

# ***The Tax Review* 2019 Annual Federal Tax Refresher Course**

## **Learning Objectives/Table of Contents**

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### **Chapter**

#### **1 Tax Cuts and Jobs Act—General Topics, Income/Adjustments, and Schedule C Provisions**

- 1-A** Identify the modification of individual and capital gains tax rates.
- 1-B** Recognize the effect of the change in standard deduction on filing requirements.
- 1-C** Recognize the temporary reduction of the personal exemption amount to zero.
- 1-D** Determine new rules for alimony agreements executed or modified after December 31, 2018.
- 1-E** Apply the suspension of the moving expense deduction for most taxpayers.
- 1-F** Determine the effect of the repeal of the special rule permitting recharacterization of Roth IRA conversions.
- 1-G** Identify certain entertainment expenses that are no longer deductible.
- 1-H** Identify new Section 179 expense deduction limitations.
- 1-I** Calculate the special depreciation allowance using increased limits.
- 1-J** Apply the new luxury auto limitations.
- 1-K** Determine changes to listed property.

#### **2 Tax Cuts and Jobs Act—Itemized Deductions and Credits**

- 2-A** Apply new limits for medical expense deductions.
- 2-B** Compute itemized deductions for state and local taxes for tax year 2018.
- 2-C** Calculate deductible home mortgage interest for tax year 2018.
- 2-D** Calculate charitable contributions for 2018.
- 2-E** Apply the new rule disallowing a charitable deduction for the cost of a right to buy tickets or seating at a college athletic event.
- 2-F** Recognize the effect of repealing the exception to the requirement for contemporaneous written acknowledgement of charitable contributions of \$250 or more.
- 2-G** Compute casualty and theft losses for federally-declared disaster areas.
- 2-H** Analyze deductions after repeal of the provision allowing miscellaneous itemized deductions subject to 2% of AGI.
- 2-I** Compute itemized deductions after the repeal of AGI limitations.
- 2-J** Compute the Child Tax Credit using higher limits under the Tax Cuts and Jobs Act.
- 2-K** Compute phaseouts and refundable/nonrefundable amounts under the Child Tax Credit.
- 2-L** Apply new Social Security Number requirements for the Child Tax Credit.
- 2-M** Analyze the effects of the expansion of the Child Tax Credit into the new Family Tax Credit.

#### **3 Tax Cuts and Jobs Act—Overview Topics**

- 3-A** Identify the increased alternative minimum tax (AMT) exemption and phaseout amounts.
- 3-B** Determine the new qualified business income deduction.
- 3-C** Identify new tax rates for Kiddie Tax.
- 3-D** Recognize additional expenses that are qualified distributions and new limitations for IRC section 529 college savings plans.
- 3-E** Identify changes to Achieving a Better Life Experience (ABLE) savings accounts.
- 3-F** Apply new rules for exclusion of student loan debt forgiveness.
- 3-G** Apply the new net operating loss (NOL) limitations.
- 3-H** Determine the changes made to Affordable Care Act (ACA) provisions regarding the individual mandate and shared responsibility payment.
- 3-I** Determine modifications to certain employer fringe benefits and deductions.
- 3-J** Determine the new depreciation rules for qualified improvement property.

# ***The Tax Review* 2019 Annual Federal Tax Refresher Course**

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### **Chapter**

#### **4 General Review**

- 4-A** Apply inflation adjustments to tax computations.
- 4-B** Determine where to report earnings on Form 1040.
- 4-C** Recognize when Part III, Schedule B (Form 1040), must be completed for foreign accounts and trusts.
- 4-D** Define self-employment income and expenses.
- 4-E** Determine whether an activity is a for-profit business or a hobby for purposes of deducting losses.
- 4-F** Compute allowable expenses for business use of the home under either the regular method or the simplified method.
- 4-G** Recognize Schedule C recordkeeping requirements.
- 4-H** Determine taxability of Social Security benefits and retirement income.
- 4-I** Report capital gains and losses on Schedule D (Form 1040) and Form 8949.
- 4-J** Determine eligibility for the Child and Dependent Care Credit, education credits, and Earned Income Credit.

#### **5 Credits, Payments, and Practices**

- 5-A** Determine how to report tax payments on Form 1040.
- 5-B** Distinguish payment and refund options available when filing Form 1040.
- 5-C** Identify tax return due dates for tax year 2018.
- 5-D** Recognize steps to be taken by victims of taxpayer identity theft.
- 5-E** Identify measures to safeguard taxpayer data.
- 5-F** Recognize proper usage of Individual Tax Identification Numbers (ITINs).

#### **6 Procedures and Rules of Professional Responsibility**

- 6-A** Identify actions that may result in preparer penalties.
- 6-B** Recognize due diligence procedures for the Head of Household filing status, Earned Income Credit (EIC), Child Tax Credit, and American Opportunity Credit.
- 6-C** Recognize the steps necessary to comply with e-file procedures.
- 6-D** Determine Annual Filing Season Program – Record of Completion requirements.
- 6-E** Identify limited representation rights for AFSP participants.

# ***The Tax Review* Advanced Business Topics**

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### **Chapter**

#### **1 Advanced Depreciation Topics**

- 1-A** Compute short-year depreciation.
- 1-B** Differentiate between leases and conditional sales contracts.
- 1-C** Determine the new rules for qualified improvement property.
- 1-D** Recognize when a depreciation error may be corrected by filing an amended return.
- 1-E** Identify accounting method changes related to depreciation.

#### **2 Advanced Payroll Topics**

- 2-A** Determine an employer's filing requirements for payroll tax withholding.
- 2-B** Identify when to make a timely payroll tax deposit.
- 2-C** Describe actions a payee must take after being notified by the IRS that a payee may be subject to backup withholding.
- 2-D** Recognize who may be considered a responsible person liable for the trust fund recovery penalty.
- 2-E** Define an employer's proper tax treatment of employee tips.

#### **3 Sales, Dispositions, and Liquidations**

- 3-A** Classify assets upon sale of a business for reporting on Form 8594, *Asset Acquisition Statement*.
- 3-B** Identify situations favoring the sale or purchase of assets vs stock when transacting the sale of a business.
- 3-C** Determine the correct tax treatment of gain or loss resulting from the sale of business assets.
- 3-D** Recognize types of income associated with the sale of a business that may be subject to self-employment tax.
- 3-E** Calculate the correct ordinary income amount due to depreciation recapture.

#### **4 Other Advanced Business Topics**

- 4-A** Compute excess net passive income for purposes of the excess net passive income tax.
- 4-B** Identify rules under various personal service corporation provisions.
- 4-C** Recognize reasonable needs allowing for a corporation to accumulate earnings while avoiding the accumulated earnings tax.
- 4-D** Distinguish types of income that might subject a corporation to the personal holding company tax.
- 4-E** Classify a grouping of corporations connected by common ownership.

# ***TheTaxReview* Alternative Minimum Tax (AMT)**

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### **Chapter**

#### **A Learning Objective A**

Recognize the components used to calculate AMT.

#### **B Learning Objective B**

Identify adjustments and preferences that can trigger individual AMT.

#### **C Learning Objective C**

Compute the difference between regular tax and AMT for common adjustment or preference items.

#### **D Learning Objective D**

Compute the Credit for Prior-Year Minimum Tax.

#### **E Learning Objective E**

Recognize the impact of the Tax Cuts and Jobs Act on corporate AMT.

# ***The Tax Review* Avoid Ethical Violations**

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### **Chapter**

#### **1 Tax Compliance**

- 1-A** Recognize the disciplinary sanctions the Office of Professional Responsibility can impose on tax professionals for violating regulations.
- 1-B** Recognize sanctions for a practitioner's failure to file federal tax returns.
- 1-C** Recognize sanctions for a practitioner's failure to remit funds for the payment of taxes.
- 1-D** Identify sanctions for a practitioner willfully failing to sign a tax return.
- 1-E** Identify sanctions for a practitioner willfully preparing a tax return without a valid preparer tax identification number (PTIN).

