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**ACCT 580T – TAX METHODS OF ACCOUNTING**

**SPRING 2020 / January 14, 2020 – April 28, 2020**

**Section 14297D ONLINE MEETING – Tuesdays 5:30 – 7:00 p.m. PST via ZOOM**

**Section 14296D ON CAMPUS MEETING: Tuesdays 7:30 – 9:00 p.m. PST in BRI 202**

**Syllabus**

This course offers concepts governing the timing of recognition of income and deductions for federal income tax purposes.

**COURSE STRUCTURE**

Both sections of this course are taught in a flipped classroom format using videos and self-assessment exercises that are available on Blackboard. In the flipped classroom format, students do the assigned readings, view the assigned videos, and complete the self-assessment exercises PRIOR to attending the class session.

Students who register for Section 14297D will attend their class session through a weekly Zoom meeting at the time and date indicated on the syllabus. These online class sessions allow students to discuss the topics covered in the reading, videos, and assessments, ask questions, and cover homework with faculty and peers. The online Zoom meetings will be recorded.

Students who register for Section 14296D will attend their class session on campus once a week at the time and place indicated on the syllabus. These on-campus class sessions allow students to discuss the topics covered in the reading, videos, and assessments, ask questions, and cover homework with faculty and peers.

Students are asked not to switch sections once the semester has started so that each section may function as a cohesive unit, allowing for team projects and study groups.

**INSTRUCTOR**: David Boschetto, CPA, MBT

 Adjunct Professor of Accounting

 Leventhal School of Accounting

 University of Southern California

 3660 Trousdale Parkway (ACC 214)

 Los Angeles, CA 90089-0441

**CONTACT**: Email: boschett@marshall.usc.edu

 Phone: 562-881-5387

 Office Hours: Tuesdays 3:30 – 5:00 p.m. PST and by appointment

**EMERGENCY**: USC Emergencies: 213-740-4321

**NUMBERS:** USC Public Safety- Non Emergencies: 213-740-6000

USC Emergency Information Line: 213-740-9233

 USC Information Line 213-740-2311

 KUSC Radio 91.5

**TEXTS**: **See Blackboard for instructions to access texts online**

**(no cost to the student):**

Applicable Internal Revenue Code and Regulation Sections

Online access through RIA Checkpoint or CCH IntelliConnect.

Gertzman, *Federal Tax Accounting* (Thomson Reuters/WG&L, 2d ed. 1993, with updates through October 2019). Online version accessed on Checkpoint.

**COURSE LEARNING OUTCOMES**

Upon successfully completing this course, the student will be able to:

1. Define “Method of Accounting” and identify the requirements governing all Methods of Accounting;
2. Analyze the reporting of items of income and expense under the cash receipts and disbursements method of accounting and the accrual method of accounting;
3. Apply tax accounting methods associated with specific substantive issues;
4. Identify the law and procedures for changing a method of accounting;
5. Determine the need for accounting periods and how to adopt and change an accounting period; and
6. Evaluate the application of transactional concepts including the Claim-of-Right Doctrine and the Tax Benefit Rule.

**PROGRAM LEARNING OUTCOMES**

The following are the five Student Learning Outcomes developed for this program by the USC Leventhal faculty and administration and filed with the AACSB, the accrediting body for accounting and business schools.  This course will deal primarily with learning outcomes #’s 1 & 3, and to a lesser extent, learning outcomes #’s 2, 4 & 5.

***1. Technical, Conceptual, Problem-Solving***

Students will be competent in and be able to apply discipline-specific knowledge and skills in the fields of accounting or taxation. This learning outcome includes the development of critical thinking and problem-solving skills, as well as an understanding of the strategic role of accounting and taxation in business organizations and society.

MBT specific: Apply critical thinking and problem-solving skills related to taxation of individuals, flow-through entities, and corporations. Recognize potential opportunities for tax savings and tax planning.

***2. Professional Development***

Students will be able to communicate clearly and strategically, after considering the relevant audience, situation, and purpose of the communication. Students will demonstrate the ability to work productively with others to accomplish established goals.

