

**ACCOUNTING 445  
FEDERAL TAX I  
FALL 2006  
UNDERGRADUATE SECTIONS 10110 & 10115  
(HONORS SECTIONS 10109 & 19570)  
(GRADUATE SECTIONS 19569 & 19578)**

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Specific appointments are also available. You may also stop by my office without an appointment. In most instances I will be able to see you. You may also contact me via email. Email is more likely to reach me much quicker than a phone call.

**Text:** West Federal Taxation  
Individual Income Taxes 2007  
Hoffman, Smith, & Willis

**Course Philosophy:**

The primary objective of this course is to introduce you to the basic rules of federal income taxation. Accounting 445 provides UIC accounting graduates the necessary background, knowledge, skill set, and research experience to prepare them for work in public or private accounting in the corporate world. The course also provides students with the opportunity to develop skills necessary to deal with the constantly changing landscape of tax law.

## **Course Overview:**

Accounting 445 examines the fundamental concepts of the federal income tax structure. The primary emphasis of the course is identifying the key issues that affect the taxation of individuals. The course provides students with a basic core of technical knowledge concerning the federal income tax as well as an understanding of the conceptual and tax policy issues that underlie tax legislation. Many parts of the tax code, although seemingly unrelated, share an underlying theoretical structure. A working knowledge of the underlying theoretical concepts increases your understanding of the current tax law and places you in the position to understand and explain future tax law changes.

## **Personal Thoughts**

At its most basic level, Accounting 445 is a survey course. The course will provide you with an introduction to taxation but you cannot develop mastery of all the material in the textbook - that is a task beyond any undergraduate introductory tax course. The course provides an opportunity for you to begin to think like a tax accountant but you will only begin to accumulate a large body of technical knowledge once you begin working in the area.

This is a very challenging course. The subject matter is complex and the workload is substantial. My course requires a significant commitment from students in terms of time and energy. In my opinion, this course requires fifteen to twenty hours of study per week for an average student.

A major part of the learning process takes part outside of the classroom. I conduct the class assuming that all reading assignments have been completed prior to the class date. Prior to an examination, you should have read the material three or four times to ensure adequate comprehension. Comprehending and synthesizing a wide variety of written materials will be a major part of your career.

## **Prerequisites & Drop/Add**

Students enrolled in this course must have completed ACTG 315 or its equivalent. Students should also be familiar with basic accounting and

finance concepts as well as the basic use of Excel, email, and web browsing software. The last day to drop this course is February 17, 2006.

### **Exam Policy:**

Failure to attend an exam will result in a grade of zero unless (1) the student notifies me in advance of the scheduled exam, and (2) the reason is legitimate and documented in writing. A personal conversation before the exam constitutes notification in advance of an exam. Messages left in my mailbox, email, or on my voice mail do not constitute notification.

<b>Performance</b>	Online Quizzes	15%
<b>Evaluation:</b>	Exam 1	15%
	Exam 2	15%
	Final Exam	15%
	Tax Research Project #1	5%
	Tax Research Project #2	5%
	Tax Research Project #3	10%
	Tax Return Project #1	5%
	Tax Return Project #2	5%
	Tax Return Project #3	10%

If you are taking this course as an 'Honors' course, you will be responsible for one additional tax research project. This project will be weighted 10% of your final grade; the above components will constitute 90% of your grade.

Final grades are determined in accordance with University policy. Incomplete grades are only given to students if the student has completed substantially all of the coursework. Incompletes are not an opportunity for the student to begin the course in the following semester.

### **Semester Schedule:**

This course makes extensive use of Blackboard. All materials regarding the course may be found at UIC's Blackboard webpage located at

<http://blackboard.uic.edu>. However, in order to provide you with an overview of the course, this syllabus contains a tentative schedule that presents an overview of how I think the semester will progress. During the semester, I will refine the schedule to more accurately reflect the pace of the course.

The readings and problems are arranged by class session. You should read each chapter in its entirety at least once. However, since each chapter contains more material than we can possibly hope to cover during the semester, I have indicated the material that I will emphasize in each chapter. It is this material that you should review in detail prior to an exam. The exams only cover material discussed in class. Any topic in a chapter, which was not discussed in class, will not appear on an exam. As to the problems assigned, I do not review or work these problems in class but I recommend that you work the problems on your own. The problems are not particularly complex. Solutions for the entire chapter are available on the class Blackboard site.

### **BlackBoard:**

Most of the material for this course can be found on the Blackboard homepage under the 'Course Documents' button. Here you will find files organized by the various chapters in the text. Each chapter contains a list of learning objectives, a crossword puzzle, and an interactive quiz to enhance your learning experience. As the semester progresses, I will place Powerpoint presentations and solutions to the homework problems within each chapter.

