



O G L E T H O R P E
F I N A N C I A L P L A N N E R
P R O G R A M

Syllabus: Income Tax Planning

Cohorts 42 and 43

Wednesdays / Thursdays
September 9/10 through November 18/19, 2009

Final Exam – Saturday, November 21, 2009

Instructors:

Henry Spil, CPA, CFP® - Wednesdays
Snow Williams, EA, CSA - Thursdays

CLASSROOM LOCATION:

Wednesdays – Lupton Hall, Room 203

Thursdays (Sept 10 – Oct 15) Hearst Hall, Room 210

Thursdays (Oct 22 – Nov 19) Lupton Hall, Room 203

CLASSROOM HOURS: 33 hours

COURSE LENGTH: 11 classes

Financial Planner Program website – www.oglethorpe.edu - key word FFP.
Please visit this website often as announcements for current students and schedule changes will be posted here. Mark this website as a favorite.

TEXTBOOK:

Income Tax Planning for Financial Planners, by Thomas P. Langdon, E. Vance Grange and Michael A. Dalton, 2nd Edition, published by Money Education

Textbook will be available at the Oglethorpe Bookstore. The textbook and student binder will be needed for each class. Calculators may be used on each of three exams.

Textbook website – www.money-education.com for updates, corrections and answers to end of chapter questions and multiple choice problems.

It is the responsibility of the students to follow the syllabus and adhere to all requirements, both written and oral, given by the instructor.

The information provided in the Oglethorpe University Financial Planning courses, as well as any information provided by your instructors, is for educational purposes only and should not be used for any financial, investment, or legal decision making.

Grade Calculation:

Mid-Term One: 20% of Final Grade – **25** questions – 1 hour

Mid-Term Two: 30% of Final Grade – **30** - 35 questions – (about) 1 hour, 15 minutes

Final Exam: 50% of Final Grade – **50** questions – 2 hours (may be longer)

Course Objectives:

Upon completion of this course the successful student will be able to:

- Evaluate the impact of taxes on family financial decisions throughout the life cycle.
- Apply the underlying economic and management principles used to help families make tax planning decisions.
- Use their knowledge and understanding of the interactions between taxes and market conditions to assist families with financial decisions.
- Evaluate the appropriateness of tax strategies for individual family situations.
- Communicate with clients to ensure integration of tax strategies with family financial goals.
- Integrate tax planning into the six-step financial planning process.
- Respond to client's basic tax questions and know when to refer matters to clients' accountants and other advisors.

Studying Income Tax Planning:

Income Tax can be very challenging because of the vastness of material that is covered by the US Tax Code as well as tedious and ambiguous at times, which is why individuals and businesses often require CPAs, attorneys and financial advisors to assist them with their tax planning.

The CFP Board has created a tax agenda that is designed to help the financial planning student become aware of how our tax system works and important tax issues that will likely affect your clients. You will NOT be qualified to be a tax accountant after this course. In fact, to get a more complete understanding of income tax issues, we suggest that you take additional tax courses when you complete your CFP® certification.

This course covers a great deal of ground and will significantly improve your understanding of the role of income tax in financial planning. Like anything else, you'll get out of it what you put into it. If you follow a good study strategy, you will acquire a lot of very useful information and do well on the tests. We suggest you do the following unless you have utilized a similar strategy that has proven successful to you:

Read the assigned material BEFORE class. The textbook is not a novel – skim through the text once – then go back and read sections that are not clear to you. **Don't be bashful asking about questions in class that you do not understand.** Your objective is NOT to read the material until you get it. Your objective is to get the material – probably by a combination of class, reading and doing the exercises/problems. The problems assigned should also be completed before class. The multiple choice problems not assigned should be completed on your own – if you have questions on these, please ask them in class. We recommend that the problems not assigned be used as review for the tests.

If you have any thoughts or experiences in making these courses work better for you, please pass them along to the instructors and/or the Financial Planner Program Office so we can share with other students and make changes.

Tests:

Tests are great learning tools, and our tests are designed to test your ability to *apply* the information acquired in the course. The questions are designed to confuse the student who is only familiar with the material. If you know the material very well, the tests will not be difficult.

Make it a habit of reading the questions (in full) very carefully. With multiple choice questions, read the last line first. Do not read the answers before you read the question – sometimes the questions and answers are designed to make you think a simple question is difficult. Remember the exams will often give you a lot of meaningless information – just like clients do.

If you have a double negative question, read it again without the negatives – then translate. Always do multiple choice questions by elimination.