MBT specific: Convert complex and technical tax terminology into language that translates to non-technical audiences. Demonstrate strong interpersonal communication skills that build relationships with clients over time. Document exchanges with careful attention to word choice, tone, and accuracy.

**3. *Research/Life-Long Learning***

Students will be able to use relevant research databases and academic/professional literature to gain new knowledge and analyze business situations.

MBT specific: Use computer-based and paper-based systems to thoroughly research tax codes, tax law, rulings and interpretations. Use knowledge to be able to adjust to changes in tax law over time.

**4. *Ethical Principles and Professional Standards***

Students will be able to apply ethical principles and professional standards in analyzing situations and making informed decisions.

MBT specific: Demonstrate understanding of and apply consistently the ethical principles and professional standards related to the profession. Show the ability to express and follow rules of independence and the highest sense of professional ethics.

**5. *Globalization and Diversity***

Students will be able to demonstrate an international perspective and appreciation for diversity and cultural differences, along with their significance in global business.

MBT specific: Explain key differences in taxing policies related to expatriates and the countries they live and work in. Reflect on cultural and ethnic differences in approaches to business and taxation policies.

**GRADES**

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| Timely pre-class preparation (completion of videos and self-assessment exercises) | 90 |
| Class participation (discussion boards and in-class participation) | 90 |
| Homework – Case Brief (1 x 40 pts.); Scenario Analyses (3 x 40 pts.) | 160 |
| Research Paper | 160 |
| Midterm Exam | 250 |
| Final Exam | 250 |
| Total Points | 1,000 |

**COURSE FORMAT**

This course is divided into twelve modules, and each module is intended to cover one week. Module activities may include reading assignments, weekly lessons, interactive exercises, homework assignments, Blackboard discussion forums, class sessions, and quizzes or exams. **It is expected that students will have completed all required activities and assignments *before* attending their class session each week.**

Students should ensure that they can access all the online tools via Blackboard prior to the start of classes.

**OVERVIEW OF TOOLSETS**

Blackboard (Bb). Blackboard is the primary learning management system currently used at USC and may be accessed at [USC Blackboard Home Page](https://blackboard.usc.edu/). From the Blackboard Course Home Page, students can access their course syllabus, identify readings, participate in discussion forums, submit assignments, take quizzes and exams, and review grades at any time. They can also access links to the other platforms used in this course.

Zoom. Zoom is the platform used for all online sessions and online office hours. A link and instructions to join the Zoom sessions will be posted in the Bb Course Home Page under the “MarshallTALK” tab. For more information about Zoom, go to: [Zoom Support Tutorials](https://support.zoom.us/hc/en-us/articles/206618765-Zoom-Video-Tutorials)

**COURSE POLICIES**

1. Exams for both Sections 14297D and 14296D will be given online. Instructions will be posted on Blackboard and the due dates are indicated in the syllabus. Exams will be timed but students have a flexible window in which to take the exam.
2. The preparation grade involves the timely (i.e., before class that week) completion of the pre-recorded videos and self-assessment exercises for the Module. These exercises are graded for completion only – not for correctness. You can try these exercises as often as necessary to learn the material although only one attempt is necessary for full preparation credit
3. The participation grade is based on a combination of general preparation and participation in class sessions and discussion posts, where applicable. Participation is evaluated on thoughtfulness and relevance of contribution.
4. The homework assignments, which will be graded, will consist of scenario-based analyses. The assignments will be evaluated based on content and effectiveness of communication, including grammar, spelling, and organization. Scenarios will be discussed in class and such discussion will be part of the participation grade.
5. Students are expected to attend all class sessions for the section in which they are registered – whether that be the on campus or online section. **Students who miss these live class sessions consistently or frequently will not be allowed to pass the course.**

**GRADING POLICIES**

This course adheres to the USC Leventhal School of Accounting and Marshall School of Business grading Standards for graduate programs. In general, final course grades at the graduate level in a core course average approximately B+ (3.3) but may vary based on class performance. For elective courses, the class average is usually higher (approximately 3.5), which is between a B+ and an A-. A letter grade of C or better is required to pass the class, and an overall B average (3.0 minimum) to graduate from USC. The graded elements of this course are listed in this syllabus along with information about how they will be evaluated.

