

**THE  
ACCOUNTING  
★ACADEMY★  
Tax Preparer Syllabus**

**Course Description**

In this beginner tax preparer course, students learn to prepare tax returns and research tax issues for most federal and state individual, non-business taxpayers and the basics of Schedule C, self-employed tax returns. Job training includes, but not limited to, interviewing clients, prepare or assist in preparing simple to intermediate income tax returns for individuals and/or small businesses, compute taxes owed or overpaid, using adding machines, computers, and follow tax form instructions and tax tables.

**Educational Objectives**

This course teaches students the tools to start preparing most individual tax returns. It gives students the tools to start preparing most individual tax returns. Upon completion of this course, they will have the knowledge to obtain work as a tax preparer.

**Length and Sequence/Frequency of Classes/Schedule of Total Charges for a Period of Attendance and Estimated Total Charges for Entire Program**

The program is 108 hours and six weeks. Mondays through Thursdays, four and one-half-hour sessions each. The total charges for a period of attendance are based on the number of hours of student attendance times the average hourly estimated total tuition charge of \$12.04 ( $\$1,300 \div 108$  hours). The estimated total charges for the entire program are \$1,500: registration \$100, tuition \$1,300, and materials and supplies \$100.

**Method of Instruction**

*Onsite Method of Instruction*

Onsite class sessions are conducted by a dedicated instructor at the school's facilities located in the central San Diego City area of Kearny Mesa. The site is in a professionally maintained business park with sufficient student parking and special needs access. The inside of the school is configured in a modern, clean, and professional office setting with adequate heating and cooling systems, natural light, etc.

**Training Resources and Materials**

The training program utilizes a combination proprietary and third-party training materials for both the onsite and online programs. The proprietary curriculum was developed and designed by the CPA owner, operator, and instructor with over fifty years of accounting and finance experience. The third-party educational materials were developed by Labyrinth Learning Publishing, Berkeley, California. For the past 25 years, Labyrinth publishes a wide range of books and e-learning tools for community colleges, technical schools, and community education programs.



## Tax Preparer Syllabus - Continued

### **Program Syllabus-Sequential Outline of Subject Matter, Skills to be Learned**

#### *SESSION 1: GENERAL OVERVIEW OF FEDERAL & STATE INCOME TAXES*

Who should file a return; filing requirements for most taxpayers; filing requirements for dependents; which IRS forms to use; when, where, and how to file; method of payment; various accounting periods and methods; Requirement for a correct social security number or taxpayer identification number when filing the tax return; filing status the taxpayer should use; determine if the taxpayer is a resident or nonresident alien; information presented on the taxpayer's W-2 form; records retention requirements of a paid preparer; getting started with the return preparation process.

#### *SESSION 2: STANDARD DEDUCTIONS AND EXEMPTIONS*

Calculate the standard deduction and determine when to use it; exemptions and identify when the taxpayer can claim an exemption; tests for determining when a dependent is a qualifying child or a qualifying relative; support provided to a potential dependent; Steps necessary to file a decedent's tax return; Identify the rules for tax withholding and estimated payments.

#### *SESSION 3: TAXABLE AND NON-TAXABLE INCOME*

Diverse types of employee compensation, including fringe benefits and tips; business income, including income from farming, rentals, and bartering; Alimony received as taxable income; other types of income that may be fully or partially taxable; general rules of community property; compute taxable and nontaxable income; where to report distinct types of income.

#### *SESSION 4: INTEREST AND DIVIDEND INCOME*

Types of interest income; difference between taxable and nontaxable interest; tax reporting of interest income; dividend income; nontaxable distributions; the client interview process.

#### *SESSION 5: EARNED INCOME CREDIT*

Earned Income Credit (EIC); eligibility rules for the EIC; a qualifying child; taxpayers without children Schedule EIC; disallowance of the EIC; IRS due diligence requirements; special rules apply to certain taxpayers depending upon the circumstances

#### *SESSION 6: CHILD CARE AND OTHER CREDITS*

The child tax credit and/or the additional child tax credit; qualifications for the childcare credit; qualification for the credit for the elderly and disabled; qualification for the adoption credit; education credit; other less common credits.

#### *SESSION 7: RETIREMENT INCOME*

Retirement income defined; distinguishing between pensions and annuities; specific types of pension plans; distributions from plans; government retirement benefit programs; other types of income; specifically barter, activities not for profit, and partnership income, rental income, royalties, repayments, and non-taxed income.