#### **2 Practitioner Conduct**

- 2-A** Identify sanctions for giving false or misleading information to IRS personnel.
- 2-B** Recognize sanctions for knowingly assisting in an understatement of tax.
- 2-C** Recognize sanctions for executing tax fraud schemes.
- 2-D** Identify sanctions for asserting frivolous positions.
- 2-E** Identify sanctions for knowingly aiding and abetting another person to practice before the IRS during a period of suspension.

# ***The Tax Review* Basics of Depreciation**

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### **Chapter**

#### **1 Overview of Depreciation**

- 1-A** Identify the requirements to depreciate tangible property.
- 1-B** Identify the requirements to amortize intangible property.
- 1-C** Compute the basis of depreciable property.
- 1-D** Differentiate whether an expense is a deductible repair or a depreciable improvement.
- 1-E** Recognize safe harbor elections under the repair regulations.

#### **2 Section 179 and Special Depreciation**

- 2-A** Recognize what is considered qualified property for claiming the Section 179 deduction.
- 2-B** Recognize what is considered qualified property for claiming the special depreciation deduction.
- 2-C** Identify the Section 179 and special depreciation deduction limitations.
- 2-D** Select the proper procedures to claim a Section 179 or special depreciation deduction.
- 2-E** Apply the correct ordering rules for depreciation deductions.

#### **3 Computing Depreciation**

- 3-A** Select the applicable recovery period for asset types.
- 3-B** Choose the applicable convention for property types.
- 3-C** Apply the applicable depreciation method for property classes.
- 3-D** Compute the depreciation deduction.
- 3-E** Identify when depreciation recapture is necessary.

#### **4 Listed Property**

- 4-A** Identify property that is considered listed property.
- 4-B** Recognize the business-use requirement as it relates to listed property.
- 4-C** Calculate the annual depreciation deduction when passenger automobile limits apply using prior law.
- 4-D** Calculate the annual depreciation deduction when passenger automobile limits apply using the TCJA.
- 4-E** Calculate the inclusion amount for leased automobiles.

# ***The Tax Review* Business Entities**

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### **Chapter**

#### **1 C Corporations**

- 1-A** Define requirements for nontaxable transfers to corporations under section 351.
- 1-B** Identify the reporting requirements of a section 351 transfer.
- 1-C** Determine the tax treatment of loans between shareholders and C corporations.
- 1-D** Recognize the effect of earnings and profits (E&P) on corporation distributions.
- 1-E** Determine how to report stock distributions from C corporations.

#### **2 S Corporations**

- 2-A** Identify rules for making the election to be taxed as an S corporation.
- 2-B** Recognize how to request relief for a late S corporation election.
- 2-C** Identify the effect distributions have on an S corporation shareholder's basis.
- 2-D** Determine the taxability of S corporation distributions.
- 2-E** Recognize events that will cause an S corporation election to terminate.

#### **3 Partnerships**

- 3-A** Identify separately stated items of partnership income or loss.
- 3-B** Identify how to report separately stated items on Schedule K-1 (Form 1065), *Partner's Share of Income, Deductions, Credits, etc.*
- 3-C** Identify recourse liabilities of partnerships.
- 3-D** Determine the effect of partnership liabilities on a partner's basis in the partnership.
- 3-E** Determine gain or loss on distributions made to a partner.

#### **4 Exempt Organizations**

- 4-A** Determine whether an entity qualifies as a tax-exempt organization.
- 4-B** Recognize procedures to file an application of exemption.
- 4-C** Identify the recordkeeping and disclosure requirements for a tax-exempt organization.
- 4-D** Determine unrelated business income of exempt organizations.
- 4-E** Identify annual filing requirements for a tax-exempt organization.

# ***TheTaxReview* California Tax Review for CRTPs**

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### **Chapter**

#### **1 Residency Requirements**

- 1-A** Determine residency status for California individuals.
- 1-B** Determine residency of a taxpayer present in California for temporary or transitory purposes.
- 1-C** Identify exceptions to the general residency rules for specific professions.
- 1-D** Calculate California tax for nonresidents and part-year residents.
- 1-E** Classify categories of income as taxable or nontaxable by the state of California.

#### **2 Filing Requirements**

- 2-A** Determine taxpayer's filing status.
- 2-B** Determine 2017 filing requirements for California tax returns.
- 2-C** Determine filing requirements for residents of or individuals in foreign countries.
- 2-D** Identify California filing issues for military personnel.
- 2-E** Identify California filing issues for registered domestic partners (RDPs).

#### **3 Community Property and Married/RDP Filing Separately**

- 3-A** Identify community property rules for California.
- 3-B** Distinguish community or separate property and income.
- 3-C** Determine the division of income, deductions, and credits for California individuals filing separate returns.
- 3-D** Compute the division of income for California taxpayers filing separate returns.
- 3-E** Identify differences between California tax law and federal tax law for individuals filing Married/RDP Filing Separately.

#### **4 Deductions, Exemption Credits, and Adjustments**

- 4-A** Determine the California standard deduction.
- 4-B** Calculate California itemized deductions.
- 4-C** Calculate total exemption credits available per taxpayer.
- 4-D** Identify California differences for adjustments to federal income.
- 4-E** Identify California adjustments for registered domestic partners (RDPs).

#### **5 Credits, AMT, and Other Taxes**

- 5-A** Identify California tax credits available for personal income tax purposes.
- 5-B** Determine eligibility for the California Child and Dependent Care Credit.
- 5-C** Determine eligibility for California credits available for low-income taxpayers.
- 5-D** Recognize when California alternative minimum tax (AMT) or Mental Health Services Tax applies to certain taxpayers.
- 5-E** Identify purchases subject to California use tax.



# ***TheTaxReview* California Tax Update for CRTPs**

## **Learning Objectives/Table of Contents**

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### **Chapter**

#### **1 What's New for 2015**

- 1-A** Determine a taxpayer's eligibility to claim the new California Earned Income Credit.
- 1-B** Recognize when the new California Form FTB 3532, *Head of Household Filing Status Schedule*, must be filed.
- 1-C** Recognize the new requirement for claiming an exemption credit for a dependent.
- 1-D** Calculate the tax benefit of claiming the enhanced College Access Tax Credit.
- 1-E** Recognize information available through the enhanced online *MyFTB* system.

#### **2 General California Updates**

- 2-A** Determine residency status for California individuals.
- 2-B** Determine 2015 filing requirements for California tax returns.
- 2-C** Choose the correct filing status for same-sex married couples.
- 2-D** Identify deductible and nondeductible real property tax for California tax purposes.
- 2-E** Identify California treatment of a net operating loss (NOL).

#### **3 Federal Conformity and California Adjustments**

- 3-A** Recognize the date to which California tax law conforms to the Internal Revenue Code.
- 3-B** Classify addition or subtraction adjustments from federal adjusted gross income for California tax purposes.
- 3-C** Determine taxability of retirement income for California tax purposes.
- 3-D** Identify itemized deduction differences between California tax law and federal tax law.
- 3-E** Identify the principal residence debt exclusion differences between California tax law and federal tax law.

#### **4 General Federal Updates**

- 4-A** Recognize the requirements for the IRS Annual Filing Season Program.
- 4-B** Determine a taxpayer's eligibility for claiming the Premium Tax Credit.
- 4-C** Compare the regular method for computing the business use of home deduction with the optional simplified method.
- 4-D** Identify filing requirements for individuals with interests in foreign financial bank accounts.
- 4-E** Recognize rules for loan modifications for home owners under the Home Affordable Modification Program (HAMP).

