



WACO, TEXAS

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**COURSE SYLLABUS  
AND  
INSTRUCTOR PLAN**

**ACNT 1331.87**

**INCOME TAX FOR INDIVIDUALS**

**ANNETTE BIGHAM**

**NOTE: This is a 16-week course.**

**COVID 19 Notice:**

McLennan Community College is committed to providing you with every resource you need to reach your academic goals including your safety. We will continue to monitor the evolving situation with COVID 19 and adjust our safety guidelines to make sure we offer a safe environment for you and our faculty. Please make sure to consult your faculty and the MCC website at <https://www.mclennan.edu/crisis-management/coronavirus-updates/index.html> on any changes to these guidelines.

# FEDERAL INCOME TAX FOR INDIVIDUALS

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## **Course Description:**

Introduces a study of the federal tax law for preparation of individual income tax returns.

## **Prerequisites and/or Corequisites:**

None.

## **Course Notes and Instructor Recommendations:**

Students are expected to participate in class discussions, to study course material to complete assignments, to complete reading assignments, and to take tests and quizzes as required.

Nonparticipation in the above items will have a detrimental impact on grades and credit. Students are encouraged to do outside reading in sources other than the text.

## **Instructor Information:**

Instructor Name: Annette Bigham

MCC Email: [abigham@mclennan.edu](mailto:abigham@mclennan.edu)

Office Phone Number: 254-299-8690

Office Location: Business Technology Building (BTB) 201A

Office/Teacher Conference Hours: In office or Zoom. M, W, F 2:30-3:30 or by appointment

## **Required Text & Materials:**

The digital textbook is included in the cost of the course. If you also want a physical copy, you can purchase one at the bookstore for \$43.60.

**MCC Bookstore Website:** <http://www.mclennan.edu/bookstore/>

## **Methods of Teaching and Learning:**

- Videos
- Demonstration problems
- Evaluation and review of assignments of exercises and problems
- Evaluation of Pre-Work
- Tax return projects
- Quizzes
- Exams

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

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## **Course Objectives and/or Competencies:**







### Chapter 1

When you have completed this chapter, you should understand the following learning objectives (LO):

-  LO 1-1 Understand progressive, proportional, and regressive tax structures.
-  LO 1-2 Understand the concepts of marginal and average tax rates as well as a simple income tax formula.
-  LO 1-3 Understand the components of a basic Form 1040 income tax return.
-  LO 1-4 Determine tax liability in instances when a Form 1040 return is appropriate.
-  LO 1-5 Understand the types of tax authority and how they interrelate ( Appendix A).
-  LO 1-6 Understand the provisions of IRS Circular 230 for paid tax preparers ( Appendix B).







### Chapter 2

When you have completed this chapter, you should understand the following learning objectives (LO):

-  LO 2-1 Describe the expanded tax formula and the components of the major sections of Form 1040.
-  LO 2-2 Determine the proper filing status.
-  LO 2-3 Determine dependents.
-  LO 2-4 Determine the standard deduction.
-  LO 2-5 Compute the amount of tax due to the Internal Revenue Service (IRS).
-  LO 2-6 Determine what interest and penalties the IRS can assess and in what instances certain penalties are applicable.









### Chapter 3

When you have completed this chapter, you should understand the following learning objectives (LO):

-  LO 3-1 Describe when and how to record income for tax purposes.
-  LO 3-2 Apply the cash method of accounting to income taxes.
-  LO 3-3 Explain the taxability of components of gross income, including interest, dividends, tax refunds, and social security benefits.
-  LO 3-4 Apply the rules concerning items excluded from gross income.
-  LO 3-5 Apply the rules associated with tax accounting for savings bond interest used for education expenses, below-market interest loans, gift loans, and original issue discount debt ( Appendix).

### Chapter 4

When you have completed this chapter, you should understand the following learning objectives (LO):

-  LO 4-1 Describe the tax rules for student loan interest.
-  LO 4-2 Be able to determine eligibility requirements and applicable dollar limits related to the health savings account deduction.
-  LO 4-3 Determine the deduction for military moving expenses.
-  LO 4-4 Explain the deduction for half of self-employment taxes.
-  LO 4-5 Discuss the self-employed health insurance deduction.
-  LO 4-6 Explain the penalty on early withdrawal of savings.
-  LO 4-7 Be able to apply the rules regarding alimony and calculate the deduction for alimony paid, if applicable.
-  LO 4-8 Determine the deduction for educator expenses.