Blackboard also contains a 'Discussion Board' that can be used for communication with myself and other students in the class. In many cases the answers to questions you may have about the course will benefit other students, or another student may know the answer to your question. Therefore, I strongly encourage students to make use of the "Discussion Board" as a means of communicating with me and other students on matters concerning this course. A discussion board forum entitled "Questions / Comments about Course Material" has been established for this purpose. In order to encourage use of the discussion board forum, I award points to your final course average to students submitting meaningful questions through the discussion board forum and to students answering questions that another student has submitted through the

discussion board forum. In prior semesters, students have earned up to 3 points as the result of their participation. Private communication with the instructor is appropriate in other situations (e.g., grades, illness, etc.). Students should rely on email or a personal conversation as the principal form of communication with the instructor in these situations.

Blackboard will also be used for the quizzes that provide 15% of your final grade. For each chapter that is covered, you are responsible for taking an online quiz. Each quiz will consist of five questions. The questions may either be true-false or multiple choice questions. You will have 45 minutes to complete each quiz and the quiz must be completed within one week of the class that completes the chapter. You will be notified via email when the quiz is ready as well as the timeframe for completing the quiz. Because the quizzes will cover material that we do not cover in class, you are allowed to use your textbook during the quiz. However, the time limit is designed to ensure that you have read the text prior to taking the quiz online. You need to plan your time adequately for these quizzes. If you miss a quiz, you will not be provided an opportunity to make the quiz up. However, at the end of the semester, your lowest quiz grade will be dropped.

**TENTATIVE SCHEDULE**  
(last updated August 28, 2006)

Week	Date	Chapter	Topic	Material Emphasized	Problems
1	August 29	1	West: Ch. 1; An Introduction to Taxation and Understanding the Federal Tax Law	Pages 1–33	None
1	August 31	3,10, 13	West: Ch. 3; Tax Determination; Personal and Dependency Exemptions; An Overview of Property Transactions  West: Ch. 10; Deductions and Losses: Certain Itemized Deductions  West: Ch. 13; Tax Credits and Payment Procedures	Ch. 3: 1 – 37  Ch. 10: 30-32  Ch. 13: 20-21	Ch. 3: 28, 29, 31, 32, 33, 36, 40, 41, 42, 48,  Ch. 10: 45, 46  Ch. 13: 42
2	September 5	3,10	West: Ch. 3, 10,13		
2	September 7	2	West: Ch. 2; Working with the Tax Law	Ch. 2: 1-39	None

3	September 12	2	West: Ch. 2		
3	September 14	4	West: Ch. 4; Gross Income: Concepts and Inclusions	Ch. 4: 1-17; 20 - 23; 27-38	29, 35, 36 40, 45,46, 53,54,55
4	September 19	4	West: Ch. 4		
4	September 21	5	West: Ch. 5; Gross Income: Exclusions	Ch. 5: 1 - 9; 28- 29;	28, 29, 31, 32, 33
5	September 26	5	West: Ch. 5		
5	September 28		West: Ch. 14; Property Transactions: Determination of Gain or Loss and Basis Considerations  West: Ch. 16; Property Transactions: Capital Gains and Losses	Ch. 14: 1-22 Ch. 16: 1 - 27	Ch. 14: 30, 31, 36, 45, 45, 49  Ch. 16: 11, 23, 24, 26
6	October 3		West: Ch. 14, 16		
6	October 5	14,16	Catch-Up & Review		

7	October 10	14,16	<b>Exam 1</b>		
7	October 12	6	West: Ch. 6; Deductions and Losses: In General	Ch. 6: 1-25	48, 49, 51, 52, 53
8	October 17	6	West: Ch. 6;		
8	October 19	7	West: Ch. 7; Deductions and Losses: Certain Business Expenses and Losses	Ch. 7: 1-24	37, 38, 39, 48, 49, 50
9	October 24	7	West: Ch. 7;		
9	October 26	10	West: Ch. 10; Deductions and Losses: Certain Itemized Deductions	Ch. 10: 20-27	37, 38, 39, 40
10	October 31	10	West: Ch. 10		
10	November 2		West: Ch. 11; Passive Activity Losses	Ch. 11: 1-25	33, 36, 37, 38, 40, 42, 50, 51, 52, 54

11	November 7	11	West: Ch. 11		
11	November 9	11	Catch-up & Review		
12	November 14	12	<b>Exam 2</b>		
12	November 16	12	<b>No Class</b>		
13	November 21	8	West: Ch. 12; Alternative Minimum Tax	Ch. 12: 1-26	31, 33, 50
13	November 28	8	West: Ch. 12		
14	November 30	15	West: Ch 8; Depreciation, Cost Recovery, Amortization, and Depletion	Ch. 8: 1-20	28, 29, 30, 31, 32, 33, 34, 35, 36
14	December 5	15	West: Ch. 8		
15	December 7		West: Ch. 15; Property Transactions: Nontaxable Exchange	Ch. 15: 115	29, 30, 32, 33, 34, 35, 36

15	April 27		West: Ch. 15;		
16	December 11-15		<b>Final Exam</b>		