#### **5 Circular 230**

- 5-A** Recognize the various types of tax preparers and their rights in practice before the IRS under Circular 230.
- 5-B** Identify how the IRS ensures competence of tax practitioners under Circular 230.
- 5-C** Identify the IRS exemption granted to CTEC Registered Tax Preparers (CRTPs).
- 5-D** List the responsibilities of individuals with principal authority for overseeing a tax firm's practice to ensure the members, associates, and employees comply with Circular 230.
- 5-E** Recognize certain requirements regarding communication with clients, advertising, and contingent fees under Circular 230.

# ***The Tax Review* Circular 230 Ethics**

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### **Chapter**

#### **1 Tax Preparers and Clients**

**1-A** Recognize individuals who can represent taxpayers before the Internal Revenue Service.

**1-B** Identify the requirements to become an Enrolled Agent.

**1-C** Distinguish the factors required for an individual, who is not otherwise eligible to practice before the IRS, to represent a taxpayer.

**1-D** Identify the due diligence requirements for a practitioner.

**1-E** Recognize the requirements regarding communications with clients, advertising, and contingent fees.

#### **2 Tax Preparer Conduct**

**2-A** Identify conflicts of interest and how to handle them.

**2-B** Identify factors of incompetence or disreputable conduct by a practitioner.

**2-C** Recognize the penalties which may be imposed by the IRS for incompetence or disreputable conduct.

**2-D** Apply the requirements for disclosure and use of taxpayer information.

**2-E** Specify the components of consent to release tax information to a third party.

# ***The Tax Review* Clients With Children**

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### **Chapter**

#### **1 Dependency and Filing Requirements**

- 1-A** Distinguish between a qualifying child and a qualifying relative for dependency purposes.
- 1-B** Determine eligibility for a taxpayer to claim Head of Household filing status or Qualifying Widow(er) filing status.
- 1-C** Determine if a dependent is required to file a tax return when he or she has earned income.
- 1-D** Apply the tie-breaker rules for a dependent claimed by more than one taxpayer.
- 1-E** Identify who may be claimed as a dependent by legal guardians, including foster parents.

#### **2 Credits Based on Children**

- 2-A** Identify qualifying children for purposes of claiming the Earned Income Credit (EIC).
- 2-B** Determine a taxpayer's eligibility for claiming a credit or exclusion for child and dependent care expenses.
- 2-C** Recognize children who are qualifying children for purposes of the Child Tax Credit.
- 2-D** Determine eligibility for claiming a credit or exclusion for the adoption of a child.
- 2-E** Recognize education credits available for children in college.

#### **3 Child Tax Issues**

- 3-A** Recognize when Kiddie Tax applies to the income of a taxpayer's child.
- 3-B** Calculate Kiddie Tax using trust tax rates.
- 3-C** Determine who is responsible for filing a tax return and paying tax owed for a child.
- 3-D** Assess when a child may be subject to the alternative minimum tax (AMT).
- 3-E** Identify rules for providing healthcare coverage to adult children.

#### **4 Divorce or Separation**

- 4-A** Identify dependents of parents who are divorced, separated, or were never married.
- 4-B** Determine whether payments made by a former spouse are child support payments.
- 4-C** Identify the custodial parent when a child lives with both parents during the year.
- 4-D** Identify the tax effects on filing status and dependency when a custodial parent releases the claim for dependency for a child.
- 4-E** Recognize the rules for claiming medical expenses for a child of divorced or separated parents.

# ***TheTaxReview* Clients With Unpaid Taxes**

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### **Learning Objective**

#### **A Learning Objective A**

Determine penalties for missing tax payment deadlines.

#### **B Learning Objective B**

Recognize when a taxpayer qualifies for an Online Payment Agreement (OPA).

#### **C Learning Objective C**

Identify situations where a taxpayer is eligible for a guaranteed installment agreement to pay tax owed.

#### **D Learning Objective D**

Recognize ways a federal tax lien can be removed.

#### **E Learning Objective E**

Identify requirements for submitting an offer in compromise to settle a tax debt for less than the full amount owed.

# ***TheTaxReview* Corporate Formalities**

## **Learning Objectives / Table of Contents**

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### **Learning Objective**

#### **A Learning Objective A**

Recognize characteristics of a corporation.

#### **B Learning Objective B**

Identify actions necessary to maintain the integrity of the corporate structure.

#### **C Learning Objective C**

Recognize activities which could jeopardize the corporate liability veil.

#### **D Learning Objective D**

Analyze factors involved in determining reasonable compensation for corporate shareholders.

#### **E Learning Objective E**

Identify ways in which the IRS may reclassify payments to shareholders if corporate formalities are not followed.

# ***TheTaxReview* Crowdfunding**

## **Learning Objectives/Table of Contents**

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### **Learning Objective**

**A Learning Objective A**

Analyze transactions resulting from crowdfunding campaigns.

**B Learning Objective B**

Identify donations to a crowdfunding campaign that are gifts.

**C Learning Objective C**

Determine the tax deductibility of contributions to crowdfunded causes.

**D Learning Objective D**

Compute tax effects of crowdfunding based on the crowdfunding model used.

**E Learning Objective E**

Recognize when Form 1099-K, *Payment Card and Third Party Network Transactions*, is required to be issued to recipients of crowdfunding contributions.

# ***TheTaxReview* Data Security**

## **Learning Objectives/Table of Contents**

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### **Learning Objective**

#### **A Learning Objective A**

Identify the characteristics of common identity theft scams that target taxpayers.

#### **B Learning Objective B**

Recognize information security threats to businesses and tax professionals.

#### **C Learning Objective C**

Describe the steps that should be taken by a victim of tax-related identity theft.

#### **D Learning Objective D**

Define data privacy standards established under the Gramm-Leach-Bliley Act of 1999.

#### **E Learning Objective E**

Recognize IRS criminal investigation areas related to identity theft.

# ***TheTaxReview* Daycare Providers**

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### **Learning Objective**

**A Learning Objective A**

Recognize ways in which the IRS may reconstruct the income of a daycare provider.

**B Learning Objective B**

Identify deduction requirements for common daycare expenses.

**C Learning Objective C**

Compute the business use of the home percentage for the actual expense method.

**D Learning Objective D**

Calculate the business use of the home deduction using the simplified method.

**E Learning Objective E**

Choose the proper reporting method to account for meals provided to daycare recipients.



# *TheTaxReview* Death of a Taxpayer Learning Objectives/Table of Contents

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## Learning Objective

### **A Learning Objective A**

Classify a decedent's probate and nonprobate assets.

### **B Learning Objective B**

Recognize duties of the personal representative.

### **C Learning Objective C**

Determine how to report income in the year of death.

### **D Learning Objective D**

Identify final filing requirements for decedents.

### **E Learning Objective E**

Identify Form 706 filing requirements for large estates and those electing portability of the deceased spousal unused exclusion (DSUE).

# ***TheTaxReview* Direct Sellers**

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### **Learning Objective**

- A Learning Objective A**  
Recognize the characteristics of a direct seller.
  
- B Learning Objective B**  
Identify types of income for a direct seller.
  
- C Learning Objective C**  
Categorize expenses for a direct seller.
  
- D Learning Objective D**  
Compute net profit (or loss) for a direct seller.
  
- E Learning Objective E**  
Recognize the not-for-profit limitation.

# ***TheTaxReview* Disclosing Client Information**

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### **Chapter**

#### **1 Use and Disclosure of Tax Return Information**

- 1-A** Identify disclosure and use of tax return information.
- 1-B** Determine permissible disclosure or use of tax return information without consent.
- 1-C** Identify rules for consents to disclose or use tax return information.
- 1-D** Apply prescribed safeguards for verifying an electronic signature.
- 1-E** Identify criminal and civil penalties for unauthorized disclosure or use of tax return information.

#### **2 Protecting Client Information**

- 2-A** Determine privacy and security rules applicable to tax preparers.
- 2-B** Apply methods to safeguard client information.
- 2-C** Choose steps to address stolen or lost client information.
- 2-D** Recognize steps taken by the IRS to minimize identity theft.
- 2-E** Recognize the most common types of tax scams.