### Chapter 5







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When you have completed this chapter, you should understand the following learning objectives (LO):

-  **LO 5-1** Describe the deductibility and reporting of medical expenses.
-  **LO 5-2** Be able to explain the state and local tax deductions.
-  **LO 5-3** Apply the tax rules associated with the interest deduction.
-  **LO 5-4** Explain the deductibility and reporting of charitable contributions.
-  **LO 5-5** Discuss the casualty loss deduction.
-  **LO 5-6** Know how to report other itemized deductions.







## Chapter 6

When you have completed this chapter, you should understand the following learning objectives (LO):

-  **LO 6-1** Describe how income and expenses for a self-employed individual are recognized and reported.
-  **LO 6-2** Explain the concept of ordinary and necessary business expenses.
-  **LO 6-3** Explain the calculation of depreciation for trade or business assets.
-  **LO 6-4** Describe travel and entertainment expenses and discuss their deductibility.
-  **LO 6-5** Apply the rules for deducting the business portion of a residence and business bad debts.
-  **LO 6-6** Explain the hobby loss rules and the limits on education expense deductibility.
-  **LO 6-7** Describe the calculation of self-employment taxes.





## Chapter 7

When you have completed this chapter, you should understand the following learning objectives (LO):

-  **LO 7-1** Define the terms and identify the tax forms used in sales of property transactions.
-  **LO 7-2** Classify assets sold as ordinary assets, § 1221 capital assets, or § 1231 business assets.
-  **LO 7-3** Explain and apply the tax rules for recognizing gains or losses on the sale of ordinary assets.
-  **LO 7-4** Explain and apply the tax rules for recognizing short-term and long-term gains or losses on the sale of capital assets (§ 1221).
-  **LO 7-5** Calculate the recognized gain or loss on the sale of § 1231 business assets, including gain recapture provisions of § 1245 and § 1250 property.
-  **LO 7-6** Describe the tax rules for special types of sales, including block stock sales, capital gain distributions, sales of mutual funds, worthless securities, and sales of property received as a gift or through inheritance.

## Chapter 8

When you have completed this chapter, you should understand the following learning objectives (LO):

-  **LO 8-1** Explain how income and expenses are recognized and reported for rental property.
-  **LO 8-2** Understand how to report personal use of a rental property (vacation home).
-  **LO 8-3** Know how to report royalty income on Schedule E.
-  **LO 8-4** Discuss the different types of flow-through entities reported on Schedule E, such as partnerships, S corporations, LLCs, trusts, and estates.

## Chapter 9












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When you have completed this chapter, you should understand the following learning objectives (LO):

-  **LO 9-1** Apply the tax rules and calculate the credit for child and dependent care expenses.
-  **LO 9-2** Apply the tax rules and calculate the credit for the elderly or the disabled.
-  **LO 9-3** Apply the tax rules and calculate the education credits.
-  **LO 9-4** Apply the tax rules and calculate the foreign tax credit (FTC).
-  **LO 9-5** Apply the tax rules and calculate the child tax credit.
-  **LO 9-6** Apply the tax rules and calculate the retirement savings contributions credit.
-  **LO 9-7** Apply the tax rules and calculate the adoption credit.
-  **LO 9-8** Apply the tax rules and calculate the Earned Income Credit (EIC).
-  **LO 9-9** Apply the tax rules for the premium tax credit under the Affordable Care Act.






## Chapter 11

When you have completed this chapter, you should understand the following learning objectives (LO):

-  **LO 11-1** Discuss the basic tax and operational structure of tax-deferred plans and annuities.
-  **LO 11-2** Explain details about and contributions to employer-sponsored retirement plans.
-  **LO 11-3** Describe the tax rules related to contributions to individual-sponsored retirement plans.
-  **LO 11-4** Explain details about and contributions to tax-deferred nonretirement plans.
-  **LO 11-5** Apply the tax rules for distributions from tax-deferred plans and the tax treatment of those distributions.
-  **LO 11-6** Determine the tax treatment of annuity contracts.