During the tests, the instructor will not answer technical questions. This is in preparation for the CFP® certification examination in which no one is available to be asked technical questions.

Scheduling a Makeup/Retake Examination:

- All midterm exams must be taken **within 14 days of the scheduled midterm exam date** and prior to the scheduled final exam unless prior authorization has been given by the Financial Planner Program Office. Failure to take the midterm exam by the stated date will result in a score of 0 for the midterm exam. All rescheduled final exams and retake final exams, if needed, must be taken within 30 days of the schedule final exam unless prior authorization has been given by the Financial Planner Program Office. If the final and retake exams are not completed by the stated date, the student will be required to resit the entire course. *Effective 9.1.09*

- **Last date for rescheduling and retaking exams for this course is December 18, 2009.**

CLASS TIMETABLE

CLASS 1: Introduction, Working with the Tax Law – September 9, 10

Chapters 1 and 2

No problems for Chapter 1.

Multiple Choice Problems for Chapter 2: 2, 3, 5, 6 & 9

CLASS 2: Fundamentals of Income Tax Planning – September 16, 17

Chapter 3

Multiple Choice Problems for Chapter 3: 2, 4, 5, 8 & 10

Review for Mid-Term 1

CLASS 3: Mid-Term 1 – September 23, 24

Mid-Term No. 1 covering Chapters 1, 2 and 3; 25 questions, 1 hour.

Review of Mid-Term No.1 - Instructor will return tests & review answers or any material deemed necessary. Class continues after the Mid-Term is reviewed.

Chapter 4 – Gross Income from Personal and Investment Activities
Pages 95 – 105 in text and PowerPoint slides 4-1 to 4-19

CLASS 4: Gross Income from Personal, Investment & Employment Activities – September 30 and October 1

Chapters 4 (complete from last week) and Chapter 5

Multiple Choice Problems for Chapter 4: 2, 4, 5, 8, 9, 10, 12 & 15

Multiple Choice Problems for Chapter 5: 2, 3, 5, 6, 8, 10, 12 & 14

CLASS 5: Above and Below the Line Deductions - October 7, 8

Chapters 6 and 7

Multiple Choice Problems for Chapter 6: 1, 3, 5, 7, 9, 11, 12 & 15

Multiple Choice Problems for Chapter 7: 1, 2, 4, 7, 8, 10, 12 & 13

CLASS 6: Other Deductions Penalties and Loss Disallowance and Tax Credits - October 14, 15

Chapters 8 & 9

Multiple Choice Problems for Chapter 8: 1, 3, 5, 6, 9, 10, 11 & 14

Multiple Choice Problems for Chapter 9: 3, 4, 6, 7, 8, 10, 12 & 15

Review for Mid-term 2

CLASS 7: Mid-Term 2 – October 21, 22

Mid-Term No. 2 covering Chapters 4-9; 30 - 35 questions, (about) 75 minutes

Review of Mid-Term No. 2 - Instructor will return tests & review answers or any material deemed necessary.

Case Study – review of Chapters 2 through 9

Answer questions on material covered and short preview of Chapter 10

CLASS 8: Basis, Depreciation, and the Taxation of Capital Assets – October 28, 29

Chapters 10 & 11

Multiple Choice Problems for Chapter 10: 1, 3, 6, 7, 8, 9, 12 & 15

Multiple Choice Problems for Chapter 11: 1, 3, 6, 8, 9, 10, 14 & 15

CLASS 9: Business Assets and Nontaxable Exchanges - November 4,5

READ: Chapters 12 & 13

Multiple Choice Problems for Chapter 12: 3, 5, 6, 7, 9, 12, 14 & 15

Multiple Choice Problems for Chapter 13: 3, 5, 6, 7, 8, 9, 12, 14 & 15

CLASS 10: Passive Activity Rules and Alternative Minimum Tax – Nov 11, 12

Chapters 14 & 15

Multiple Choice Problems Chapter 14: 3, 5, 6, 9, 10, 11, 12 & 15

Multiple Choice Problems Chapter 15: 1, 3, 4, 8, 9, 12, 13 & 15

Traditionally, this class – PAL and AMT – has been the most difficult class of this course. You are encouraged to spend additional time preparing for this class.

CLASS 11: Business Entities and REVIEW for Final Exam – November 18, 19

Chapter 16

Multiple Choice Problems for Chapter 16: 1, 2, 3, 4, 5, 11, 13 & 17

Review for Final Exam

Final Exam: Saturday, November 21, 2009
Exam covers Chapters 1-16
9:00 AM to Noon – Location: Lupton Hall, Room 203