# ***TheTaxReview* Divorced Taxpayers**

## **Learning Objectives/Table of Contents**

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### **Learning Objective**

#### **A Learning Objective A**

Determine filing status options for divorced taxpayers.

#### **B Learning Objective B**

Determine which parent qualifies to claim a child in divorce situations.

#### **C Learning Objective C**

Determine whether payments made by divorced or separated taxpayers qualify as alimony.

#### **D Learning Objective D**

Recognize the tax consequences of retirement benefits paid under a qualified domestic relations order (QDRO).

#### **E Learning Objective E**

Identify conflicts of interest and how to handle them in divorce situations.

# ***TheTaxReview* Estates**

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### **Chapter**

#### **1 Death of a Taxpayer**

**1-A** Recognize duties of the personal representative.

**1-B** Determine when an estate begins and ends.

**1-C** Identify inheritance income for beneficiaries.

**1-D** Compute the basis of inherited property.

**1-E** Recognize estate filing requirements.

#### **2 Estate Income Tax Return (Form 1041)**

**2-A** Classify income reported by an estate.

**2-B** Identify deductions available to an estate.

**2-C** Calculate an estate's distributable net income (DNI).

**2-D** Explain the treatment of losses in an estate.

**2-E** Determine Schedule K-1 requirements for beneficiaries of estates.

# ***TheTaxReview* Ethical Violations— Hot Buttons**

## **Learning Objectives/ Table of Contents**

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### **Chapter**

#### **1 Authority of the IRS Office of Professional Responsibility**

- 1-A** Recognize which tax preparers are subject to rules relating to practice before the IRS.
- 1-B** Identify the responsible individual within a firm for overseeing the firm's compliance with Treasury Circular 230.
- 1-C** Determine principles of tax practitioner due diligence.
- 1-D** Identify actions authorized by filing Form 2848, *Power of Attorney and Declaration of Representative*.
- 1-E** Identify actions that are not allowed by an individual who is under suspension or disbarment from practice before the IRS.

#### **2 Areas of Ethical Concern for Tax Preparers**

- 2-A** Recognize responsibilities of practitioners in Treasury Circular 230 discipline cases.
- 2-B** Determine best practices for those who advise clients in preparing submissions to the IRS.
- 2-C** Identify whether a conflict of interest exists when a tax professional represents a client before the IRS.
- 2-D** Identify the conditions that must be met to represent taxpayers when a conflict of interest is identified.
- 2-E** Determine the deductibility of expenses incurred by marijuana-related businesses in states where marijuana is legal.

# ***TheTaxReview* Farmers**

## **Learning Objectives/Table of Contents**

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### **Learning Objective**

**A Learning Objective A**

Determine the proper method of accounting for farming activities.

**B Learning Objective B**

Report income from farming activities on the proper forms and schedules.

**C Learning Objective C**

Identify characteristics of certain agricultural program payments.

**D Learning Objective D**

Calculate deductible farm expenses for personal use and prepaid supplies.

**E Learning Objective E**

Explain how to calculate income averaging for farmers and fishermen.

# ***The Tax Review* Foreclosures, Repossessions, and Cancelled Debt Learning Objectives / Table of Contents**

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## **Chapter**

### **1 Cancelled Debt**

- 1-A** Differentiate between recourse and nonrecourse debt.
- 1-B** Recognize situations in which Forms 1099-A or 1099-C may be issued.
- 1-C** Determine the extent to which a taxpayer is insolvent.
- 1-D** Choose the correct form on which to report income from cancellation of debt.
- 1-E** Apply exceptions to cancelled debt as income.

### **2 Foreclosures, Repossessions, and Secured Debt**

- 2-A** Recognize when a taxpayer may receive both Forms 1099-A and 1099-C or just Form 1099-C.
- 2-B** Determine where to report dispositions of property securing debt.
- 2-C** Recognize tax effects of a loan modification.
- 2-D** Report cancelled debt on the disposition of a taxpayer's principal residence.
- 2-E** Distinguish between foreclosures and short sales.

### **3 Apply Exclusions to Reduce Tax Attributes With Form 982**

- 3-A** Recognize elections available with Form 982.
- 3-B** Identify exclusions from cancellation of debt income specific to bankruptcy.
- 3-C** Identify exclusions from cancellation of debt income specific to real property.
- 3-D** Apply the election to reduce basis first when excluding debt cancellation income.
- 3-E** Calculate the reduction in tax attributes when excluding debt cancellation income.



# ***TheTaxReview* Guide to IRS Collections**

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### **Learning Objective**

#### **A Learning Objective A**

Identify actions the IRS can take to ensure a client's tax bill is paid.

#### **B Learning Objective B**

Recognize when a taxpayer's property is subject to an IRS levy.

#### **C Learning Objective C**

Determine a taxpayer's minimum allowable living expenses to be considered by the IRS when taking collection action.

#### **D Learning Objective D**

Compute the wages exempt from an IRS levy.

#### **E Learning Objective E**

Recognize situations where an individual may be subject to the trust fund recovery penalty for unpaid employment taxes.

# ***The Tax Review* Health Care Reform**

## **Learning Objectives / Table of Contents**

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### **Chapter**

#### **1 Tax Provisions Affecting Individuals**

- 1-A** Determine the requirements for minimum essential health care coverage for individuals.
- 1-B** Identify the maximum amount of the shared responsibility payment (penalty) for individuals.
- 1-C** Recognize eligibility for the Premium Tax Credit.
- 1-D** Recognize eligibility for a cost-sharing subsidy for individuals.
- 1-E** Determine a taxpayer's liability for the additional Medicare tax on earned income.
- 1-F** Determine a taxpayer's liability for the net investment income tax (NIIT).
- 1-G** Recognize health care coverage eligibility for adult children.

#### **2 Tax Provisions Affecting Employers**

- 2-A** Identify information reported to employees by employers who provide minimum essential health care coverage.
- 2-B** Identify rules for health reimbursement arrangements (HRAs) under the Affordable Care Act.
- 2-C** Compute the Credit for Small Employer Health Insurance.
- 2-D** Recognize information reporting requirements for applicable large employers.
- 2-E** Recognize large employers subject to the employer shared responsibility provisions (employer mandate).

#### **3 Health Coverage Information Reporting Forms**

- 3-A** Identify the information reported on Form 1095-A, *Health Insurance Marketplace Statement*.
- 3-B** Identify which taxpayers receive Form 1095-B, *Health Coverage*.
- 3-C** Recognize information reported on Form 1095-C, *Employer-Provided Health Insurance Offer and Coverage*.
- 3-D** Recognize health coverage exemptions reported on Form 8965, *Health Coverage Exemptions*.
- 3-E** Compute the shared responsibility payment (penalty).

#### **4 Application of the Premium Tax Credit**

- 4-A** Compute the net Premium Tax Credit on Form 8962, *Premium Tax Credit (PTC)*.
- 4-B** Identify how the Premium Tax Credit interacts with the self-employed health insurance deduction.
- 4-C** Compute repayment for excess advance payment of the Premium Tax Credit.

# ***TheTaxReview* High-Income and Wealth Learning Objectives/Table of Contents**

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## **Learning Objective**

### **A Learning Objective A**

Recognize strategies which can help wealthy taxpayers reduce taxes.

### **B Learning Objective B**

Determine when a taxpayer is liable for the additional Medicare tax .

### **C Learning Objective C**

Identify the factors involved in computing the net investment income tax.

### **D Learning Objective D**

Identify various tax planning strategies from which high-income taxpayers can benefit.

### **E Learning Objective E**

Recognize the benefit of making the deceased spousal unused exclusion (DSUE) election.

# ***TheTaxReview* Hobby Loss Rules**

## **Learning Objectives/Table of Contents**

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### **Chapter**

#### **A Learning Objective A**

Analyze relevant factors used to determine whether an activity is a hobby or a for-profit business for purposes of deducting losses.