## Chapter 12

When you have completed this chapter, you should understand the following learning objectives (LO):

-  **LO 12-1** Explain how to defer gains using the like-kind exchange rules.
-  **LO 12-2** Describe how to account for and report involuntary conversions.
-  **LO 12-3** Apply the tax rules to report an installment sale.
-  **LO 12-4** Explain how to exclude a gain on the sale of a personal residence.
-  **LO 12-5** Apply the rules affecting related parties and wash sales.

## Chapter 13

When you have completed this chapter, you should understand the following learning objectives (LO):

-  **LO 13-1** Explain the process of applying the at-risk rules.
-  **LO 13-2** Describe the rules and applications related to passive activities.
-  **LO 13-3** Explain how the passive activity loss rules and at-risk rules work together to limit the deductibility of losses.
-  **LO 13-4** Explain the alternative minimum tax and how it is calculated.

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### **Course Outline or Schedule:**

#### **Tentative Assignment Calendar**

Due Date	
1/10/22-1/16/22	CH 1
1/17/2022	Martin Luther King Jr. Holiday
1/18/22-1/23/22	CH 2
1/24/22-1/30/22	CH 3
1/31/22-2/6/22	CH 3, Surgent EA Project 1
2/7/22-2/13/22	CH 4
2/14/22-2/20/22	Review, Test 1
2/21/22-2/27/22	CH 5
2/28/22-3/6/22	CH 6
3/7/22-3/11/22	Spring Break
3/14/22-3/20/22	Start CH 7, Surgent EA Project 2
3/21/22-3/27/22	Finish CH 7, Start CH 8
3/28/22-4/3/22	Finish CH 8, Review
4/4/22-4/10/22	Test 2, Start CH 9
4/11/22-4/16/22	Finish Ch 9, Surgent EA Project 3
4/18/22-4/24/22	CH 11
4/25/22-5/1/22	CH 13
5/2/22-5/4/22	Final Exam, Surgent EA Project 4

### **Course Grading Information:**

No student shall receive credit for the course without meeting the attendance requirements as set forth in the College catalog and having a passing grade average on all work. A student who fails may retake the course for credit.

Pre-Work	10%
Homework	15%
Tax Returns	15%
Enroll Agent Prep	20%
Quizzes	10%
Exams	30%
Total	100%

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90-100 pts.	A
80-89 pts	B
70-79 pts.	C
60-69 pts.	D
0 – 59 pts.	F

### **Late Work, Attendance, and Make Up Work Policies:**

Any assignment not turned in by the due date will be considered late and is subject to a penalty of 25%.

### **Student Behavioral Expectations or Conduct Policy:**

Students are expected to maintain classroom decorum that includes respect for other students and the instructor, prompt and regular attendance, and an attitude that seeks to take full advantage of the education opportunity.

### **[Click Here for the MCC Attendance/Absences Policy](https://www.mclennan.edu/highlander-guide/policies.html)**

**(<https://www.mclennan.edu/highlander-guide/policies.html>)**

Click on the link above for the college policies on attendance and absences. Your instructor may have additional guidelines specific to this course.

# McLennan

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## ACADEMIC RESOURCES/POLICIES

### **Accommodations/ADA Statement:**

Any student who is a qualified individual with a disability may request reasonable accommodations to assist with providing equal access to educational opportunities. Students should contact the Accommodations Coordinator as soon as possible to provide documentation and make necessary arrangements. Once that process is completed, appropriate verification will be provided to the student and instructor. Please note that instructors are not required to provide classroom accommodations to students until appropriate verification has been provided by the Accommodations Coordinator. For additional information, please visit [www.mclennan.edu/disability](http://www.mclennan.edu/disability).

Students with questions or who require assistance with disabilities involving physical, classroom, or testing accommodations should contact:

[disabilities@mclennan.edu](mailto:disabilities@mclennan.edu)

254-299-8122

Room 319, Student Services Center

### **Title IX:**

We care about your safety, and value an environment where students and instructors can successfully teach and learn together. If you or someone you know experiences unwelcomed behavior, we are here to help. Individuals who would like to report an incident of sexual misconduct are encouraged to immediately contact the Title IX Coordinator at [titleix@mclennan.edu](mailto:titleix@mclennan.edu) or by calling Dr. Drew Canham (Chief of Staff for Diversity, Equity & Inclusion/Title IX) at (254) 299-8645. Individuals also may contact the MCC Police Department at 299-8911 or the MCC Student Counseling Center at MCC at (254) 299-8210. The MCC Student Counseling Center is a confidential resource for students. Any student or employee may report sexual harassment anonymously by visiting <http://www.lighthouse-services.com/mclennan/>.