## **Tax Preparer Syllabus – Continued**

### *SESSION 8: ADJUSTMENTS TO INCOME*

Educator and moving expense adjustments; reporting of any of the four business-related adjustments; reporting of the retirement-related adjustments for self-employed and individual taxpayers; applicability and reporting of the adjustments related to education expenses; deductions for a Health Savings Accounts; penalty on early withdrawal of savings; alimony; other less common adjustments.

### *SESSION 9: ITEMIZED DEDUCTIONS*

Standard versus itemized deductions; limitation on itemized deductions; eligible medical expenses; deductible taxes; interest deductions; charitable contribution deduction; casualties and thefts; miscellaneous deductions.

### *SESSION 10: ELECTRONIC FILING*

Rules and regulations governing electronic filing; methods of receiving a refund through electronic filing; warning signs of taxpayer fraud; requirements for signing electronic returns; how to correct an electronic return rejected by the IRS.

### *SESSION 11: EMPLOYEE BUSINESS EXPENSES AND MISCELLANEOUS DEDUCTIONS*

Miscellaneous itemized deduction limitation; deductible business expenses; standard mileage rate and the actual auto expense methods of tracking auto expenses; business use of a home; deductible travel, gift, and entertainment and other expenses.

### *SESSION 12: EDUCATION TAX BENEFITS*

Education-related tax credits and adjustments; the American Opportunity Credit; the Lifetime Learning Credit; American Opportunity Credit versus the Lifetime Learning Credit; tuition and fees deduction; student loan interest deduction; requirements for claiming additional tax benefits related to education.

### *SESSION 13: CAPITAL GAINS AND LOSSES*

Gains and losses from the sale of capital assets; capital gain distributions and tax treatment; capital gains and losses on a tax return; basis of property in various circumstances; tax treatment for potential gains on the sale of a home or personal residence; tax treatment for an installment sale.

### *SESSION 14: BUSINESS PROPERTY AND DEPRECIATION*

Types of property eligible for depreciation; definition of depreciation; various depreciation methods; Section 179 deduction; special depreciation allowance; reporting of dispositions of business property; guidelines related to the final repair regulations.



## **Tax Preparer Syllabus – Continued**

### *SESSION 15: SELF-EMPLOYMENT INCOME AND TAXES*

Taxpayer as a sole proprietor; calculation of gross income on Schedule C; types of deductible business expenses; calculation of net profit or loss; self-employed health insurance and retirement plan contributions; other self-employment taxes; deductions for office-in-home.

### *SESSION 16: RENTAL, ROYALTY, PARTNERSHIP INCOME*

Rental income and proper reporting; deductible rental expenses; renting vacation homes and other dwelling units; limits on rental and passive activity losses; rules for reporting rental property sales; reporting of royalties and partnership income.

### *SESSION 17: ALTERNATIVE MINIMUM TAX, INJURED/INNOCENT SPOUSE, PENALTIES*

The Alternative Minimum Tax (AMT); an innocent spouse; an injured spouse; other types of less common credits; tax extensions and installment agreements; civil and criminal penalties.

### *SESSION 18: KIDDIE/NANNY TAX AND AMENDED TAX RETURNS*

Kiddie and Nanny tax overview; how to file an amended return; tax preparer rules and regulations.

### *SESSION 19: UNENROLLED AGENTS AND TAX UPDATES*

IRS voluntary program for unenrolled tax preparers; exempt unenrolled tax preparers; tax return preparer credentials; most recent tax laws and regulations; changes to Social Security and Medicare taxes; protecting taxpayer identity; features of the Affordable Care Act (ACA); states that have their own health insurance exchange; the ACA mandate for businesses.

### *SESSION 20: ETHICS AND RESPONSIBILITIES OF TAX PROFESSIONALS*

Rules and regulations governing the tax profession; practical application of these rules in the daily operation of a tax professional's business; professional responsibilities in tax return preparation; IRS rules and responsibilities as defined in Circular 230; AICPA Statements on Standards for Tax Services (SSTS).

### **How Student Skills are Measured**

Student reports of progress, attendance, and grades are summarized and published at the end of each month. Copies are distributed to the students and entered into the student's records. Requirements for Completion: (1) 90% or greater cumulative attendance; (2) minimum cumulative grade-point average of 70%; and (3) completion of all exercises and practice sets.