#### **B Learning Objective B**

Identify questions which will help a taxpayer implement strategies to establish an activity as a for-profit business.

#### **C Learning Objective C**

Determine where to report income from a hobby activity.

#### **D Learning Objective D**

Recognize the facts and circumstances which allow a taxpayer to aggregate separate activities.

#### **E Learning Objective E**

Analyze court decisions to determine how hobby loss rules apply to real-life situations.

# ***The Tax Review* Income, Deductions, and Credits**

## **Learning Objectives / Table of Contents**

---

### **Chapter**

#### **1 Dependents, Filing Status, and Credits**

- 1-A** Identify the requirements for an individual to be considered a dependent.
- 1-B** Determine eligibility to claim Head of Household filing status.
- 1-C** Determine eligibility to claim Qualifying Widow(er) filing status.
- 1-D** Recognize a qualifying child for the Earned Income Credit (EIC).
- 1-E** Identify a qualifying child for the Child Tax Credit.

#### **2 Itemized Deductions**

- 2-A** Identify deductible medical expenses.
- 2-B** Identify allowable deductions for state and local taxes.
- 2-C** Determine the tax effects of gambling winnings and losses.
- 2-D** Recognize the changes to the mortgage interest deduction under the Tax Cuts and Jobs Act.
- 2-E** Calculate the amount of investment interest that is deductible.

#### **3 Education Expenses**

- 3-A** Choose the most beneficial option for claiming education expenses.
- 3-B** Determine the taxability of distributions from education savings programs.
- 3-C** Compute what savings bond interest can be excluded from income for education expenses.
- 3-D** Determine the qualifications to claim the student loan interest deduction.
- 3-E** Use Form 1098-T, *Tuition Statement*, to compute eligible expenses for education credits or deductions.

#### **4 Investment Income and Sale of Home**

- 4-A** Recognize the Kiddie Tax rates under the Tax Cuts and Jobs Act.
- 4-B** Recognize interest as ordinary, tax-exempt, or obligations of the U.S. government.
- 4-C** Classify dividends as ordinary, qualified, or as a nondividend distribution.
- 4-D** Compute the exclusion of gain on the sale of a principal residence.
- 4-E** Recognize reporting requirements for the sale of a principal residence.

# ***TheTaxReview* Individual Tax Prep 101**

## **Learning Objectives/Table of Contents**

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### **Chapter**

#### **1 Filing Status, Filing Requirements, Exemptions**

- 1-A** Recognize the rules for filing as Single, Qualifying Widow(er), Married Filing Jointly, or Married Filing Separately.
- 1-B** Recognize the rules for filing as Head of Household.
- 1-C** Identify filing requirements based on filing status and income.
- 1-D** Determine who can be claimed as a dependent.
- 1-E** Recognize the special dependency rules for divorced or separated parents.

#### **2 Income**

- 2-A** Identify taxable and nontaxable income.
- 2-B** Differentiate between taxable and nontaxable retirement income.
- 2-C** Apply the rules for determining if Social Security income is taxable.
- 2-D** Determine the taxability of alimony payments.
- 2-E** Determine when cancellation of debt income is taxable.

#### **3 Itemized Deductions**

- 3-A** Compute deductible medical expenses and taxes paid.
- 3-B** Apply the rules for deducting mortgage interest.
- 3-C** Recognize the limits for deducting charitable contributions.
- 3-D** Recognize the rules for casualty and theft losses to be deductible.
- 3-E** Identify deductible miscellaneous expenses.

#### **4 Credits**

- 4-A** Recognize the requirements for claiming the Earned Income Credit.
- 4-B** Compute the Child and Dependent Care Credit.
- 4-C** Recognize who can claim the Child Tax Credit.
- 4-D** Compute the Retirement Savings Contribution Credit.
- 4-E** Apply the rules for claiming education tax credits.

# ***TheTaxReview* Individual Tax Prep 201**

## **Learning Objectives/Table of Contents**

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### **Chapter**

#### **1 Adjustments to Income**

- 1-A** Compute adjustments to income for self-employed taxpayers.
- 1-B** Recognize education-related adjustments to gross income.
- 1-C** Compute the deduction for contributions to a health savings account.
- 1-D** Determine deductible amounts for contributions to IRAs.
- 1-E** Identify other adjustments to gross income including alimony and moving expenses.

#### **2 Gain/Loss**

- 2-A** Compute gain or loss on the sale of nonbusiness assets.
- 2-B** Compute basis of assets sold.
- 2-C** Determine whether gain on the sale of a principal residence is taxable.
- 2-D** Compute a reduced maximum exclusion on the sale of a principal residence if the ownership and use tests are not fully met.
- 2-E** Apply factors relating to nonqualified use of a principal residence when computing the exclusion of gain.

#### **3 Other Taxes**

- 3-A** Determine whether a taxpayer is subject to alternative minimum tax (AMT).
- 3-B** Compute net income from self-employment and self-employment tax.
- 3-C** Determine whether a penalty applies for early distribution from a retirement plan.
- 3-D** Apply additional Medicare tax on earned income above threshold amounts.
- 3-E** Apply net investment income tax (NIIT) to investment income above threshold amounts.

#### **4 Penalties, Extensions, Collections, Amended Returns**

- 4-A** Compute the penalty for underpayment of tax.
- 4-B** Compute the penalty for late filing of an income tax return.
- 4-C** Recognize due date extensions for certain taxpayers.
- 4-D** Identify situations where the taxpayer will be subject to IRS collection action.
- 4-E** Determine whether an amended return would be required or beneficial for a taxpayer.

# ***TheTaxReview* Innocent or Injured Spouse Relief**

## **Learning Objectives/Table of Contents**

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### **Learning Objective**

#### **A Learning Objective A**

Determine whether an innocent spouse or injured spouse classification applies to a taxpayer's situation.

#### **B Learning Objective B**

Recognize the steps in filing Form 8857, *Request for Innocent Spouse Relief*.

#### **C Learning Objective C**

Recognize the steps in filing Form 8379, *Injured Spouse Allocation*.



# ***TheTaxReview* Like-Kind Exchanges**

## **Learning Objectives/Table of Contents**

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### **Learning Objective**

**A Learning Objective A**

Identify property that qualifies for a like-kind exchange.

**B Learning Objective B**

Compute the basis of property acquired in a like-kind exchange.

**C Learning Objective C**

Determine the recovery period for property acquired in a like-kind exchange under default rules.

**D Learning Objective D**

Identify the depreciable basis of an exchanged property if a taxpayer elects out of applying the default rules for a like-kind exchange.

**E Learning Objective E**

Calculate the gain or loss on the trade-in of a vehicle under the Tax Cuts and Jobs Act.

# ***TheTaxReview* Limited Liability Companies (LLCs)**

## **Learning Objectives/Table of Contents**

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### **Learning Objective**

**A Learning Objective A**

Identify the characteristics of LLCs.

**B Learning Objective B**

Use default rules for classification of LLCs.

**C Learning Objective C**

Recognize the effects of elections available for tax treatment of LLCs.

**D Learning Objective D**

Apply tax rules for LLCs classified as partnerships.

**E Learning Objective E**

Utilize tax rules for LLCs classified as corporations.

# ***The Tax Review* Military Personnel Learning Objectives / Table of Contents**

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## **Chapter**

### **1 Military Income and Filing Requirements**

- 1-A** Recognize filing requirements for servicemembers.
- 1-B** Identify deadline extensions specific to servicemembers.
- 1-C** Distinguish residency for servicemembers.
- 1-D** Identify income exclusions for servicemembers.
- 1-E** Recognize certain adjustments to income for servicemembers.

### **2 Combat Zones, Retirement, Disability, and Death**

- 2-A** Determine applicable combat zone tax provisions.
- 2-B** Distinguish taxable military retirement pay.
- 2-C** Identify nontaxable VA disability pay.
- 2-D** Recognize foreign-source income reporting requirements.
- 2-E** Identify tax forgiveness requirements for deceased servicemembers.

