

ACCT 560
Taxation of Corporations and Shareholders - Advanced
Summer Session II - 2008

INSTRUCTOR: Bill Smith

OFFICE: GU 207

OFFICE HOURS: Mon – Thurs. 12:30 – 1:30
Other times by appointment

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PREREQUISITES: Undergraduate degree in accounting and ACCT 455
or consent of instructor.

REQUIRED TEXT: CCH Federal Taxation – Comprehensive Topics, 2008 Edition.
Smith, Harmelink, & Hasselback.

FAS 109 and FIN 48.

CATALOG DESCRIPTION

Effects of taxation on the organization, operation and reorganization of corporations and on their shareholders.

COURSE OBJECTIVE

The purpose of this course is to provide an in-depth understanding of and appreciation for the tax law and related rules and underlying conventions applicable to corporations and shareholders.

At the end of this course, you should be able to address the tax implications for both the entity and the related shareholders and understand the underlying rationale for the following:

- Corporate formations
- Non-liquidating distributions
- Liquidating distributions
- Mergers and acquisitions
- Divestitures and restructuring
- Consolidated tax structures
- FAS 109
- FIN 48
- Schedule M-1 and M-3

GRADING

The total points available for this course are as follows:

Chapter Quizzes (4 @ 50 pts.)	200
Team Topic Papers (4 @ 25 pts.)	100
Homework & Participation	100

Total Points	400
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Letter grades will be determined as follows:

360 – 400 = A
320 – 359 = B
280 – 319 = C
240 – 279 = D
0 – 239 = F

If you are taking this course on the S/U grading basis, your grade will be computed in the same manner as those of the other students. As this is a graduate level course, you must receive a grade of "B" or better for satisfactory completion of the course. An incomplete "I" grade will not be assigned except under circumstances that clearly comply with university regulations as set forth in the catalog.

CHAPTER QUIZZES

There will be four chapter quizzes over each of the chapters we cover. Each quiz will be given after we have fully covered the chapter material. It is important that you thoroughly understand the material and related concepts contained within each of these chapters. They may consist of multiple choice questions, short answer essays, and structured case problems. There is **NO** provision for a make-up quiz during the term. In the event that a student has a **DOCUMENTED** university excused absence, an alternative may be provided; however, the student **MUST** provide written notification in advance of the missed quiz. The specific time and date will be provided to any student that qualifies for and is thus in need of an alternative quiz.

ASSIGNMENTS

Students will be responsible for the assigned chapter material and related assignments set forth on the assignment sheet. As discussed in the class participation section, I may call upon you to discuss your solution with the class. Given that you would then be leading the class with respect to your solutions, **PLEASE** make a copy of your chapter questions and problems. I will randomly collect the assigned questions and problems at the beginning of class on the date assigned. Accordingly, you will submit those assignments and will refer to your copy for the class discussion. Please keep in mind that homework assignments are due at the beginning of class on the assigned date and late homework will **NOT** be accepted.

TEAM TOPIC PAPERS

Teams each comprised of two students will work together on four short papers addressing the following topics: corporate formations, distributions, liquidations, and reorganizations. Each paper will provide a brief discussion of the topic including any illustrative examples. Further, while no set length is required, I would anticipate that 3 – 5 pages should be sufficient. As graduate students and future tax professionals, it is important that you understand the underlying concepts of these foundational areas of corporate taxation. Accordingly, these short assignments should assist you in your understanding. Further details will be provided in class.

WEB CT

Upon registering for this course, you were placed on the Web CT page for the section you are enrolled in. You will use this during the semester for checking grades, obtaining various posted assignments, obtaining another syllabus copy, etc. We will discuss this in class.

DISABILITIES

If you have a disability that interferes with your performance as a student in this class, you are encouraged for academic reasons to discuss this on a confidential basis with your instructor, in order to provide reasonable accommodations. In addition, you may wish to contact the Services for Students with Disabilities (SSD) office located at Garcia Annex to register. If you have already registered, please make sure your instructor receives a copy of the accommodation memorandum from SSD within the first two weeks of class. It will be your responsibility to inform the instructor and the SSD representative (in a timely manner) if the services and accommodations provided are not meeting your needs.

