

Normandale Community College
Common Course Outline
Effective Date Fall 2017

Accounting 2853/BUSN 2853: Federal Individual Income tax
Credits: 4 credits **Prerequisite:** ACCT 2251 Recommended
Reviewed Date: Fall 2017

CATALOG DESCRIPTION:

This course is intended to cover Internal Revenue Code as applied to individual income tax returns. The material covered would include filing requirements, personal tax credits and exemptions, gross income inclusions and exclusions, itemized deductions, employee business expenses, self-employment, rental activities, property basis and capital gains and losses. Students will have the opportunity to prepare federal and state income tax returns using tax preparation software.

OUTLINE OF MAJOR CONTENT AREAS:

- A. Overview of individual income tax structure
- B. Personal tax credits and exemptions
- C. Gross income inclusions and exclusions
- D. Standard and itemized deductions
- E. Employee business expenses and self-employment
- F. Rental activities
- G. Property basis and depreciation of business property
- H. Capital gains and losses including Section 1231 property

LEARNING OUTCOMES:

Upon successful completion of this course the student will:

- A. Acquire an understanding of the federal income tax structure
- B. Determine filing requirements, filing status and dependency exemptions
- C. Recognize items for gross income inclusions and exclusions and personal tax credits
- D. Identify the types and deductible expenses for itemized deductions
- E. Recognize income and expenses from self-employment reported on Schedule C
- F. Understand tax rules that govern depreciation of business property
- G. Compute rental income and expenses to determine taxable income
- H. Understand rules for determining property basis and capital gains and losses
- I. Prepare federal and state tax returns using a commercial tax preparation software

EVALUATION METHODS:

A combination of tests, pop quizzes, take-home assignments and case studies will be used for student evaluation.