# ***TheTaxReview* Minimize Business Tax Liability**

## **Learning Objectives/Table of Contents**

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### **Chapter**

#### **1 Business Ownership**

- 1-A** Identify asset allocations which will benefit the seller vs. the buyer in a business asset sale.
- 1-B** Differentiate funding arrangements for buy-sell agreements and recognize a qualified stock redemption.
- 1-C** Calculate the allowable ordinary loss from a section 1244 loss.

#### **2 Deducting Asset Costs**

- 2-A** Recognize the difference between a repair and an improvement.
- 2-B** Calculate the tax savings that can result from a cost segregation study.
- 2-C** Identify the advantages and disadvantages of buying vs. leasing a vehicle.

#### **3 Maximize Business Deductions**

- 3-A** Recognize strategies for properly dealing with business expenses paid with personal funds.
- 3-B** Differentiate travel days as deductible business days or nondeductible personal days.
- 3-C** Distinguish rental income as passive or nonpassive and calculate the allowed expense under the self-rental rule.

#### **4 Miscellaneous Business Topics**

- 4-A** Recognize a client situation which might generate a tax benefit by converting to an S corporation.
- 4-B** Identify taxpayers having the ability to select a tax year other than a calendar year.
- 4-C** Identify strategies to avoid misclassification of employees or independent contractors.

# ***The Tax Review* Minimize Individual Tax Liability**

## **Learning Objectives / Table of Contents**

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### **Chapter**

#### **1 Investments**

- 1-A** Match tax-savings strategies for individuals with mutual fund investments .
- 1-B** Recognize strategies that will minimize taxation of Social Security benefits.
- 1-C** Analyze differences in taxation between taking a distribution from an IRA or brokerage account.

#### **2 Home Ownership**

- 2-A** Determine the tax effects of refinancing a mortgage on a principal residence.
- 2-B** Analyze the potential tax benefits from parents transferring their principal residence to their children.
- 2-C** Recognize options available when computing rental expenses for mixed-use property.

#### **3 Lifestyle**

- 3-A** Recognize the factors of estimating Social Security retirement benefits.
- 3-B** Identify the rules of substantially equal periodic payments which avoid the penalty for early withdrawal from a qualified retirement plan.
- 3-C** Analyze tax effects of staying at home to care for children compared with working outside the home and sending the children to daycare.

#### **4 Miscellaneous Individual Topics**

- 4-A** Recognize properly documented expenses incurred as a volunteer to support deduction as a charitable contribution.
- 4-B** Analyze tax effects of creating a charitable remainder trust.
- 4-C** Identify tax issues faced by a taxpayer in a divorce situation.

# ***The Tax Review* Moving and Relocation**

## **Learning Objectives / Table of Contents**

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### **Chapter**

#### **1 Moving Expenses**

- 1-A** Identify situations in which taxpayers can deduct moving expenses.
- 1-B** Recognize the components of the distance test for determining if moving expenses are deductible.
- 1-C** Identify the requirements to meet the time test for determining if moving expenses are deductible.
- 1-D** Distinguish moving expenses that are deductible.
- 1-E** Determine the tax treatment of moving expenses when an employer reimburses some or all moving expenses.

#### **2 Home Sale or Purchase**

- 2-A** Determine the tax treatment of settlement costs on the purchase or sale of a principal residence.
- 2-B** Identify how settlement charges affect the basis of a home.
- 2-C** Apply the rules for exclusion of gain on the sale of a home.
- 2-D** Indicate the requirements for taking a reduced exclusion of gain on the sale of a home.
- 2-E** Recognize tax issues involved when a taxpayer relocates and the prior house remains unsold and/or is rented.

#### **3 State Tax Issues**

- 3-A** Calculate the sales tax deduction using the optional sales tax tables for an individual who moved from one state to another within the year.
- 3-B** Recognize the effects of reciprocal agreements between states.
- 3-C** Report tax items properly for situations when an individual lives in one state and works in another.
- 3-D** Recognize part-year resident and nonresident tax filing requirements when a taxpayer moves to another state.
- 3-E** Analyze Form W-2 for the proper reporting when an individual has wages in different states from the same employer.

#### **4 Domicile and Residency**

- 4-A** Determine factors that establish a taxpayer's domicile.
- 4-B** Recognize the factors involved in abandoning domicile when a taxpayer moves from one state to another.
- 4-C** Identify the various methods states use to determine residency.
- 4-D** Determine the tax treatment for being temporarily present in a state.
- 4-E** Distinguish residency for military taxpayers.

# ***TheTaxReview* Moving Expenses**

## **Learning Objectives/Table of Contents**

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### **Learning Objective**

#### **A Learning Objective A**

Identify situations in which taxpayers can deduct moving expenses.

#### **B Learning Objective B**

Recognize the components of the distance test for determining if moving expenses are deductible.

#### **C Learning Objective C**

Identify the requirements to meet the time test for determining if moving expenses are deductible.

#### **D Learning Objective D**

Distinguish moving expenses that are deductible.

#### **E Learning Objective E**

Determine the tax treatment of moving expenses when an employer reimburses some or all moving expenses.

# ***The Tax Review* New Tax Law — 2017 Tax Year**

## **Learning Objectives / Table of Contents**

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### **Chapter**

#### **1 What's New for Individuals**

- 1-A** Identify taxpayers affected by new legislation.
- 1-B** Recognize how proposed regulations affect dependency rules.
- 1-C** Analyze college tax credits available to certain taxpayers.
- 1-D** Determine the self-certification procedure for missed rollover deadlines.
- 1-E** Recognize the limitation for the medical expenses itemized deduction.
- 1-F** Identify renewal requirements for Individual Taxpayer Identification Numbers (ITINs).
- 1-G** Determine tax obligations for non-U.S. citizens working in the United States.

#### **2 What's New for Businesses**

- 2-A** Identify rules for employer-provided vehicles.
- 2-B** Identify Section 179 expense limits.
- 2-C** Compute special depreciation.
- 2-D** Identify eligibility requirements to elect the de minimis safe harbor.
- 2-E** Recognize HRA requirements for qualified small employers.

#### **3 What's New for Tax Preparers**

- 3-A** Determine a paid preparer's due diligence requirements.
- 3-B** Recognize legitimate private debt collectors contracted with the IRS.
- 3-C** Identify new IRS security safeguards.



# ***The Tax Review* New Tax Law—Individuals**

## **Learning Objectives/Table of Contents**

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### **Chapter**

#### **1 Tax Rates, Deductions, Personal Exemptions**

- 1-A** Apply new tax brackets to capital gains and qualified dividends.
- 1-B** Compute deductions affected by the new law for tax year 2018.
- 1-C** Apply the repeal of the deduction for personal exemptions to tax year 2018.
- 1-D** Identify taxpayers who are allowed to deduct moving expenses beginning in 2018.
- 1-E** Analyze the effects of the repeal of the penalty for failure to maintain minimum essential health coverage under the new law.

#### **2 Personal Credits, Tax Favored Savings Plans**

- 2-A** Analyze the effects of the expansion of the Child Tax Credit into the new Credit for Other Dependents.
- 2-B** Recognize additional expenses that are qualified distributions for purposes of IRC section 529 college savings plans.
- 2-C** Apply new rules for rollovers from IRC section 529 plans to Achieving a Better Life Experience (ABLE) savings accounts.
- 2-D** Apply new rules for conversions from traditional IRAs to Roth IRAs.
- 2-E** Compute estate and gift tax using new exclusion amount.

#### **3 Kiddie Tax, Student Loan Debt, Alimony, Disasters**

- 3-A** Compute kiddie tax using new tax rates.
- 3-B** Apply new rules for exclusion of student loan debt forgiveness in the case of death or disability.
- 3-C** Compute the effects of the repeal of the deduction for alimony paid.
- 3-D** Apply new rules for relief for federally-declared disasters.
- 3-E** Analyze the effects of the new law disallowing certain deductions for sexual harassment or sexual abuse settlements.