**ACADEMIC CONDUCT**

Students enrolled in any class offered by the Leventhal School of Accounting are expected to uphold and adhere to the standards of academic integrity established by the Leventhal School of Accounting Student Honor Code.  Students are responsible for obtaining, reading, and understanding the Honor Code System handbook.  Students who are found to have violated the Code will be subject to disciplinary action as described in the handbook.  For more specific information, please refer to the Student Honor Code System handbook, available in class or from the receptionist in ACC 101.

**PLAGIARISM**

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please review the discussion on plagiarism in [SCampus in Section 11, Behavior Violating University Standards](https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions/). Other forms of academic dishonesty are equally unacceptable. See additional information in [SCampus and university policies on scientific misconduct](http://policy.usc.edu/scientific-misconduct/).

**SUPPORT SYSTEMS**

*USC Emergency Information -* [*USC Emergency*](http://emergency.usc.edu/)

If an officially declared emergency makes travel to campus infeasible, *USC Emergency Information* will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.

*The Office of Disability Services and Programs –* *(213) 740-0776*

[The Disability Services and Programs](http://dsp.usc.edu/) (DSP) office provides certification for students with disabilities and helps arrange the relevant accommodations. Any student requesting academic accommodations based on a disability is required to register with DSP each semester.

*Student Counseling Services (SCS) – (213) 740-9355 (WELL), 24/7 line*

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention. Go to: [USC Engemann Student Health Center Website](https://engemannshc.usc.edu/counseling/)

*National Suicide Prevention Lifeline - 1-800-273-8255*

Provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week. Go to: [National Suicide Prevention Lifeline](https://urldefense.proofpoint.com/v2/url?u=http-3A__www.suicidepreventionlifeline.org_&d=DwMFAg&c=clK7kQUTWtAVEOVIgvi0NU5BOUHhpN0H8p7CSfnc_gI&r=_36nnFETM-Q6pZ6iq9FbkRLnOqB2hAKf3hpB7emICZo&m=E2UsZJRCMqi9OEfKUeqk9Y1uY3eDgl_cjSeDni9P-3s&s=twu831aNHupJnoiSEzsXZ1lmq9yCzJvEv35V5v5dYAY&e=)

*Sexual Assault & Survivor Support – (213) 740-9355 (WELL), 24/7 line*

Free and confidential therapy services, workshops, medical options, reporting options, and crisis support related to gender- and power-based harm. For more information, visit the Website: [Sexual Assault Resource Center](https://studenthealth.usc.edu/sexual-assault/)

*Office of Equity and Diversity (OED)/Title IX compliance – (213) 740-5086*

Works with faculty, staff, visitors, applicants, and students around issues of protected class. Go to: [Office of Equity and Diversity Website](https://equity.usc.edu/)

*Bias Assessment Response and Support*

Incidents of bias, hate crimes and microaggressions need to be reported allowing for appropriate investigation and response. Go to: [USC Student Affairs - Bias Assessment Response and Support](https://studentaffairs.usc.edu/ssa/bias-assessment-response-support/)

*Student Support & Advocacy – (213) 821-4710*

Assists students and families in resolving complex issues adversely affecting their success as a student EX: personal, financial, and academic. Go to: [USC Student Affairs - Student Support and Advocacy](https://studentaffairs.usc.edu/ssa/)

*Diversity at USC –* [*Diversity Matters*](https://diversity.usc.edu/)

Tabs for Events, Programs and Training, Task Force (including representatives for each school), Chronology, Participate, Resources for Students

*American Language Institute -* [*ALI*](http://ali.usc.edu/)

Students whose primary language is not English should check with the *American Language Institute,* which sponsors courses and workshops specifically for international graduate students.

