit. Homework is an individual effort. Duplicate homeworks will receive a score of 0, plagiarized homework will be handled in accordance with University policies on academic dishonesty, including possible expulsion from this course and a grade of F. Students can expect all homework to be returned to them at the class subsequent to its submission.

Arrangements should be made in advance with the professor for timely homework submission if special circumstances require a student to be absent from class. Repeated “special circumstances” will not be acceptable for this provision.

**Examinations**
Two examinations will be administered, consisting of any combination of true-false, multiple-choice, and problems based on theoretical and practical aspects of the covered topics. Examinations will be drawn from class exercises, homework, and class discussions. *(Examinations are individual efforts. Refer to Pepperdine University’s policy on academic dishonesty for consequences should plagiarism be detected.)* A non-programmable financial calculator will be necessary for each exam (HP 10bII or similar recommended). Cellular telephones, PDAs, and any other electronic devices will not be permitted during exams and will result in dismissal from, and an F on, that examination. During examinations, desks must be clear of all items except the examination, related materials, and non-programmable calculator.
Make-up Exam Policy
Make-up exams without penalty are offered in the event of serious illness requiring unscheduled overnight hospitalization of the student, spouse or children, or in the event of death in the immediate family or other similar reasons. Supporting documentation (e.g. doctor’s letter) will be required. At the professor’s discretion, make-up for examinations may consist of non-exam assignments or may be delayed until a future trimester, which will result in a delay of the awarded grade. Make-ups are not offered for group work, unless the entire group experiences the problems listed above.

Make-up exams or assignments for other reasons are not normally offered, and are not offered at all for homework or for group work of any kind. In the event of the professor granting a make-up for an examination for reasons other than illness requiring unscheduled hospitalization or death:

- The grade will not be curved and will follow the Pepperdine University guideline
- The make-up must be taken in the week immediately following the main exam.

Project
We will form student groups to analyze selected tax concepts and for tax return preparation. Details will be discussed in class, and time will be allotted in class for groups to converse among themselves and also with the professor.

The professor has identified various topics relating to taxation for group research and presentation. Each group will select or be assigned a topic and will write a written report on that subject. Groups may also suggest their own topic for consideration.

Potential topics include but are not limited to:

* LLC/LLP structure and taxation
* State taxes (various as agreed)
* Payroll taxes
* Sales and use taxes
* Foreign country taxes
  - China
  - England
  - Germany
  - Mexico
  - VAT
* Fiscal policy overview
  - compare political parties
  - domestic or domestic w/foreign
* Report on/analyze a tax proposal

Groups will clearly connect their topic to our underlying theme of taxation, and may include most or all of the following aspects in their presentation (as appropriate – this is a menu, all aspects are not mandatory):

* Describe history
* Opportunities
* Trends
* Cultural aspects
* Compare with others
* Economic impacts
Each group will prepare a professional written report of findings emailed to the professor on the date shown in the class schedule. Written reports will be up to 7 pages long, and prepared with 12 point double-spaced Times Roman font, have one inch margins, and APA style references (the references are not included in the page limitation). Deviations from the formatting requirements will cause grade reduction. Substandard grammar, spelling, syntax, etc. will cause grade reduction.

**Group Formation and Self-Evaluations:** Groups will submit group evaluations, counting for 5% of the course grade at our last class session. Groups will allocate percentage points (in whole numbers) among their members at their discretion. Specifically, each group will receive 5 points per member for each evaluation to allocate among themselves at their group’s agreement subject to a minimum of 1 and a maximum of 9 points for any individual group member. This is meant to provide groups with internal incentive to encourage each other’s participation, and reward it (note that this represents a potential 8% range in an individual’s grade for the group evaluation).

Group evaluation point allocations, signed by all group members, must be submitted at our last class meeting or those points will be forfeited.

While groups are encouraged to resolve their own differences, as the professor believes collaboration and problem resolution has educational value, the professor stands ready to assist at any time. If insurmountable group problems exist, the professor should be contacted expeditiously for (non-judgmental) resolution assistance (emphasis on expeditiously). Last-minute “issues” will not be correctable. In extreme circumstances, groups can “fire” members for non-participation (under instructor guidance ... note that being fired from a group eliminates nearly half of the possible course grade and any hope of passing the course).

**Wall Street Journal Write-ups**
Short individual writings (100 to 150 words) connecting course content to a current Wall Street Journal article (or other publication explicitly approved by the professor with the student) will be due accompanying the homework of several chapters as shown in the schedule of this syllabus. Writings must include the following to receive full credit; publication name, date and title of article, explanation of how it connects to our course and short summary of the article’s contents/meaning. These writings will be collected sporadically during the semester for credit at the professor’s discretion. The class participation component of the course grade may be impacted by students’ willingness to share their article with the class. Industry-specific journals relating directly to students’ gainful employment are encouraged – but must be approved in advance.

**Office Hours and Other Non-Classroom Communication**
I plan to be available in the classroom or in a nearby office before and after class. I am also very responsive to emails and I promise a 24 hour turnaround (usually much sooner) on any message from a student. If you do not receive a reply from me within 24 hours something has gone wrong; please resend your email if that happens. I will also utilize our class Web-page and class group emails for communication. These should be checked regularly to ensure any important information is received timely. I want to be the most accessible professor you have.
Revisions to Syllabus
I believe the syllabus is my contract with students. I do not foresee any change to its representations. Nevertheless, all dates, assignments, and details listed in this syllabus are tentative and based on my expectations regarding the progression of the course. I reserve the right to change this syllabus. Any changes will be announced in class and/or communicated via email. If a student needs to miss a class, he or she is responsible for finding out about class announcements from a fellow student.