# ***The Tax Review* New Tax Law—Business Learning Objectives/Table of Contents**

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## **Chapter**

### **1 New Business Deduction, Credit, Employer Limitations**

- 1-A** Compute the new qualified business income deduction.
- 1-B** Apply the wages/property limitation to the qualified business income deduction.
- 1-C** Apply the specified service business limitation to the qualified business income deduction.
- 1-D** Determine modifications to certain employer fringe benefits and deductions.
- 1-E** Compute the new Family and Medical Leave Credit.

### **2 Depreciation and Accounting Method Changes**

- 2-A** Identify new Section 179 expense deduction limitations.
- 2-B** Recognize the increased special depreciation allowance.
- 2-C** Determine the new rules for qualified improvement property.
- 2-D** Identify the new recovery period and method for farming equipment and machinery.
- 2-E** Determine the application of expanded cash accounting method rules.

### **3 Corporations, Business Losses, NOL Limitations**

- 3-A** Recognize the new corporate tax rate and alternative minimum tax (AMT) changes.
- 3-B** Determine new accounting method change rules for S corporation conversion to a C corporation.
- 3-C** Identify the expanded definition of covered employee for deducting employee compensation by publicly held corporations.
- 3-D** Recognize the new excess business loss limitation.
- 3-E** Apply the new net operating loss (NOL) limitations.

# ***The Tax Review* Preparing C Corporation Returns**

## **Learning Objectives / Table of Contents**

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### **Chapter**

#### **1 Basics of C Corporation Tax Return Preparation**

- 1-A** Recognize the similarities and differences between reporting income and expenses on Form 1120, *U.S. Corporation Income Tax Returns*, and other business entity tax returns.
- 1-B** Identify benefits for businesses organized as a corporation.
- 1-C** Distinguish the types of capital contributions.
- 1-D** Identify the tax consequences of property exchanged for stock.
- 1-E** Determine when distributions to shareholders are taxable.

#### **2 C Corporation Scenario—Day One Through End of Year**

- 2-A** Analyze a scenario involving C corporation formation and operation to identify how the scenario relates to C corporation taxation.
- 2-B** Recognize the requirement that reasonable compensation be paid to C corporation shareholder-employees.
- 2-C** Distinguish amortizable organizational costs and start-up costs.
- 2-D** Recognize the proper shareholder-employee treatment of unreimbursed corporate expenses.
- 2-E** Compute short-year depreciation for the first year of the C corporation's existence.

#### **3 Comprehensive C Corporation Example—Preparing Form 1120**

- 3-A** Identify the different tax year options available for C corporations.
- 3-B** Reconcile a C corporation's payroll report to extract figures necessary to report on Form 1120, *U.S. Corporation Income Tax Return*.
- 3-C** Report all income and expense items on the C corporation tax return.
- 3-D** Identify income and expense items that are not treated the same for income tax purposes and book purposes.
- 3-E** Compute the total tax liability for a C corporation.

#### **4 Ending a C Corporation**

- 4-A** Determine classes of assets upon sale of a business and for reporting on Form 8594, *Asset Acquisition Statement*.
- 4-B** Differentiate asset allocations favoring the buyer or the seller in the sale of a business situation.
- 4-C** Identify the tax consequences to shareholders upon the liquidation of a C corporation.
- 4-D** Recognize how the sale of a business is reported by a C corporation.
- 4-E** Report the liquidation of the C corporation business on the shareholder's Form 1040 and supporting schedules.

# ***TheTaxReview* Preparing Partnership Returns**

## **Learning Objectives/Table of Contents**

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### **Chapter**

#### **1 Basics of Partnership Tax Return Preparation**

- 1-A** Recognize the similarities between reporting income and expenses on Schedule C, Form 1040, *Profit or Loss from Business (Sole Proprietorship)*, and Form 1065, *U.S. Return of Partnership Income*.
- 1-B** Identify partnership income that is subject to self-employment tax.
- 1-C** Compute a partner's basis in his or her partnership interest.
- 1-D** Differentiate a partner's capital account from a partner's basis in the partnership.
- 1-E** Recognize differences between current distributions and liquidating distributions of a partnership.

#### **2 Partnership Scenario—Day One Through End of Year**

- 2-A** Recognize tax reporting issues associated with the set-up of a partnership.
- 2-B** Differentiate between a partner's distributive share of income and guaranteed payments.
- 2-C** Distinguish amortizable organizational costs and start-up costs.
- 2-D** Recognize the proper treatment of qualified unreimbursed partnership expenses allowed to be reported on a partner's individual income tax return.
- 2-E** Compute short-year depreciation for the first year of the partnership's existence.

#### **3 Comprehensive Partnership Example—Preparing Form 1065**

- 3-A** Determine the required tax year for a partnership.
- 3-B** Reconcile a partnership's payroll report to extract figures necessary to report on Form 1065, *U.S. Return of Partnership Income*.
- 3-C** Identify the proper lines to report income and expense items on the partnership return.
- 3-D** Recognize items which are separately stated and flow directly through to partners on Schedules K and K-1.
- 3-E** Transfer partnership items from a partner's Schedule K-1 to the partner's Form 1040 and supporting schedules.

#### **4 End of a Partnership**

- 4-A** Determine classes of assets upon sale of a business and for reporting on Form 8594, *Asset Acquisition Statement*.
- 4-B** Differentiate asset allocations favoring the buyer or the seller in the sale of a business situation.
- 4-C** Compute gain or loss on the sale of a partnership.
- 4-D** Identify items to report on a partner's tax return upon sale of the partnership.
- 4-E** Identify issues likely to be addressed in the case of an IRS audit relating to sale of a partnership.

# ***The Tax Review* Preparing S Corporation Returns**

## **Learning Objectives / Table of Contents**

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### **Chapter**

#### **1 Basics of S Corporation Tax Return Preparation**

- 1-A** Recognize the similarities and differences between reporting income and expenses on Form 1120S, *U.S. Income Tax Return for an S Corporation*, and other business entity tax returns.
- 1-B** Identify the characteristics that enable an entity to be eligible to be an S corporation.
- 1-C** Calculate a shareholder's basis in his or her S corporation ownership.
- 1-D** Differentiate between taxable and nontaxable S corporation distributions.
- 1-E** Recognize the necessary steps to elect S corporation status.

#### **2 S Corporation Scenario—Day One Through End of Year**

- 2-A** Analyze a scenario involving S corporation formation and operation to identify how the scenario relates to S corporation taxation.
- 2-B** Recognize the requirement that reasonable compensation be paid to S corporation shareholder-employees.
- 2-C** Distinguish amortizable organizational costs and start-up costs.
- 2-D** Recognize the proper shareholder-employee treatment of unreimbursed corporate expenses.
- 2-E** Compute short-year depreciation for the first year of the S corporation's existence.

#### **3 Comprehensive S Corporation Example—Preparing Form 1120S**

- 3-A** Identify the different tax year options available for S corporations.
- 3-B** Reconcile an S corporation's payroll report to extract figures necessary to report on Form 1120S, *U.S. Income Tax Return for an S Corporation*.
- 3-C** Report all income and expense items on the S corporation tax return.
- 3-D** Recognize items which are separately stated and flow directly through to shareholders on Schedules K and K-1.
- 3-E** Transfer S corporation items from a shareholder's Schedule K-1 to the shareholder's Form 1040 and supporting schedules.

