

# ADVANCED I TAX COURSE

## Course Topics by Module – LEARNING OBJECTIVES

### Module 1

#### **Chapter 1: Affordable Care Act**

- 1) Identify key features of the Affordable Care Act (ACA).
- 2) Calculate the shared responsibility payment.
- 3) Identify ACA health coverage exemptions allowed.
- 4) Calculate the Premium Tax Credit.
- 5) Identify unusual situations as they relate to the ACA.
- 6) Summarize the ACA forms and reporting statements.
- 7) Summarize two additional taxes created by the ACA.
- 8) Identify employers' responsibilities regarding the ACA mandate.

#### **Chapter 2: Employee Business Expenses**

- 1) Identify deductible employee business expenses.
- 2) Discuss employer reimbursement plans: accountable versus nonaccountable.
- 3) Determine the taxpayer's tax home and his principal place of business or work.
- 4) Explain the concept of office-in-home.
- 5) Recognize when work-related education expenses can be claimed.
- 6) Evaluate when to use the standard mileage rate versus actual car expenses and describe the impact of depreciation on each method.

#### **Chapter 3: Clergy**

- 1) Determine the employment status of members of the clergy.
- 2) Identify the rules for reporting clergy income.
- 3) Summarize the tax rules applicable to parsonage (housing) allowances.
- 4) Recognize the various types of expenses related to clergy income and their proper tax treatment.
- 5) Analyze worksheets required to figure taxable ministerial income, allowable deductions, and net self-employment income.
- 6) Identify income exclusions and deductions from income which may be applicable to ministers.

#### **Chapter 4: Investments**

- 1) Determine whether a transaction results in a capital gain or loss or an ordinary gain or loss.
- 2) Define basis of property.
- 3) Discuss the sale of property.
- 4) Compute gains and losses on the sale of property.
- 5) Examine tax planning strategies and tools.

## **Chapter 5: Schedule C (Part I)**

- 1) Demonstrate the process necessary to develop and maintain a sole proprietorship entity.
- 2) Identify the necessary steps to conduct business as a sole proprietorship.
- 3) Discuss payments or portions of payments which may be expensed and the possible need to account for inventory.
- 4) Recognize the necessity for a sole proprietorship to keep proper records and indicate the length of time the taxpayer is expected to keep business records.
- 5) Compute the types of taxes which must be paid by a sole proprietorship and identify the associated forms which must be submitted or issued.

## **Module 1 Final Exam**

## **Module 2**

### **Chapter 6: Schedule C (Part II)**

- 1) Describe the advantages and disadvantages of a sole proprietorship.
- 2) Recognize the various types of income earned by a sole proprietorship.
- 3) Identify deductible and nondeductible business expenses.
- 4) Discuss detailed business expenses, such as depreciation, Section 179 expenses, entertainment expenses, and travel and transportation expenses, etc.
- 5) Discuss inventory and the cost of goods sold (COGS). Examine inventory valuation and the different methods used to value the ending inventory, etc.

### **Chapter 7: At-Risk Rules and Passive Activities**

- 1) Describe the at-risk rules.
- 2) Demonstrate familiarity with passive activities, passive activity income, and passive activity deductions.
- 3) Discuss rental real estate activities.
- 4) Examine the treatment of gains and losses regarding the disposition of property interests.
- 5) Report losses on required forms.

### **Chapter 8: Rental Property (Part I)**

- 1) Discuss how to report income and expenses for not-for-profit rental property.
- 2) Describe the reporting of rental income and expenses on Schedule E.
- 3) Discuss losses from rental real estate activities.
- 4) Explain the process of dividing expenses between personal use and rental use.

### **Chapter 9: Rental Property (Part II)**

- 1) Describe how to divide expenses between personal and rental use when property is used for both purposes.
- 2) Discuss the tax implications of a dwelling unit when used as a home or as rental property.
- 3) Calculate the Rental Use Percentage.
- 4) Examine depreciation and determine when the Section 179 deduction can be used.
- 5) Explain Form 4797, *Sales of Business Property*.

### **Chapter 10: Alternative Minimum Tax, Injured and Innocent Spouse, Less Common Credits, and Penalties**

- 1) Discuss the application of the Alternative Minimum Tax (AMT) to taxpayers.
- 2) Determine who is considered an innocent spouse and who is considered an injured spouse.
- 3) Summarize other types of less common credits.
- 4) Describe the civil and criminal penalties applicable to taxpayers who do not comply with income tax laws.

## **Module 2 Final Exam**