ACCOUNTING 541
Fall, 2013

INSTRUCTOR: Allan Karnes Phone: 453-7966, Email: karnes@business.siu.edu, Office, Dean's Suite, Room 116A.

CLASS TIME: W 2:00 - 4:45 pm Rehn 12


OBJECTIVES OF THE CLASS: This class will focus on the legislative and judicial evolution of the present tax system. We will be examining basic concepts of taxation, such as what is gross income, who is the proper taxpayer, allowable deductions, deferral and nonrecognition of income.

The purpose of the class is not to crunch numbers, but to understand the underpinnings of the tax system. Different code sections come and go, but the underlying concepts remain the same. Comprehension of these concepts makes understanding tax law changes much easier.

The focus of the class is individual taxation. The concepts we will examine, however, spill over into other areas of taxation as well.

Students who successfully complete the class will gain an in-depth understanding of the underpinnings of the U.S. tax system.

Students should also gain an understanding of the evolutionary process of tax law development and the roles played by the legislative, executive and judicial branches of the federal government in that evolutionary process.

Students should also have a basic understanding of the sociological, economic and political influences of federal tax policy. Students will be expected to evaluate policy implications of the legislation, regulations and judicial decisions.

Students will also learn to interpret and analyze complex court decisions. In addition, students will be expected to present their understanding of given cases and related materials in a non-complex manner.

CLASS STRUCTURE: Each student will be expected to have a written brief of each case or other reading assigned each session. Code sections and Treasury regulations referred to by the text must also be put into the student's own words in writing in preparation for class. All problems in the assigned material must also be completed in written form. Students will be randomly called upon to present a brief or answer the problems.

GRADES: Grades will be assigned on the following basis:

<table>
<thead>
<tr>
<th>Component</th>
<th>Points</th>
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</thead>
<tbody>
<tr>
<td>Debates</td>
<td>100</td>
</tr>
<tr>
<td>Final Exam</td>
<td>200</td>
</tr>
<tr>
<td>Class Participation</td>
<td>200</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
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The final will be essay and comprehensive.

The debates will occur as assigned. Each student (or team) will be assigned one side of a tax issue in controversy. The pro side will have fifteen minutes to present their arguments followed by the same for the con side. Both teams will then have five minutes to make counter arguments, then there will be a ten minute period with both teams on the floor for the final argument of the issue.
The class participation points will be a combination of:

- Regular participation in the class discussions 100 pts.
- Attendance 100 pts.

Attendance will be taken each week. For every class not attended, ten points will be deducted.

Participation points are assigned as follows:
- Able to present a brief and make give appropriate responses when called upon 70 pts
- Above plus makes some attempts to voluntarily contribute 80 pts
- Above plus regularly contributes voluntarily 90 pts
- Above plus always voluntarily contributes 100 pts

To do well in class participation requires more than being able to respond when called on—that is the minimum level expected. **To excel in participation, students should voluntarily join in discussions of the material at hand although it is not their turn to do a brief or answer a question.** As mentioned previously, each student must be prepared for class each week. Being prepared for class means having read the material and having prepared written explanations in your own words of any references given to code sections or regulations. In addition each student must prepare written briefs of each case and summaries of other text material. Each student must have also prepared written solutions to all problems in the assigned material. You should be ready to lead the discussion each week. **Should a student sign the class roll and not be prepared as described above, thirty points will be deducted from the class participation portion of the grade.** Each student will have one free day they can use each semester (not be prepared and still sign the roll). The instructor must be notified in writing before class that the student intends to use his/her free day.

Desire to Learn

The course will be setup on D2L. Please email me through my regular email; address. There will be files available to you on occasion throughout the semester. It would be a good idea to check the site from time to time. Especially the day or two before class. It is your responsibility to have access to D2L. If you are having technical difficulties you need to have this resolved with the staff at D2L NOT with your instructor.

**ACADEMIC DISHONESTY**

Anyone who is caught cheating or otherwise committing an act of academic dishonesty will automatically receive an “F” grade for the segment and also be reported to the Director of the School of Accountancy who will initiate College disciplinary action.

**UNIVERSITY POLICIES ON ACADEMICS AND OTHER IMPORTANT INFORMATION**

http://pvcaa.siu.edu/_common/documents/Syllabus_Attachment.pdf
Assignments:

Aug. 21  Introduction -- Chapter 1
28  Chapter 2 -- Gross Income
Sept 04  Chapter 3 -- Gifts and Inheritances
11  Chapters 4 & 5 -- Fringe Benefits and Prizes & Awards
18  Chapter 6 -- Property
25  Chapters 8 & 9 - Insurance Proceeds and Forgiveness of Debt
Oct. 02  Chapters 10 & 11 -- Divorce and Other Income Exclusions
09  Chapter 12 - Assignment of Income
16  Fall Break
23  Chapter 14 through page 360 -- Business Deductions
30  Balance of Chapter 14 - Business Deductions (Exclude 403-415 and 429-443)
Nov 06  Chapter 15 - Deductions for Non-Business Activities
13  Off Week
Nov. 20  Chapter 16 -- Deductions Not Related to For-Profit Activities
27  Break
Dec. 04  Debates
Dec. 09-13  Finals week