ACADEMIC DISHONESTY

Students are expected to conduct themselves with the highest level of integrity. Academic dishonesty in **ANY** form will **NOT** be tolerated. For a definition of academic dishonesty and the related consequences, consult the student handbook. The instructor will pursue every available course of action against any such student. In addition, plagiarism or any other form of unauthorized collaboration will constitute academic dishonesty. ANY student caught submitting ANY work that is not his or her own will receive a failing grade for the ENTIRE COURSE – **NO EXCEPTIONS!** High academic standards will be adhered to in this course.

CLASS PARTICIPATION

This is a graduate corporate accounting tax course, and accordingly, your participation and engagement in the daily class discussions are essential in developing your understanding of the course material. Accordingly, please prepare for each class meeting in advance. I may introduce additional topics related to the class and would expect your input and discussion. Please understand that you will not be required to ask questions for each item of those topics we cover or even interject your opinions for every discussion, but you do need to actively engage and participate. In addition, on the dates where homework problems and related discussion questions are due, I may ask you to share with the class your approach and related solution to the question or problem. Therefore, please be prepared to engage in the class discussion.

ATTENDANCE

Given the content of this graduate accounting course and the short time we have available to cover the necessary material, daily attendance is required. You will be held responsible for any announcements made and any material covered during class.

ADDITIONAL

Please keep in mind that this is a summer session course and we will move rapidly through the course material. As a result, you will need to put forth the additional effort necessary to NOT fall behind. Attached is a tentative assignment schedule for the term. I reserve the right to make any changes in the assignment schedule. Should there be any changes in this assignment schedule they will be announced in class, accordingly, you will be held responsible for any such changes.

An optional study manual for this course is available entitled CCH Federal Tax Study Manual, 2008. You may contact the bookstore or CCH at 1-800-248-3248 or online at www.CCHGroup.com. In addition, there is also a free online learning center available at www.cchstudymate.com. You will need to provide the access code provided on the tear-out instruction card found in the textbook before Chapter 1. Please let me know if you have any questions.

CPA EXAM AND 150-HOUR REQUIREMENT

New Mexico law requires applicants for the CPA Examination to have at least 150 semester hours of education. Texas and most other states also have the 150-hour rule, but the nature of these 150 hours can vary significantly from state to state. For example, in New Mexico, only 30 total hours of accounting are required to sit for the CPA exam, and 3 of these hours can be in business law. In Texas, 30 UPPER DIVISION accounting hours, plus an approved accounting ethics class, are required to sit for the exam. Including sophomore-level accounting courses, this totals 39 hours of Accounting. (NMSU will provide a Texas-approved accounting ethics class beginning in fall 2005.)

To find the requirements for a particular state, see the following AICPA website, which links to the various state boards of accountancy:

<http://www.aicpa.org/yellow/ypsboa.htm>

IMPORTANT DATES

July 9 - Last day to add a class

July 23 - Last day to drop with a "W"

August 1 - Last day to withdraw from the university

<u>DATE</u>	<u>CHAPTER</u>	<u>ASSIGNMENTS</u>
7/7	Introduction / Ch. 14	
7/8	Ch. 14 / Handout	
7/9	Ch. 14	Q – 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14
7/10	Ch. 14	P – 52, 53, 54, 58, 59, 64, 73, 103, 104
7/14	Quiz #1 / Ch. 15	Paper #1
7/15	Ch. 15 / Handout	
7/16	Ch. 15	Q – 1, 2, 3, 4, 5, 12, 13, 14, 21, 22
7/17	Ch. 15	P – 25, 26, 27, 28, 30, 32, 34, 48, 49, 53, 54
7/21	Quiz #2 / Ch. 16	
7/22	Ch. 16	
7/23	Ch. 16	Q – 1, 2, 3, 4, 5, 11, 12, 17, 22, 23
7/24	Ch. 16	P – 27, 28, 31, 33, 41, 43, 44, 46, 47, 49
7/28	Quiz #3 / Ch. 17	
7/29	Ch. 17 / Handout	
7/30	Ch. 17	Q – 1, 2, 3, 4, 5, 11, 13, 17, 23, 25
7/31	Ch. 17	P – 27, 29, 30, 31, 32, 36, 37, 43, 45, 46
8/4	Quiz #4 / FAS 109	
8/5	FAS 109 / FIN 48 Handout	
8/6	FIN 48 / M-1 & M-3	P14-85
8/7	Consolidated Entities Ch. 14 (pg. 54-61)	P14 - 83