Go to McLennan's Title IX webpage at [www.mclennan.edu/titleix/](http://www.mclennan.edu/titleix/). It contains more information about definitions, reporting, confidentiality, resources, and what to do if you or someone you know is a victim of sexual misconduct, gender-based violence or the crimes of rape, acquaintance rape, sexual assault, sexual harassment, stalking, dating violence, or domestic violence.



**Student Support/Resources:**

MCC provides a variety of services to support student success in the classroom and in your academic pursuits to include counseling, tutors, technology help desk, advising, financial aid, etc. A listing of these and the many other services available to our students is available at <http://www.mclennan.edu/campus-resource-guide/>

College personnel recognize that food, housing, and transportation are essential for student success. If you are having trouble securing these resources or want to explore strategies for balancing life and school, we encourage you to contact a Success Coach by calling (254) 299-8226 or emailing [SuccessCoach@mclennan.edu](mailto:SuccessCoach@mclennan.edu). Students may visit the Completion Center Monday-Friday from 8 a.m.-5 p.m. to schedule a meeting with a Success Coach and receive additional resources and support to help reach academic and personal goals. Paulanne's Pantry (MCC's food pantry) provides free food by appointment to students, faculty and staff based on household size. Text (254) 870-7573 to schedule a pantry appointment. The Completion Center and pantry are located on the Second Floor of the Student Services Center (SSC).

**MCC Foundation Emergency Grant Fund:**

Unanticipated expenses, such as car repairs, medical bills, housing, or job loss can affect us all. Should an unexpected expense arise, the MCC Foundation has an emergency grant fund that may be able to assist you. Please go to <https://www.mclennan.edu/foundation/scholarships-and-resources/emergencygrant.html> to find out more about the emergency grant. The application can be found at [https://www.mclennan.edu/foundation/docs/Emergency\\_Grant\\_Application.pdf](https://www.mclennan.edu/foundation/docs/Emergency_Grant_Application.pdf).

**MCC Academic Integrity Statement:**

Go to [www.mclennan.edu/academic-integrity](http://www.mclennan.edu/academic-integrity) for information about academic integrity, dishonesty, and cheating.

**Minimum System Requirements to Utilize MCC's D2L|Brightspace:**

Go to <https://www.mclennan.edu/center-for-teaching-and-learning/Faculty-and-Staff-Commons/requirements.html> for information on the minimum system requirements needed to reliably access your courses in MCC's D2L|Brightspace learning management system.

**Minimum Technical Skills:**

Students should have basic computer skills, knowledge of word processing software, and a basic understanding of how to use search engines and common web browsers.

**Backup Plan for Technology:**

In the event MCC's technology systems are down, you will be notified via your MCC student email address. Please note that all assignments and activities will be due on the date specified in the Instructor Plan, unless otherwise noted by the instructor.

**Email Policy:**

McLennan Community College would like to remind you of the policy (<http://www.mclennan.edu/employees/policy-manual/docs/E-XXXI-B.pdf>) regarding college email. All students, faculty, and staff are encouraged to use their McLennan email addresses when conducting college business.

A student's McLennan email address is the preferred email address that college employees should use for official college information or business. Students are expected to read and, if needed, respond in a timely manner to college emails.

**Instructional Uses of Email:**

Faculty members can determine classroom use of email or electronic communications. Faculty should expect and encourage students to check the college email on a regular basis. Faculty should inform students in the course syllabus if another communication method is to be used and of any special or unusual expectations for electronic communications.

If a faculty member prefers not to communicate by email with their students, it should be reflected in the course syllabus and information should be provided for the preferred form of communication.

**Email on Mobile Devices:**

The College recommends that you set up your mobile device to receive McLennan emails. If you need assistance with set-up, you may email [Helpdesk@mclennan.edu](mailto:Helpdesk@mclennan.edu) for help.

**Forwarding Emails:**

You may forward emails that come to your McLennan address to alternate email addresses; however, the College will not be held responsible for emails forwarded to an alternate address that may be lost or placed in junk or spam filters.

**Disclaimer:**

The resources and policies listed above are merely for informational purposes and are subject to change without notice or obligation. The College reserves the right to change policies and other requirements in compliance with State and Federal laws. The provisions of this document do not constitute a contract.