

**Syllabus – Fall 2020**  
**California State University Dominguez Hills**  
**College of Business and Public Policy**  
**Acc. 433, Federal Income Taxation II**  
**Draft 8/24/20**

<u>Days</u>	<u>Sec.</u>	<u>Time</u>	<u>Room</u>	<u>Course No.</u>
Monday & Wednesday	(01)	11:30AM – 12:45PM	Zoom/Online	48566

**Instructor:** Richard Malamud  
**Office:** SBS D-326 (new location)/ Not there Fall 2020  
**Office Hours:** Mon. & Wed. 8:15 am to 9:30 am  
**Phone :** (310) 243-2239 (better to email)  
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**Web:** <http://www2.csudh.edu/rmalamud/433.htm>

**Catalog Description and Prerequisites:**

Catalog Description and Prerequisites: Federal income tax law as related to partnerships, corporations, estates and trusts; estate and gift taxes. **Prerequisite: ACC 333**

**Disabled Students Services:** Students with verified disabilities are eligible for a variety of support services from the Disabled Services Office. Information regarding special facilities and services to students with a disability may be obtained from the Director of Disabled Student Services Office, Welch Hall B 250. Phone: (310) 243-3660 - voice (310) 243-2028 – TDD

**Textbook:** Pearson's Federal Taxation 2020, **Comprehensive (or corporate)**,

(formerly Prentice Hall's Federal Taxation) Edition 33: Pope, Rupert & Anderson. You can use the corporate book Instead of the comprehensive.

Alternatives - if you can't afford the textbook there are some alternatives that aren't as good, The best if one of the two prior years, 2019 or 2018 versions which are very inexpensive on the internet. Either the comprehensive or the Corporate version.

Plus if you have Cengage Unlimited you could use their Southwest Federal Taxation (but it is not as comprehensive).

**Drops:** It is the student's responsibility to drop the class. I will not drop you.

**Goal:** Introduce concepts of the federal income taxation of corporations, partnerships and the taxes involving family transfers – not to make them into tax preparers.

**Student Learning Objectives:**

- Explain the tax effect/differences of a C or S Corp. or a partnership.
- Describe the tax treatment of partners and partnerships.
- Differentiate income and transfer taxes as they affect estates and trusts.
- Determine the best entity if forming a new business
- Explain how to make a corporate merger tax free
- Determine who pays income tax on income earned by an estate or a trust

**THIS IS NOT AN INTERNET OR ONLINE COURSE!** You should attend the ZOOM class!

**Course Expectations:** Each student is expected to read the assigned material prior to class. The university standard is two hours of outside work for every hour in class.

**Attendance:** This is not an online or hybrid course. Thus, attendance is important.

**Drop Exams:** There are no drops in this class. All tests are counted in your grade.

**Academic Integrity:** Cheating/plagiarism is subject discipline. See Sections 41301 - 41304 Title 5, CA Code of Reg. or see the CSUDH University Catalog. You are also responsible for knowing other Catalog rules and prohibitions.

**Due Dates/Make Up Work:** Since exams will be on BlackBoard for several days, make-ups will be allowed only under exceptional circumstances and only if the student has contacted the professor before the testing period ends detailing a serious problem.

**Computer/Information Literacy Expectations for Students enrolled in this class:**  
Students in this class are expected to: 1) use the university email system (Toromail), 2) use Blackboard to get handouts and to take the tests.

**Statement on expected behavioral standards:**

Behavior that persistently or grossly interferes with classroom activities is considered disruptive behavior and may be subject to disciplinary action. Such behavior inhibits other students' ability to learn and an instructor's ability to teach. The instructor may require a student responsible for disruptive behavior to leave class pending discussion and resolution of the problem and may also report a disruptive student to the Student Affairs Office (WH A-410, 310-243-3784) for disciplinary action.

**1. Grading:**

Exams (3 tests @ 35 points each)	105
Attendance	N/A
Bonus chapters – 5 point bonus quiz	
Total Points	<u>105 + bonus</u>

**Exams:** The three exams will be on BlackBoard, open book, open notes, multiple choice, 35 questions. Exams are 1 1/4 hours only and you can not take longer.\* So you must prepare in advance. Open book, open note, no "phone a friend". Tests will be announced in class and you are responsible for getting that notification. I am not responsible for emailing you of the test dates and my not respond to questions by email about the dates. Please ask in class or during office hours if you are confused.

\* Students with disabilities - see above.

**Quizzes:** Bonus points: We will cover two additional subjects using Power Point. They will be State and Local taxes and International Taxation. There will be a 5 point quiz.

**BlackBoard:** The tests are to be taken on BlackBaord on the honors system, individually. Why shouldn't you work together? Two reasons.

1. It is not permitted. If I find out that you worked together, you will receive a 0 and possibly referred to the University for Disciplinary Action.
2. The grade (see below) is based on a class curve. So, if you give answers to another student, that can hurt your grade!