**STATEMENT ON RETENTION OF PAPERS FROM THE CURRICULUM OFFICE**

According to the *Guidelines on Documents Retention*, University policy requires that final exams and all other grade work which affected the course grade be kept for one year.  Other papers or work that instructors hand back but that students fail to pick up can be held for one month.

**REQUIRED EQUIPMENT**

The following equipment and system requirements are required to successfully participate in this online course:

* Computer with webcam (i.e. [Logitech webcam](http://www.logitech.com/en-us/product/hd-webcam-c525?crid=34))
* Headset (i.e. [Logitech headset](http://www.amazon.com/Logitech-ClearChat-Comfort-Headset-Black/dp/B000UXZQ42/ref%3Dpd_sim_e_2))
* High speed Internet connection
* Current operating system for Windows or Mac
* Current browser
	+ Google Chrome
	+ Firefox
	+ Internet Explorer
	+ Safari (Mac)

**TECHNICAL SUPPORT**

* **USC Systems**(Blackboard, USC Login, MyUSC, USC Gmail, GoogleApps)

For assistance with your USC login or other USC systems, please call +1 (213) 740-5555 or email Consult@usc.edu.  They are open Mon – Fri 9:30am – 5pm and weekends from 8am - 5pm (all Pacific time).

* **Zoom Video Web Conferencing System (**MarshallTALK)

For assistance using Zoom, go to [Zoom Support Page](https://support.zoom.us/hc/en-us).  You may also call +1 (888) 799-9666 ext. 2 or +1 (650) 397-6096 ext. 2.  They are available 24/7.

* **Marshall Systems** (MyMarshall, Marshall Outlook email)

For assistance with Marshall systems you can call +1 (213) 740-3000 Mon-Fri 8am-6pm (Pacific), email HelpDesk@marshall.usc,edu, or use our self-help service portal as shown below.  The portal allows you to get immediate assistance by searching for the information you need.  You can also use it to chat with a technician or input a request.  To access the service portal follow these steps:

* + On a computer or mobile device, go to [MyMarshall Home Page](https://mymarshall.usc.edu/) and click the “**Help**” link on the upper right.
	+ Log in using your Marshall username and password (If you don’t know your Marshall login please follow the onscreen instructions pertaining to login issues).

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| **MODULE 0: Introduction to Course** |
| **Learning Outcomes** | 1. Access and familiarize with functions of Blackboard
2. Introduce yourself using Blackboard Discussion Forum
3. Self-assessment on Module of most interest and reason(s) why
 |
| **Readings** | **Course Syllabus** (found in Blackboard course pages)**Gertzman, *Federal Tax Accounting***: ¶1.02  |
| **Learning Activities** | **Blackboard Discussion Forum** (found in Module 0)Post your bio or introduction in the Blackboard Discussion Board. In approximately 100 words: * State your name,
* Identify where you are located (e.g., Los Angeles, CA),
* Describe your job position, if employed,
* Describe your tax experience, and
* Identify whether you have any experience in applying for a change in accounting method.

