1. COURSE ID: ACTG 181   TITLE: Taxation of Individuals Using Tax Software  
Units: 4.0 units  Hours/Semester: 64.0-72.0 Lecture hours  
Method of Grading: Grade Option (Letter Grade or P/NP)

2. COURSE DESIGNATION:  
Degree Credit  
Transfer credit: CSU

3. COURSE DESCRIPTIONS:  
Catalog Description:  
Preparation of Federal and California income tax returns for individuals using tax software and manually.  
Topics include income tax law, theory, and practice, and preparation of Form 1040 (Individual), Schedules 
A (Itemized Deductions), B (Interest and Dividends), C (Profit or Loss from a Business), D (Capital Gains 
and Losses), and tax credits. Students who successfully complete this course may apply to CTEC, the 
California Tax Education Council, to become a Registered Tax Preparer in California. This course is part of 
the Enrolled Agent Exam Preparation Series and the CPA Exam Preparation Series. [CPE Hours: CPA 60]

4. STUDENT LEARNING OUTCOME(S) (SLO'S):  
Upon successful completion of this course, a student will meet the following outcomes:  
1. Understand and explain basic Federal and California income tax law, theory, and practice for individuals.  
2. Demonstrate competency in preparing Forms 1040EZ, 1040, 1040A and the most commonly used 
schedules and the related California tax forms.  
3. Calculate gross income and exclusions.  
4. Calculate adjusted gross income deductions  
5. Calculate itemized deductions (Schedule A), self-employed business income (Schedule C), sale of property 
(Schedule D), rental income (Schedule E) and tax credits.  
6. Calculate additional taxes and penalties pursuant to Affordable Care Act (Obamacare).  
7. Demonstrate all steps required to prepare and file the most commonly used Federal and California income 
tax returns.

5. SPECIFIC INSTRUCTIONAL OBJECTIVES:  
Upon successful completion of this course, a student will be able to:  
1. Understand and explain basic Federal and California income tax law, theory, and practice for individuals  
2. Demonstrate competency in preparing Forms 1040EZ, 1040, 1040A and the most commonly used 
schedules and the related California tax forms  
3. Calculate gross income and exclusions  
4. Calculate adjusted gross income deductions  
5. Calculate itemized deductions (Schedule A), self-employed business income (Schedule C), sale of property 
(Schedule D), rental income (Schedule E) and tax credits  
6. Calculate additional taxes and penalties pursuant to Affordable Care Act (Obamacare).  
7. Demonstrate all steps required to prepare and file the most commonly used Federal and California income 
tax returns.

6. COURSE CONTENT:  
Lecture Content:  
1. Introduction to Taxation, the Income Tax Formula, and Form 1040EZ  
2. Basic Tax Returns  
3. Gross Income and Exclusions  
   A. Detailed discussion of types of income on 1040A/1040. Wages, Cash Basis, When to Record.  
   Interest Income (Form 1099-INT & Schedule B). Dividends (Form 1099-DIV & Schedule B). State 
   Non-standard Interest Income (OID).  
4. Form Adjusted Gross Income Deductions  
   B. Sale of Property (Schedule D). Rental Income (Schedule E). Additional Taxes and Penalties.  
   F. Long-Term Capital Gain and Loss. Short-Term Capital Gain and Loss. Long-Term Capital Loss.  
Alimony.

5. Itemized Deductions-Schedule A
      Miscellaneous Itemized Deductions. Limitations on Itemized Deductions.

6. Self-Employed Business Income-Schedule C
   A. Depreciation (Form 4562). Trade or Business Expenses. Business Use of Your Home (Form 8829).

7. Sale of Property-Schedule D and Form 4797
   A. Sale of Personal/Investment Property-Capital Gain & Losses (Schedule D). Sale of Personal
      Residence. Sale of Business Property-Form 4797. Software Completed Example of Form 4797.

8. Rental Property and Flow-Through Entities (Schedule E)
   A. Rental Income and Rental Expenses. Depreciation on Rental Property. Rental of Vacation Homes.
      Reporting Royalty Income. Reporting Income/Losses from Flow-Through Entities.

9. Tax Credits
   A. Earned Income Tax Credit. Child and Dependent Care Credit (Form 2441). Elderly or Disabled
      Credit (Schedule R). Child Tax Credit. Education Credits (Form 8863). Adoption Credit (Form 8839).

10. At-Risk Rules/Passive Activity Losses and Individual Alternative Minimum Taxes Retirement Plans and
    Contributions (IRAs, 401(k), etc.).
    A. Minimum Tax. At-Risk Rules and How They Limit Loss Deductions (Form 6198). Passive Activity
       Losses (Form 8582). $25,000 Offset For Rental Passive Activity Losses. Individual Alternative
       Minimum Tax (Form 6251).

12. Affordable Care Act (Obamacare).

7. REPRESENTATIVE METHODS OF INSTRUCTION:
   Typical methods of instruction may include:
   A. Lecture
   B. Discussion
   C. Other (Specify): Weekly readings on taxation theory, practice, and problem solving techniques.

8. REPRESENTATIVE ASSIGNMENTS
   Representative assignments in this course may include, but are not limited to the following:
   **Writing Assignments:**
   Preparation of income tax returns at variable levels of difficulty using tax software and manual preparation.
   **Reading Assignments:**
   Weekly readings on taxation theory, practice and problem solving techniques from textbook and IRS
   publications.

9. REPRESENTATIVE METHODS OF EVALUATION
   Representative methods of evaluation may include:
   A. Exams/Tests
   B. Group Projects
   C. Homework
   D. Oral Presentation
   E. Projects
   F. Quizzes

10. REPRESENTATIVE TEXT(S):
    Possible textbooks include:

Origination Date: September 2015
Curriculum Committee Approval Date: October 2015
Effective Term: Fall 2016
Course Originator: Rosemary Nurre