

AC-330 Taxation

GENERAL INFORMATION:

Course title: AC 330 Taxation		
Campus: National	Initiator: Marlene Mangonon	Date: October 1, 2021
Course description: This course aimed at introducing students to a wide range of tax concepts and types of taxpayers. While the course mainly focuses on the taxation of business entities in both the United States and in the Federated States of Micronesia, it also covers individual taxation in the two countries - individuals as proprietors, shareholders, or partners in business entities, and as employees.		

COURSE HOURS/CREDITS:

	Hours per Week	No. of Weeks	Total Hours	Semester Credits
Lecture	3	x 16	x 48	= 3
Laboratory		x	x	=
Workshop		x	x	=
		Total Semester	Credits	= 3

PURPOSE OF COURSE:

☐ Degree requirement

☐ Degree elective

☒ Certificate

☐ Other

PREREQUISITES: AC 320 Intermediate Accounting I

PSLOS OF OTHER PROGRAMS THIS COURSE MEETS:

PSLO#	Program

1) INSTITUTIONAL STUDENT LEARNING OUTCOMES (Check all that apply)

☐	1. Effective oral communication: capacity to deliver prepared, purposeful presentations designed to increase knowledge, to foster understanding, or to promote change in the listeners' attitudes, values, beliefs, or behaviors.
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[]	2. Effective written communication: development and expression of ideas in writing through work in many genres and styles, utilizing different writing technologies, and mixing texts, data, and images through iterative experiences across the curriculum.
[]	3. Critical thinking: a habit of mind characterized by the comprehensive exploration of issues, ideas, artifacts, and events before accepting or formulating an opinion or conclusion.
[]	4. Problem solving: capacity to design, evaluate, and implement a strategy to answer an open-ended question or achieve a desired goal.
[]	5. Intercultural knowledge and competence: a set of cognitive, affective, and behavioral skills and characteristics that support effective and appropriate interaction in a variety of cultural contexts.
[]	6. Information literacy: the ability to know when there is a need for information, to be able to identify, locate, evaluate, and effectively and responsibly use and share that information for the problem at hand.
[X]	7. Foundations and skills for life-long learning : purposeful learning activity, undertaken on an ongoing basis with the aim of improving knowledge, skills, and competence.
[X]	8. Quantitative Reasoning: ability to reason and solve quantitative problems from a wide array of authentic contexts and everyday life situations; comprehends and can create sophisticated arguments supported by quantitative evidence and can clearly communicate those arguments in a variety of formats.

2) PROGRAM STUDENT LEARNING OUTCOMES (PSLOs): The student will be able to:

1. Demonstrate an understanding of intermediate accounting principles by describing the financial reporting environment and the conceptual framework of financial accounting, analyzing financial statements in detail, and accounting for cash and receivables, inventories, property, plant and equipment, intangibles, liabilities, stockholders' equity, and other special areas;
2. Demonstrate an understanding of cost accounting systems relevant to managerial-decision making, planning and control by solving problems involving various costing and budgeting methods; by applying financial, inventory and production management techniques in cost accounting; and by accurately measuring short- and long-term organizational performance;
3. Demonstrate competence in analyzing and recording various transactions for state and local governments, the federal government, colleges and universities, and other nonprofit organizations; in preparing and interpreting financial statements; and in explaining differences between public and private sector accounting;
4. Demonstrate an understanding of wide range of tax concepts with special focus on the taxation of business entities in the United States and the Federated States of Micronesia and a minor emphasis on the individual taxation in the two countries;
5. Demonstrate an understanding of the statistical methods of sampling and estimating population statistics and competence in using computer software to calculate point estimates and confidence intervals and use statistical methods to test hypotheses,

recognize trends and make forecasts to support decisions in the business/economics environment; and

6. Apply knowledge acquired from accounting and other courses by solving real world accounting and general workplace problems in a particular organization in the COM-FSM Internship Program.