Upload a Word document in response to the Module 0 Assignment to describe which course Module is of most interest to you and the reason(s) why. Watch course video, Introduction to Tax Accounting Methods. |
| **Attend Class****Tuesday Jan 14th** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **MODULE 1: Methods of Accounting; Cash Method** |
| **Learning Outcomes** | 1. Analyze the scope of *timing*, *consistency*, *certainty, and predictability* in defining methods of accounting
2. List the key requirements of Book Conformity (§ 446(a)) and Clear Reflections of Income (§ 446(b))
3. Apply the Allowable Overall Methods (§ 446(c)) and the Use of More Than One Method (§ 446(d))
4. Identify the common users of the Cash Method of accounting
5. Relate the advantages of the Cash Method of accounting
 |
| **Readings** | **Gertzman, *Federal Tax Accounting*:** ¶¶ 2.01[0 thru 4], 2.02[0,1], 3.01[0 thru 3], 3.03[0] & [1][a thru d[i]], 3.03[2], 3.04[0 thru 4], 3.05[1], 3.06[1][a]**IRC**: §§ 446; 448**Treas. Reg**.: §§ 1.446-1; 1.448-1Rev. Proc. 2015-13 § 2.01 |
| **Learning Activities**  | Watch the pre-recorded lectures and complete the self-assessment exercises in Blackboard for Module 1.  |
| **Assignments** | N/A |
| **Attend Class****Tuesday Jan 21st** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **MODULE 2: Accrual Method – Items of Income**  |
| **Learning Outcomes** | 1. Explain the two criteria for recognizing accrual basis income
2. Relate the primary goal of financial accounting
3. Relate the primary goal of tax accounting
4. Apply the tax treatment of prepaid income
 |
| **Readings** | **Gertzman, *Federal Tax Accounting*:** ¶¶ 4.01, 4.02[2 thru 4], 4.03 **IRC**: § 451**Treas. Regs**: § 1.451-1; 1.451-2Preamble to Proposed Treas. Regs. REG-104870-18 and REG-104554-118Prop. Treas. Regs. 1.451-3 and 1.451-8*Thor Power Tool v. Comm.*, 439 U.S. 522 (1979)*Schlude v. Comm.*, 372 U.S. 128 (1963)Rev. Rul. 2003-10Rev. Proc. 2019-37 (scan)Rev. Proc. 2004-34 (Section 1 and 2, scan examples in Section 5.03) |
| **Learning Activities**  | Watch the pre-recorded lectures and complete the self-assessment exercises in Blackboard for Module 2.  |
| **Assignments** | Under Module 2 “Assignments” in Blackboard, submit a written brief of *Schlude v. Comm*., 372 U.S. 128 (1963). Assignment due by midnight on Jan 27th.  |
| **Attend Class****Tuesday Jan 28th** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **MODULE 3: Accrual Method – Items of Expense** |
| **Learning Outcomes** | 1. List the three criteria for accruing a liability for tax purposes
2. Utilize the tax treatment of a contested liability
3. Apply the general rules for when economic performance occurs
4. Interpret the three and one-half month rule for economic performance
5. Use the recurring item exception for economic performance
 |
| **Readings** | **Gertzman, *Federal Tax Accounting*:** ¶¶ 4.04[1], 4.04[1][a], 4.04[1][b], 4.04[1][c], 4.04[2][a], 4.04[2][b], 4.04[2][c], 4.04[2][d], 4.04[2][e], 4.04[3][a], 4.04[3][b], 4.04[3][d], 4.04[4] **IRC**: § 461**Treas. Regs**: §§ 1.461-1 thru -5Rev. Rul. 2012-1*United States v. General Dynamics Corp*., 481 U.S. 239 (1987)*Giant Eagle, Inc. v. Comm*., 822 F.3d 666 (3rd Cir. 2016) |
| **Activities**  | Watch the pre-recorded lectures and complete the self-assessment exercises in Blackboard for Module 3.  |
| **Assignments** | N/A |
| **Attend Class****Tuesday Feb 4th** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **MODULE 4: Inventories** |
| **Learning Outcomes** | 1. Identify when inventories are required
2. Discuss what constitutes the “best accounting practice”
3. Describe the “most clearly reflecting income” requirement
4. Explain the tax treatment of supplies
