



Tax Preparation

PROGRAM OUTLINE

PROGRAM GOAL AND OUTCOMES

Program Goal

To prepare students to prepare and file federal tax returns for individuals and small businesses and to provide the skills necessary to accurately complete common tax forms and schedules in compliance with all applicable tax codes and requirements.

Program Outcomes	Course	Evidence of Learning
Recognize and describe laws and regulations related to taxation for both individuals and small businesses and apply these appropriately to the preparation of tax forms	TXP001: Filing Status and Income Basics	Multiple-choice lesson exams
Calculate gross income and identify those elements of income that are included and excluded when making this calculation; identify common itemized deductions including medical expenses, charitable contributions, and others; identify and calculate tax losses; identify and calculate deductible business expenses	TXP002: Property Income and Deductions	Multiple-choice lesson exams
Apply capital gains and losses to property transactions; accurately complete a basic Form 1040 Individual Tax Return with typical itemized deductions for a family	TXP003: Small Business Clients and Returns Filing	Multiple-choice lesson exams; graded project

COURSE DESCRIPTIONS AND OBJECTIVES

SYP102: Starting Your Program

In this course, you'll develop the necessary skills to ensure your success in the program. You'll learn how you can improve your study skills and employ a number of tools that will help you to be successful.

By the end of this course, you'll be able to:

- Identify the skills needed to be a confident and independent online learner

TXP001: Filing Status and Income Basics

To successfully prepare and file federal tax returns, you must understand how to evaluate your business idea and set yourself apart from the competition. Through applying your knowledge of the career opportunities available with this training, you'll use the basics of determining taxable and nontaxable income from common sources and calculating income related to retirement contributions, distributions, rollovers, and more.

By the end of this course, you'll be able to:

- Evaluate whether your business idea is lean enough
- Learn new ways to explore the business activities of your competitors to your advantage
- Understand the reasons for doing market testing designed to fail fast
- Describe the difference between investment funding and donation funding
- Evaluate which qualities of an entrepreneur you already possess
- Explain the difference between crowdfunding and angel investors
- Describe the various categories of taxes common in the United States
- List the types of taxpayers and their responsibilities for filing tax returns and paying taxes
- Discuss realistic career opportunities in tax preparation
- Outline the steps by which a tax preparer completes tax returns
- Describe some of the forms and schedules most commonly used by individual taxpayers
- Define the five filing statuses and the attributes that apply to each
- Explain what types of compensation and fringe benefits are taxable and which ones aren't
- Describe the various types of compensations and the rules relative to each
- Describe the various types of fringe benefits and the rules relative to each
- Determine the taxability of different types of dividends
- Describe the tax treatment of interest instruments
- Discuss alimony and various types of miscellaneous payments taxpayers receive and their taxability
- Describe educational tax benefits and credits available to taxpayers
- Explain the different types of retirement and annuity distributions and discuss rollover rules, withdrawals, government and exempt organizational deferred pay plans, and annuities for employees of tax-exempts and schools
- Discuss traditional IRAs, Roth IRAs, simple IRAs, and SEPS
- Discuss the rules associated with social security and its taxability

TXP002: Property Income and Deductions

While working in tax preparation, you'll handle income deals with the monies earned from the sale or rental of real estate and monies earned as royalties on intellectual properties. You'll also encounter tax deductions and need to itemize them, itemize a return, and understand deductions' connections to different types of losses. This knowledge will also come in handy when you handle certain business expenses, such as travel and entertainment.

By the end of this course, you'll be able to:

- Discuss property classifications, capital gain rates, and holding periods
- Establish which sales and exchanges of property result in a capital gain, capital loss, ordinary gain, or ordinary loss
- Determine how to calculate a property's adjusted basis
- Determine the taxability of installment sales
- Discuss the uses of Form 8949 and Schedule D
- Discuss the various types of tax-free exchanges of property
- Properly report rental income and expenses
- Understand royalties and how they're taxed
- Explain passive activity and at-risk rules
- Review Form 8582, which identifies passive income and losses and helps determine whether passive loss items are deductible
- Acquaint yourself with the provisions relating to residence sales
- Identify adjusted gross income deductions and know the tax rules relating to each
- Discuss the difference between standard and itemized deductions and determine when each should be used
- Explain the various types of itemized deductions and the requirements to qualify for these deductions
- Define terms relevant to these deductions
- Understand how to complete Schedule A and other supporting schedules
- Define what qualifies as a casualty or theft loss
- Explain those expenses related to a taxpayer's job that can be itemized deductions
- Identify miscellaneous itemized expenses
- Discuss tax rules related to travel and entertainment expenses
- Describe tax rules related to personal exemptions

TXP003: Small Business Clients and Returns Filing

If you operate a sole proprietorship or you're self-employed, there are certain tax rules and allowances to keep in mind. Understanding medical and retirement plans, depreciation of business assets, and office expenses is key to success, as is completing a typical tax return before filing. You'll also learn how to identify and apply tax credits as well as review the IRS audit process.

By the end of this course, you'll be able to:

- Discuss Schedule C gross receipts and deductions

- Understand the accounting methods for reporting business income
- Acquaint yourself with Schedule C and Schedule SE
- Discuss the home office deduction
- Discuss the domestic production activities deduction
- Recognize various depreciation methods and how they work
- Explain how to calculate a self-employment tax
- Understand self-employed medical and retirement plans
- Explain how regular taxable income is calculated
- Discuss why the alternative minimum tax was developed and how it's calculated
- Learn how tax credits can reduce tax liability
- Understand tax withholdings and how to calculate estimated taxes
- Compute the kiddie tax
- Describe how to file your return and calculate your tax due or refund
- Understand the IRS audit process

Note: The titles of your learning materials may be different from those listed on your program outline. There's no need to call your instructor about these differences. While the titles of certain learning materials may differ, the educational content is the same. All learning materials are designed to give you the finest education in your field. If you need instructional assistance, however, be sure to call for help. We reserve the right to revise the program of study and the instructional materials and to substitute for the items of equipment offered.