

ACTG 57: TAX COMPLIANCE & PLANNING

Foothill College Course Outline of Record

Heading	Value
Effective Term:	Summer 2025
Units:	5
Hours:	5 lecture per week (60 total per quarter)
Corequisite:	Completion of or concurrent enrollment in ACTG 67.
Advisory:	Elementary Algebra or equivalent; demonstrated proficiency in English by placement via multiple measures OR through an equivalent placement process OR completion of ESLL 125 & ESLL 249.
Degree & Credit Status:	Degree-Applicable Credit Course
Foothill GE:	Non-GE
Transferable:	CSU
Grade Type:	Letter Grade (Request for Pass/No Pass)
Repeatability:	Not Repeatable

Student Learning Outcomes

- Explain U.S. federal tax compliance for individuals and entities focusing on nonroutine and higher complexity transactions and a CPA's role in both the preparation and review of tax returns
- Explain U.S. federal tax planning for individuals and entities focusing on determining the tax implications of proposed transactions, available tax alternatives or business structures
- Explain personal financial planning focusing on planning strategies and opportunities in connection with the preparation and review of individual tax returns

Description

This course covers tax compliance and planning topics tested on the Tax Compliance and Planning (TCP) section of the Uniform CPA Examination.

Course Objectives

The student will be able to:

1. Prepare for the Tax Compliance and Planning (TCP) section of the CPA exam which tests the knowledge and skills in the following areas:
 - a. Tax compliance and planning for individuals
 - b. Entity tax compliance
 - c. Entity tax planning
 - d. Property transactions (disposition of assets)

Course Content

1. Compliance and Planning: Individuals
 - a. Impact on Individual Taxable Income Given Certain Scenarios
 - b. Impact of Standard Deductions and Itemized Deductions

- c. Alternative Minimum Tax, Kiddie Tax, and Property Donations
 - d. Flexible Spending Accounts (FSAs) and Health Savings Accounts (HSAs)
 - e. Filing Requirements and Payments
2. Compliance and Planning: Special Topics
 - a. Passive Activity and At-Risk Limitations
 - b. Gift Taxation Compliance
 - c. Gift Taxation Planning
 3. Personal Financial Planning
 - a. Qualified Retirement Plans
 - b. Return on Retirement Plan Investments
 - c. Planning Considerations for Equity Securities, Corporate Bonds, and Municipal Bonds
 - d. Funding Post-Secondary Education
 - e. Insurance and Risk Mitigation as a Planning Tool
 - f. Consideration of Legal Ownership of Assets and Beneficiary Designations for Planning
 4. Business and Nonbusiness Structures
 - a. Choosing a Business Structure
 - b. Business Structure: Tax Treatment of Contributions of Noncash Property
 - c. Business Structure: Tax Treatment of Distributions (Nonliquidating) of Noncash Property
 - d. Business Structure: Tax Treatment of Distributions (Liquidating) of Noncash Property
 - e. Trusts
 - f. Tax-Exempt Organizations
 5. Compliance: C Corporations
 - a. Net Operating and Capital Loss Utilization
 - b. Corporate Formation
 - c. Distributions
 - d. Loans Between Shareholder and C Corporation
 - e. Consolidated Tax Returns
 - f. International Tax Issues
 6. Planning: C Corporations
 - a. Business Expansion: Optimize State and Local Income Tax Rules
 - b. Changing Tax Rates and Legislation
 - c. Estimated Tax Payments
 7. Compliance and Planning: S Corporations
 - a. Eligibility, Election, and Termination
 - b. Stock Basis and Debt Basis
 - c. Distributions
 8. Compliance and Planning: Partnerships
 - a. Contribution of Noncash Property
 - b. Partner's Taxable Income
 - c. Effect of Partnership Liabilities
 - d. Payments to Partners
 - e. Distribution of Partnership Assets
 9. Distribution of Assets
 - a. Nontaxable Disposition of Assets
 - b. Amount and Character of Gains and Losses on Asset Disposition and Netting
 - c. Installment Sales

- d. Related Party Transactions
- e. Section 1244 Stock and Other Topics

Lab Content

Not applicable.

Special Facilities and/or Equipment

1. Access to spreadsheet, word processing, and presentation software.
2. When taught as an online distance learning section, students and faculty need reliable and ongoing internet (Java-enabled) and email access.

Method(s) of Evaluation

Methods of Evaluation may include but are not limited to the following:

Quizzes
Exams
Class participation
Homework
Team projects
Research assignments
Case study analysis
Oral and/or written presentations

Method(s) of Instruction

Methods of Instruction may include but are not limited to the following:

Lecture
In-class or electronic discussions
Group work
Case studies

Representative Text(s) and Other Materials

Gleim. [CPA Review: Tax Compliance & Planning \(TCP\)](#). 2024.

Types and/or Examples of Required Reading, Writing, and Outside of Class Assignments

1. Reading assigned IRS Tax Publications and Form Instructions at [irs.gov](https://www.irs.gov)
2. Reading the latest Federal Tax updates at the IRS website
3. Reading assigned Internal Revenue Tax Code and Regulations

Discipline(s)

Accounting