5. Value inventories for tax purposes
6. Value subnormal goods under Treas. Reg. §1.471-2
7. Value normal goods under Treas. Reg. §1.471-4
 |
| **Readings** | **Gertzman, *Federal Tax Accounting*:** ¶¶ 6.01, 6.02, 6.04, 6.05[2], 6.09**IRC:** §§ 162; 471**Treas. Regs:** §§ 1.162-3; 1.471-1 thru -4*Thor Power Tool v. Comm.*, 439 U.S. 522 (1979) |
| **Learning Activities**  | Watch the pre-recorded lectures and complete the self-assessment exercises in Blackboard for Module 4.  |
| **Assignments** | Submit a response to the scenario question under “Assignments” in Blackboard, including legal analysis and support. Assignment due by midnight on Feb 10th. |
| **Attend Class****Tuesday Feb 11th** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **MODULE 5: Uniform Capitalization** |
| **Learning Outcomes** | 1. Explain the difference between §263A and §263(a)
2. Determine when interest has to be capitalized
3. Apply §263A rules to producers of property
4. Apply §263A rules to resellers of property
5. List the steps in determining costs that must be capitalized under the Unicap rules
6. Apply the simplified service cost method
7. Apply the simplified production method
 |
| **Readings** | **Gertzman, *Federal Tax Accounting*:**  ¶¶ 6.06[1][c], 6.06[2][a], 6.06[2][b], 6.06[2][c][i], 6.06[2][c][ii], 6.06[2][c][iii]**IRC:** § 263A**Treas. Regs:** §§ 1.263A-1 thru -3*Suzy’s Zoo v. Comm.*, 273 F.3d 875 (9th Cir. 2001) |
| **Learning Activities**  | Watch the pre-recorded lectures and complete the self-assessment exercises in Blackboard for Module 5.  |
| **Assignments** | N/A |
| **Attend Class****Tuesday Feb 18th** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **MODULE 6a: Capital Expenditures: Tangible Property** |
| **Learning Outcomes** | 1. Recognize when costs must be capitalized
2. Determine the unit of property
3. Evaluate if there has been an improvement to the unit of property
4. Implement the routine maintenance safe harbor
5. Explain and apply the de minimis rule
6. Apply the tax accounting treatment for materials and supplies
 |
| **Readings** | **IRC:** §§ 162; 263(a)**Treas. Regs**: §§ 1.263(a)-1 thru -3Preamble to Final Tangible Regulations (TD 9636) |
| **Learning Activities**  | Watch the pre-recorded lectures and complete the self-assessment exercises in Blackboard for Module 6a.  |
| **Assignments** | Submit a response to the scenario question under “Assignments” in Blackboard, including legal analysis and support. Assignment due by midnight on Feb 22nd.  |
| **Attend Class****Tuesday Feb 25th** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **MODULE 6b: Capital Expenditures: Tangible Property (cont.) & Mid-term Review** |
| **Learning Outcomes** | 1. Describe the relationship between the capitalization and disposition rules
2. Identify the asset for disposition purposes
3. Understand how taxpayers can group assets
4. Determine when a disposition has occurred
5. Apply the rules for determining the adjusted basis of the disposed asset
6. Determine how to account for a disposition
 |
| **Readings** | **IRC:** §§ 168; 263(a)**Treas. Regs**: §§ 1.168(i)-1, -7, and -8Preamble to Final Tangible Regulations (TD 9636) |
| **Learning Activities**  | Complete the self-assessment exercises in Blackboard for Module 6b.  |
| **Assignments** | N/A |
| **Attend Class****Tuesday Mar 3rd** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **Midterm Exam** |
| **Learning Outcomes** | Confirm outcomes of Modules 1 through 6 |
| **Readings** | N/A |
| **Learning Activities**  | Study for Exam on Modules 1 through 6 |
| **Assignments** | **Take online Midterm Exam.*** **Exam will be posted by midnight, Mar 6th.**
* **Exam is due by midnight, Mar 12th.**