**Grading Curve:** The class (and if there are two sections, both section combined) will be ranked from first to last. A curve will be made with an average of about 2.8 and 3.2. Each test may also be curved to make the averages of all tests similar.

**Scores on Blackboard:** All scores will be posted on Blackboard. Approximate grades may be displayed on BlackBoard, but they are not the official grade.

**Additional Information:**

Classroom time should be used to reinforce and clarify what you have already tried to learn before coming to class. The best way to get a top grade is to:

1) do all reading before class, 2) attend class, listen, take notes, ask questions.

We will cover the material in the following order:

**Test 1 Corporations** Chapter 2: Corporate Formations and Capital Structure

Chapter 3: The Corporate Income Tax

Chapter 4: Corporate Non-liquidating Distributions

Chapter 5: Other Corporate Tax Levies

Chapter 6: Corporate Liquidating Distributions

Chapter 7: Corporate Acquisitions and Reorganizations – see below

Chapter 8: Consolidated Returns

**Test 2 Partnerships and S Corporations**

Chapter 9: Partnership Formation and Operation

Chapter 10: Special Partnership Issues

Chapter 11: S Corporations

**Test 3 Estate and Gift Tax and Income taxation of Trusts and Estates**

Chapter 12: The Gift Tax

Chapter 13: The Estate Tax

Chapter 14: Income Taxation of Trusts and Estates

**Extra Chapters Topics – Multi-state and Foreign Taxation**

An outline and Power Points of the two chapters will be placed on BlackBoard.

CHAPTER 7 Handout –

**REORGANIZATION POWER POINT HANDOUT or See Black Board for the chapter for the Power Point itself.**

A - Statutory Merger

B - Stock for Stock

C - Stock for Assets

D - Devisive (Split up)

E - Recapitalization

F - Change of Name

G - Bankruptcy

**All Reorganizations Require:**

1. Plan,

2. Business Purpose,

3. Continue the Business,

4. Continuity of ownership

**A Reorganization** – State law merger or consolidation

Need to give 50% stock for continuity of Interest

**B Reorganization** - Stock for Stock

For Control (80%)

**C Reorganization** - Stock for Assets -

Can use some cash (unless liabilities assumed)

Substantially all the assets = 90% fair market value of net assets

70% fair market value of gross assets

**D Reorganization** - Devisive - split up the company

Can be pro-rata or non pro-rata

5 year rule - Active Business Requirement

**E Reorganization** - Recapitalization

**F Reorganization - Change of Name, Place, or State**

**G Reorganization - Bankruptcy**

**Detailed Class Schedule – SUBJECT TO CHANGE!! See the schedule below.**

**Only selected topics will be discussed in class. Homework listed below is not collected. It will be discussed in class**

Tentative Schedule (subject to change) for ACC 433, Fall 2020.

<b>Tentative</b>		<b>Acc 433</b>		<b>all 2020</b>		
<b>Day</b>	<b>Date</b>	<b>Ch</b>	<b>Readings/Test/Days off</b>	<b>In class p</b>	<b>MTG</b>	<b>Pub</b>
Mon.	8/24		Introduction			
Wed.	8/26	2	Pages 2-7, 12-17,27-28	1,48,51	Ch. 2	542
Mon.	8/31	3		4,8,29,40,43,46, 58		
Wed.	9/2	4	pages 4-16 only	3,4,31,43,48,60		
Mon.	9/7		<b>Labor Day - no classes</b>			
Wed.	9/9	5	pages 2-30	16,18,22,30		
Mon.	9/14	6	pages 2-6, 18-19	1,5,29	Ch. 22	
Wed.	9/16	7	Handout only - Don't read Ch.	51,53,56,60	Ch. 22	
Mon.	9/21	8	p. 1-9 and 20-22	1,3,7,20,21		
Wed.	9/23		<b>review &amp; test 1 - test TBA</b>		Ch. 4	
Mon.	9/28	9	Partnerships	5,7,9,10,20,28,30,34,49		541
Wed.	9/30					
Mon.	10/5	10	Partnerships	26,37,45,49,52		
Wed.	10/7				Ch. 3	
Mon.	10/12	11	S Corporations	5-7,14,30,32,34,41		
Wed.	10/14					
Mon.	10/19		<b>Review &amp; Exam 2 TBA</b>			
Wed.	10/21	12	Gifts	6,15,20,33	Ch. 29	
Mon.	10/26					
Wed.	10/28	13	Estates	34,38,40,44,46,49-50,55		
Mon.	11/2				Ch 5	
Wed.	11/4	14	Fiduciary Tax	4,19,22,31,34,35,44,45		
Mon.	11/9					
Wed.	11/11		<b>Veterans Day Holiday, no classes</b>			
Mon.	11/16		<b>Bonus chapters &amp; Extra credit exam</b>			
Wed.	11/18		<b>Review &amp; Exam 3 TBA</b>			
Mon.	11/23					
Wed.	11/25					
Mon.	11/30					
Wed.	12/2		<b>Last day of class</b>			
Mon.	12/7					
Wed.	12/9		Review Test 3			