3) COURSE STUDENT LEARNING OUTCOMES (CSLOs) (General): The student will be able to:

1. Demonstrate knowledge in tax concepts;
2. Demonstrate knowledge and skills in calculating taxable income for each type of taxpayer in the United States of America(USA) and Federated States of Micronesia(FSM); and
3. Demonstrate knowledge and skills in property transactions.

4. COURSE STUDENT LEARNING OUTCOMES (CSLOs) (Specific): The student will be able to:

CSLO (General) 1: Demonstrate knowledge in tax concepts.			
Student Learning Outcome (specific)	ISLO	PSLO	Assessment Strategies
1.1. Explain the structure of taxes.	7	4	The instructor will use a quiz. Short-answer to each question will be rated using rubric. The student will demonstrate knowledge in tax concepts by discussing the types of taxes.
1.2. Discuss the types of taxes.	7	4	The instructor will use a quiz. Short-answer to each question will be rated using rubric. The student will demonstrate knowledge in tax concepts by discussing the types of taxes.
1.3 Discuss income taxation of business entities.	7	4	The instructor will use a quiz. Short-answer to each question will be rated using rubric. The student will demonstrate knowledge in tax concepts by discussing income taxation of business entities.
1.4. Describe the tax planning fundamentals.	7	4	The instructor will use a quiz. Short-answer to each question will be rated using rubric. The student will demonstrate knowledge in tax concepts by describing the tax planning fundamentals
1.5. Discuss taxes on the financial statements.	7	4	The instructor will use a quiz. Short-answer to each question will be rated using rubric. The student will demonstrate knowledge in tax concepts

			by discussing taxes on the financial statements.
CSLO (General) 2: Demonstrate knowledge and skills in calculating taxable income for each type of taxpayer in the United States of America(USA) and Federated States of Micronesia(FSM).			
Student Learning Outcomes (specific)	ISLO	PSLO	Assessment Strategies
2.1 Calculate the annual income tax on salaries, tax credits/refunds, and periodic tax remittance.	8	4	The instructor will use an assignment (case report) and it will be rated using rubric. The student will demonstrate knowledge and skills in calculating taxable income for each type of taxpayer in the United States of America (USA) and Federated States of Micronesia (FSM) by calculating the annual income tax on salaries, tax credits/refunds, and periodic tax remittance.
2.2 Compute periodic gross income, allowable deductions, taxable income, income tax and tax due.	8	4	The instructor will use an assignment (case report) and it will be rated using rubric. The student will demonstrate knowledge and skills in calculating taxable income for each type of taxpayer in the United States of America(USA) and Federated States of Micronesia(FSM) by computing periodic gross income, allowable deductions, taxable income, income tax and tax due.
2.3 Apply the internal Revenue Code provisions on loans made at below-the-market interest rates.	8	4	Students will able to predict values based on the regression function as measured by assignments, tests, presentations. Presentations are marked using rubrics.
2.4 Apply a variety of Internal Revenue Code deduction disallowance provisions.	8	4	The instructor will use an assignment (case report) and it will be rated using rubric. The student will demonstrate knowledge and skills in calculating taxable income for each type of taxpayer in the United States of America (USA) and Federated States of Micronesia (FSM) by applying a variety of Internal Revenue Code deduction disallowance provisions.
2.5 Apply the Section 179 expensing election and the deduction limitations	8	4	The instructor will use an assignment (case report) and it will be rated using rubric. The student will demonstrate