**See Blackboard “Assignments” for Instructions.** |
| **No Class****Tuesday Mar 10th** | **Midterm exam will be given online for both sections.** |

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| **MODULE 7: Change in Method of Accounting I** |
| **Learning Outcomes** | 1. Identify when a taxpayer has adopted a method of accounting
2. Compare/contrast a voluntary accounting method change vs. an involuntary accounting method change.
3. Compare/contrast an automatic vs. a non-automatic change in accounting method consent request.
4. Determine which procedures must be followed when requesting consent to make an automatic accounting method change.
5. Determine which procedures must be followed when requesting consent to make a non-automatic accounting method change.
6. Analyze Form 3115 and the related instructions.
 |
| **Readings** | **Gertzman, *Federal Tax Accounting***: ¶¶ 8.01; 8.02; 8.03; 8.04[1]; 8.04[3]; 8.06[1]**IRC**: §§ 446; 481**Treas. Regs**: § 1.446-1 thru -5; 1.481-1; 1.481-2Rev. Proc. 2015-13 §§ 2; 5; 6.02; 6.03(1); 6.03(2)Rev. Proc. 2018-31 (skim)Form 3115 and Form 3115 Instructions (skim)*Knight-Ridder Newspapers, Inc. v. U.S.,* 743 F.2d 781(11th Cir. 1984)*Graff Chevrolet Co. v. Campbell Jr.*, 343 F.2d 568 (5th Cir. 1965) |
| **Learning Activities**  | Watch the pre-recorded lectures and complete the self-assessment exercises in Blackboard for Module 7.  |
| **Assignments** | N/A |
| **Attend Class****Tuesday Mar 24th** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **MODULE 8: Change in Method of Accounting II** |
| **Learning Outcomes** | 1. Identify the accounting method change rules for taxpayers under examination.
2. Evaluate when a taxpayer receives audit protection with respect to a change in method of accounting.
3. List the six exceptions to the general rule that a taxpayer under examination does not receive audit protection for the item that is the subject of a Form 3115.
4. Describe the various section 481(a) adjustment periods.
5. Calculate a section 481(a) adjustment for an accounting method change for various substantive issues.
6. Explain the procedures associated with an involuntary change in accounting method as described in Rev. Proc. 2002-18.
 |
| **Readings** | **Gertzman, *Federal Tax Accounting*:**  ¶¶ 8.01; 9.03[3]; 9.04[1]; 9.05 (Intro); 9.06 (Intro) Rev. Proc. 2015-13 § 2.02(1)Rev. Proc. 2002-18 §§ 2.02; 5.04(3); 7.01Internal Revenue Manual 4.11.6 (scan) |
| **Learning Activities**  | Watch the pre-recorded lectures and complete the self-assessment exercises in Blackboard for Module 8. |
| **Assignments** | **Research Paper** – Topic and instructions posted under Module 8 “Assignments” in Blackboard. **Submit by midnight Apr. 6th.** |
| **Attend Class****Tuesday Mar 31th** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **MODULE 9: Accounting Periods** |
| **Learning Outcomes** | 1. Describe the allowable accounting periods
2. Define “short period”
3. Explain the requirements of using a 52-53 week year
4. Describe how to change an accounting period
5. Discuss when an accounting period must be changed
 |
| **Readings** | **Gertzman, *Federal Tax Accounting*:** ¶¶ 10.01; 10.02; 10.03; 10.04[1 thru 3]; 10.05[1 thru 3]**IRC:** §§ 441; 442; 443; 444**Treas. Regs:** §§ 1.441-1 thru -3; 1.442-1; 1.443-1; 1,444-1TForm 1128 (skim)Form 2253 (skim)Revenue Procedures 2002-39; 2003-62; 2006-45; 2006-46; 2007-64 (skim “Purpose” section in each procedure) |
| **Learning Activities**  | Watch the pre-recorded lectures and complete the self-assessment exercises in Blackboard for Module 9.  |
| **Assignments** | N/A |
| **Attend Class****Tuesday Apr 7th** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **MODULE 10: Installment Sales** |
| **Learning Outcomes** | 1. Calculate the gross profit percentage