Punctuality and Consideration
Be on time for the start of class; students needing to leave early or arrive late should notify the professor in advance. Any disturbance due to cellular phones, pagers, food, drink, side conversations, etc., during classes will be cause for dismissal from that class. Power drinks will not be allowed at any time. Laptops are encouraged, but their use for non-class content will be cause for dismissal from that class. Failure to adhere to any rules and/or non-collegiate behavior is cause for immediate dismissal from that class.

Conduct and Ethics
The University expects from all of its students and employees the highest standard of moral and ethical behavior in harmony with its Christian philosophy and purposes. Engaging in or promoting conduct or lifestyles inconsistent with traditional Christian values is not acceptable.

The following regulations apply to any person, graduate or undergraduate, who is enrolled as a Pepperdine University student. These rules are not to be interpreted as all-inclusive as to situations in which discipline will be invoked. They are illustrative, and the University reserves the right to take disciplinary action in appropriate circumstances not set out in this catalog. It is understood that each student who enrolls at Pepperdine University will assume the responsibilities involved by adhering to the regulations of the University. Students are expected to respect order, morality, personal honor, and the rights and property of others at all times. Examples of improper conduct for which students are subject to discipline are as follows:

- Dishonesty in any form, including plagiarism, illegal copying of software, and knowingly furnishing false information to the University
- Forgery, alteration, or misuse of University documents, records, or identification
- Failure to comply with written or verbal directives of duly authorized University officials who are acting in the performance of assigned duties
- Interference with the academic or administrative process of the University or any of the approved activities
- Otherwise unprotected behavior that disrupts the classroom environment.
- Theft or damage to property
- Violation of civil or criminal codes of local, state, or federal governments.
- Unauthorized use of or entry into University facilities
- Violation of any stated policies or regulations governing student relationships to the University

Disciplinary action may involve, but is not limited to, one or a combination of the alternatives listed below:
**Dismissal** – separation of the student from the University on a permanent basis.

**Suspension** – separation of the student from the University for a specified length of time.

**Probation** – status of the student indicating that the relationship with the University is tenuous and that the student’s records will be reviewed periodically to determine suitability to remain enrolled. Specific limitations to and restrictions of the student’s privileges may accompany probation.

**Policy on Disabilities and Assistance for Students with Disabilities**
Pepperdine University’s Disability Services Office (DSO) offers a variety of services and accommodations to students with disabilities based on appropriate documentation, nature of disability, and academic need. In order to initiate services, students should meet with the Director of the DSO at the beginning of the semester to discuss reasonable accommodation. If a student does not request accommodation or provide documentation, the faculty member is under no obligation to provide accommodations. You may contact the Director of Disability Services at (310) 506-6500 or, for further information, visit the DSO Web site at: [http://www.pepperdine.edu/disabilityservices/](http://www.pepperdine.edu/disabilityservices/).

**Schedule of Classes**

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<thead>
<tr>
<th>Date</th>
<th>Topics</th>
<th>Readings</th>
<th>Assignments Due</th>
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<tbody>
<tr>
<td>May 4</td>
<td>Syllabus review</td>
<td>Chapter 1</td>
<td>In-class exercises</td>
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<td></td>
<td>Taxation overview</td>
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<td>May 11</td>
<td>Review hw</td>
<td>Chapter 9</td>
<td>Chapter 1 hw</td>
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<td>Corporate taxation</td>
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<td>WSJ write-up</td>
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<td>WSJ</td>
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<tr>
<td>May 18</td>
<td>Review hw</td>
<td></td>
<td>Chapter 9 hw</td>
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<tr>
<td></td>
<td><strong>Midterm 1</strong></td>
<td></td>
<td>WSJ write-up</td>
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<td></td>
<td>Tax return work session</td>
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<td>Project selection</td>
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<tr>
<td>May 25</td>
<td>HOLIDAY!!</td>
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<tr>
<td></td>
<td><strong>Use this time to work on your projects!!</strong></td>
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</tr>
<tr>
<td>June 1</td>
<td>Partnerships and LLCs</td>
<td>Chapter 11</td>
<td>Corporate tax return</td>
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<tr>
<td></td>
<td>Review Midterm 1</td>
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<td></td>
<td>Projects work session</td>
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<tr>
<td>June 8</td>
<td>Review hw</td>
<td>Chapter 12</td>
<td>Chapter 11hw</td>
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<td>S Corporations</td>
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<td>WSJ write-up</td>
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<td>WSJ</td>
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<td>Projects due</td>
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<td></td>
<td>Project work session</td>
<td></td>
<td>Wednesday, June 10</td>
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<tr>
<td>June 15</td>
<td>Review hw</td>
<td></td>
<td>Chapter 12 hw</td>
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<tr>
<td></td>
<td><strong>Final exam</strong></td>
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<td>Group evaluations</td>
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Homework and selected check figures posted in the Announcements section of the class home page.