on listed property and automobiles when making MACRS calculation.			knowledge and skills in calculating taxable income for each type of taxpayer in the United States of America (USA) and Federated States of Micronesia (FSM) by applying Section 179 expensing election and the deduction limitations on listed property and automobiles when making MACRS calculation.
2.6 Apply the rules for computing deductible expenses of employees including transportation, travel, moving, education, and entertainment expenses.	8	4	The instructor will use an assignment (case report) and it will be rated using rubric. The student will demonstrate knowledge and skills in calculating taxable income for each type of taxpayer in the United States of America(USA) and Federated States of Micronesia(FSM) by applying the rules for computing deductible expenses of employees including transportation, travel, moving, education, and entertainment expenses.
2.7 Apply the rules for computing deductible expenses of employees including transportation, travel, moving, education, and entertainment expenses.	8	4	The instructor will use an assignment (case report) and it will be rated using rubric. The student will demonstrate knowledge and skills in calculating taxable income for each type of taxpayer in the United States of America (USA) and Federated States of Micronesia (FSM) by applying the rules for computing deductible expenses of employees including transportation, travel, moving, education, and entertainment expenses.
CSLO (General) 3: Demonstrate knowledge and skills in property transactions.			
Student Learning Outcomes (specific)	ISLO	PSLO	Assessment Strategies
3.1 Discuss basis, gain and loss, and nontaxable exchanges.	8	4	The instructor will use a quiz. Short-answer to each question will be rated using rubric. The student will demonstrate knowledge in property transactions by discussing basis, gain and loss, and nontaxable exchanges.
3.2 Discuss capital gains and losses, and recapture provisions.	8	4	The instructor will use a quiz. Short-answer to each question will be rated using rubric. The student will demonstrate knowledge in property

			transactions by discussing capital gains and losses, and recapture provisions.
3.3 Apply the non-recognition provisions and basis determination rules for like-kind exchanges.	8	4	The instructor will use an assignment (case report) and it will be rated using rubric. The student will demonstrate knowledge and skills in property transactions by applying the non-recognition provisions and basis determination rules for like-kind exchanges.
3.4 Calculate Section 1231 gain or loss.	8	4	The instructor will use an assignment (case report) and it will be rated using rubric. The student will demonstrate knowledge and skills in property transactions by calculating Section 1231 gain or loss.
3.5 Use the proper method for determining tax liability.	8	4	The instructor will use an assignment (case report) and it will be rated using rubric. The student will demonstrate knowledge and skills in property transactions by using the proper method for determining tax liability.

5) COURSE CONTENT:

- Tax Law
- Income Taxation
- Businesses Tax
- Business Deductions
- Losses and Loss Limitations
- Comparative Forms of Doing Business
- Property Taxes
- Basis, Gain and Losses
- Capital Gains and Losses, Section 1231, and Recapture Provisions

6) METHOD(S) OF INSTRUCTION:

[X] Lecture [X] Cooperative learning groups

[X] Laboratory [X] In-class exercises

[] Audio visual [X] Demonstrations

[X] Other-Learning Management System

7) REQUIRED TEXT(S) AND COURSE MATERIALS:

Nellen, A., et al *South-Western Federal Taxation 2021: Essentials of Taxation*. 24th ed., Cengage learning, 2021(or most recent edition).

o.o., Interface Poland Sp. z. “ISOWQ – Interneta Vietnes Audits Fsmcongress.fm 19 Aug 2016 (PIE).” International Studies of Website Quality, lv.isowq.org/website/fsmcongress.fm/837542/.

Federated States of Micronesia Tax Information. dofa.gov.fm/wp-content/uploads/2019/06/CTA-BOOKLET.pdf.

8) REFERENCE MATERIALS:

- Ballada, Win Lu: *Income Taxation Made Easy*, 2004 ed., DomDane Publisher, 2004 (or most recent edition)
- Willis, et. al: *South-Western Federal Taxation Comprehensive Volume*, 2011 ed., South-Western College, USA: 2010 (or most recent edition).

9) INSTRUCTIONAL COSTS:

None.

10) EVALUATION:

Summative evaluation is accomplished by having the student complete a tax report for a given case study.

The student must achieve a grade of “C” or higher to pass the course.

11) CREDIT BY EXAMINATION:

None.

AC 330

Endorsed by CC: 02/25/22

Approved by VPIA: 02/28/22