2. Determine the payments received each year
3. Calculate the gain to be recognized each year
4. Calculate the interest, if any, on the deferred tax
 |
| **Readings** | **Gertzman, *Federal Tax Accounting*:** 5.01[0 thru 2]; 5.02; 5.03; 5.05[2 thru 5]**IRC:** § 453; 453A; 453B**Temp. Reg.** § 15a.453-1*Raymond v. Comm.*, T.C. Memo 2001-96*Mingo v. Comm*., 773 F.3d 629 (5th Cir. 2014) |
| **Learning Activities**  | Watch the pre-recorded lectures and complete the self-assessment exercises in Blackboard for Module 10. |
| **Assignments** | N/A |
| **Attend Class****Tuesday Apr 14th** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **MODULE 11: Special Rules for Long-Term Contracts** |
| **Learning Outcomes** | 1. Define long-term contract for purposes of IRC § 460
2. Identify the types of long-term contracts subject to IRC § 460
3. Calculate income recognition using the percentage of completion method (PCM)
4. Calculate income recognition using the completed contract method (CCM)
 |
| **Readings** | **IRC:**  § 460**Treas. Regs:**  §§ 1.460-1 thru -6*Shea Homes, Inc. v. Comm.*, 834 F.3d 1061 (9th Cir. 2016)*Howard Hughes Co., LLC v. Comm.*, 805 F.3d 175 (5th Cir. 2015) |
| **Learning Activities**  | Watch the pre-recorded lectures and complete the self-assessment exercises in Blackboard for Module 11. |
| **Assignments** | Submit a response to the scenario question under “Assignments” in Blackboard, including legal analysis and support. Assignment due by midnight of Apr. 20th. In advance of class session, post to the “Discussion Board” the assignment pertaining to the IRS Response to *Shea Homes.*  |
| **Attend Class****Tuesday Apr 21st** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **MODULE 12: Time Value of Money** |
| **Learning Outcomes** | 1. Identify the economic premise of the time value of money
2. Define original issue discount (OID)
3. Determine the taxability of OID through the Constant Yield Method
 |
| **Readings** | **Gertzman, *Federal Tax Accounting***: ¶¶ 11.01[0 thru 2], 11.02[0 thru 4]**IRC:** §§ 162(b); 483; 1271; 1272; 1273; 1274; 1275 **Treas. Regs:** §§ 1.1271-1; 1.1272-1 thru -3; 1.1273-1; 1.273-2 |
| **Learning Activities**  | Watch the pre-recorded lectures and complete the self-assessment exercises in Blackboard for Module 12. |
| **Assignments** | N/A |
| **Attend Class****Tuesday Apr 28th** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **MODULE 13: Transactional Concepts & Final Exam Review** |
| **Learning Outcomes** | 1. Apply the annual accounting concept
2. Explain the Claim-of-Right doctrine
3. Explain the Arrowsmith doctrine
4. Utilize the Tax Benefit rule
5. Explain the Origin-of-the-Claim doctrine
 |
| **Readings** | **Gertzman, *Federal Tax Accounting***: ¶¶ 12.03, 12.03[1 & 2], 12.04[0 & 1], 12.05[0 thru 3] **IRC**: § 1341*North American Oil Consolidated v. Burnet,* 286 U.S. 417 (1932)*Arrowsmith v. Comm.*, 344 U.S. 6 (1952)*Hillsboro National Bank v. Comm.*, 460 U.S. 370 (1963) |
| **Learning Activities**  | Watch the pre-recorded lectures and complete the self-assessment exercises in Blackboard for Module 13. |
| **Assignments** | N/A |
| **Attend Class****Tuesday May 5th** | **Section 14297D: ZOOM Meeting 5:30 – 7:00 p.m. PST** **Section 14296D: BRI 202 7:30 – 9:00 p.m. PST** |

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| **Final Exam** |
| **Learning Outcomes** | Confirm outcomes of Modules 7 through 13 |
| **Readings** | N/A |
| **Learning Activities** | Study for Exam on Modules 7 through 13University Study Days: May 2nd – May 5th  |
| **Assignments** | **Take online FINAL Exam.*** **Exam will be posted by midnight, May 6th.**
* **Exam is due by midnight, May 12th.**

**See Blackboard “Assignments” for Instructions.** |
| **No Class****Tuesday May 12th** | **FINAL exam will be given online for both sections.** |