#### **4 Ending an S Corporation**

- 4-A** Determine classes of assets upon sale of a business and for reporting on Form 8594, *Asset Acquisition Statement*.
- 4-B** Differentiate asset allocations favoring the buyer or the seller in the sale of a business situation.
- 4-C** Identify the tax consequences to shareholders upon the liquidation of an S corporation.
- 4-D** Recognize how the sale of a business is reported by an S corporation.
- 4-E** Report the sale of the S corporation business on the shareholder's Form 1040 and supporting schedules

# ***TheTaxReview* Real Estate and Rental Activities**

## **Learning Objectives/Table of Contents**

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### **Learning Objective**

**A Learning Objective A**

Calculate rental income.

**B Learning Objective B**

Recognize deductible rental expenses.

**C Learning Objective C**

Distinguish when depreciation on rental property begins and ends.

**D Learning Objective D**

Recognize if losses from a rental activity are limited under passive activity rules.

**E Learning Objective E**

Identify proper reporting of rental income and expenses when there is personal use of the property.

# ***The Tax Review* Repairs and Improvements**

## **Learning Objectives / Table of Contents**

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### **Chapter**

#### **1 Repairs**

- 1-A** Recognize repair costs that are deductible as a current expense.
- 1-B** Identify a unit of property under the regulations.
- 1-C** Apply the election to capitalize repair and maintenance costs.
- 1-D** Identify deductible material and supply costs.
- 1-E** Determine when costs for spare parts are deductible.

#### **2 Improvements**

- 2-A** Identify acquisition costs that must be capitalized.
- 2-B** Associate improvement costs to a unit of property.
- 2-C** Determine if an improvement is a betterment.
- 2-D** Determine if an improvement is a restoration.
- 2-E** Determine if an improvement is an adaptation.

#### **3 Safe Harbors**

- 3-A** Identify eligibility requirements to elect the de minimis safe harbor.
- 3-B** Determine how the de minimis safe harbor election interacts with Section 179 and special depreciation.
- 3-C** Identify eligibility requirements for the small taxpayer safe harbor.
- 3-D** Recognize allowable expenses for the routine maintenance safe harbor.
- 3-E** Identify eligibility requirements for the remodel-refresh safe harbor.

#### **4 Dispositions**

- 4-A** Recognize when a disposition transaction occurs.
- 4-B** Define an asset for disposition purposes.
- 4-C** Determine the qualifications for the partial disposition election.
- 4-D** Identify certain partial dispositions that are required to be recognized without an election.
- 4-E** Identify a qualifying disposition for assets in a General Asset Account (GAA).

# ***The Tax Review* Self-Employed Learning Objectives/Table of Contents**

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## **Chapter**

### **1 Sole Proprietors**

- 1-A** Identify taxpayers who are self-employed.
- 1-B** Recognize material participation requirements for self-employment.
- 1-C** Determine the impact to Social Security tax and Social Security work credits when reporting business activities of spouses working as a joint venture.
- 1-D** Apply payroll tax exclusions for a family business that employs family members.
- 1-E** Identify the tax benefits of hiring a spouse as an employee.

### **2 Self-Employment**

- 2-A** Compute gross receipts and cost of goods sold.
- 2-B** Determine how self-employment tax is computed and reported.
- 2-C** Identify when a taxpayer must make estimated tax payments.
- 2-D** Determine when a taxpayer must issue Form 1099-MISC, *Miscellaneous Income*.
- 2-E** Recognize adjustments to gross income for self-employed taxpayers.

### **3 Business Deductions**

- 3-A** Identify the requirements for the business use of home deduction.
- 3-B** Recognize the rules of the simplified method of calculating the business use of home deduction.
- 3-C** Identify deductible meals and incidental expenses.
- 3-D** Identify deductible expenses and limits on losses of a farming operation.
- 3-E** Determine business start-up expenses.

### **4 Depreciation**

- 4-A** Identify the requirements to depreciate tangible property.
- 4-B** Determine if intangible property qualifies for amortization under Section 197.
- 4-C** Identify the tax treatment of Section 197 intangibles upon the purchase or sale of a business or assets of a business.
- 4-D** Identify the factors needed to calculate the annual depreciation deduction when passenger automobile limits apply.
- 4-E** Recognize the factors needed to calculate the inclusion amount for deducting expenses of a leased vehicle.



# ***TheTaxReview* Senior Tax Planning**

## **Learning Objectives/Table of Contents**

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### **Chapter**

#### **1 Retirement Planning**

**1-A** Choose the most appropriate retirement plan for a taxpayer.

**1-B** Apply tax law to investments in traditional IRAs and Roth IRAs.

**1-C** Recognize the benefits and risks of using life insurance for retirement planning.

#### **2 Planning Ahead**

**2-A** Identify the consequences of dying intestate.

**2-B** Recognize the factors involved in planning for incapacity.

**2-C** Select alternatives which allow a client to avoid probate.

# ***The Tax Review* Seniors and Taxpayers With Disabilities**

## **Learning Objectives/Table of Contents**

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### **Chapter**

#### **1 Tax Issues for Senior Citizens**

- 1-A** Compute taxable Social Security benefits.
- 1-B** Apply rules for deducting long-term care expenses.
- 1-C** Comply with rules for required minimum distributions from IRAs.
- 1-D** Determine the benefits of reverse mortgages.
- 1-E** Apply proper reporting methods relating to household employees.

#### **2 Tax issues for Individuals with Disabilities**

- 2-A** Determine whether an individual meets the definition of “disabled” for tax purposes.
- 2-B** Compute taxable disability benefits.
- 2-C** Recognize the tax effects of provisions set forth in the Americans with Disabilities Act.
- 2-D** Identify tax provisions that apply to taxpayers with disabilities.
- 2-E** Identify the provisions of the Achieving a Better Life Experience (ABLE) Act.

# ***TheTaxReview* Sharing Economy — Generating Revenue Online**

## **Learning Objectives/Table of Contents**

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### **Learning Objective**

**A Learning Objective A**

Determine what activities are involved in the sharing economy.

**B Learning Objective B**

Identify taxpayers who are self-employed.

**C Learning Objective C**

Determine when a taxpayer must make estimated tax payments.

**D Learning Objective D**

Classify income and expenses for on-demand drivers.

**E Learning Objective E**

Recognize rules for short-term rentals.

# ***TheTaxReview* Taxpayer Rights**

## **Learning Objectives / Table of Contents**

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### **Learning Objective**

#### **A Learning Objective A**

Recognize the rights of taxpayers when dealing with the IRS.

#### **B Learning Objective B**

Identify options available to taxpayers through the IRS appeals process.

#### **C Learning Objective C**

Recognize rights of taxpayers relating to the collection process.

#### **D Learning Objective D**

Identify responsibilities of tax preparers under Treasury Circular 230 when dealing with clients.

#### **E Learning Objective E**

Identify situations where a taxpayer may prevail on a claim of abuse of discretion by IRS collection personnel.

# ***TheTaxReview* Transportation Industry and Truckers**

## **Learning Objectives/Table of Contents**

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### **Learning Objective**

**A Learning Objective A**

Identify statutory authority for regulation of the trucking industry.

**B Learning Objective B**

Recognize the employment status of a trucker.

**C Learning Objective C**

Select business expenses allowable for truckers.

**D Learning Objective D**

Apply elections available under the tangible property regulations.

**E Learning Objective E**

Compute the heavy vehicle use tax.

# ***TheTaxReview* Trusts**

## **Learning Objectives/Table of Contents**

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### **Learning Objective**

#### **1 Trust Types and Requirements**

- 1-A** Classify different types of trusts.
- 1-B** Explain the reporting methods for grantor trusts.
- 1-C** Define trust accounting income.
- 1-D** Identify trust tax filing requirements.

#### **2 Trust Income Tax Return (Form 1041)**

- 2-A** Classify and report income generated by a trust.
- 2-B** Identify and report deductions available to a trust.
- 2-C** Calculate a trust's distributable net income (DNI).
- 2-D** Determine alternative minimum tax (AMT) requirements for trusts.
- 2-E** Explain the treatment of losses in a trust.
- 2-F** Determine Schedule K-1 requirements for beneficiaries of trusts.