

**Instructor:** Gerald A. Harrison, PhD, JD; 690 KRAN; Purdue phone: 49-44216 **E-mail is preferred:** [harrisog@purdue.edu](mailto:harrisog@purdue.edu)  
Home: [gah104@comcast.net](mailto:gah104@comcast.net) **Check for E-mail sent by the instructor or Tracy or Secretary on a regular basis.**

**Office Visits:** **By Appointment.** E-mail is a good way to contact the instructor if you have a question.

**Staff Assistant:** Tracy Buck in 688 Krannert to the right from the elevator. Phone: 49-44208; E-mail: [tbuck08@purdue.edu](mailto:tbuck08@purdue.edu)

**Course Text:** **Individual Income Taxes, 2015** by Hoffman and Smith, South-Western, Cengage Learning. This book may be purchased in a paper or in a digital version from < **eCampus.com** > **web address:**  
<http://www.ecampus.com/search-results.asp?au=Hoffman%2FSmith>

**The text Study Guide is also recommended.** Students may wish to share a text, if convenient, and Study Guide, but neither is needed in the class room. Ten homework assignments will be from the 2015 edition of Hoffman and Smith. A few additional readings may be assigned from **IRS publications: *Your Federal Income Tax*, #17, *The Farmer=s Tax Guide*, #225 and *Tax Guide for Small Businesses* #334.** IRS tax forms and publications are available at: [www.irs.gov](http://www.irs.gov).

**Course Description:** The course provides an introduction to federal income tax law: the terms (jargon), concepts, and fundamental principles. Tax law, example calculations for individuals and businesses, tax law policy and planning are emphasized. At the completion of this course, students will be expected to understand fundamentals of federal income tax law, recognize exceptions to the tax law, and be able to use this information in the analysis of common situations for U. S citizens: individuals, married couples and small businesses.

**Objectives:**

1. To develop an understanding of the federal income tax law: for individuals and small businesses and for economic and financial decision making.
2. To gain an understanding of the management opportunities for the income tax law and how they can be applied by individuals, families, and small businesses.
3. To develop the ability to analyze facts for tax law alternatives and to communicate tax planning alternatives.
4. **See the attached list of selected topics and skills to be covered.**

**Classes:** **Preparation and attendance is mandatory!** Class time is limited for the number of topics to be covered. It is required that you read the text materials before each class. Class time is used to highlight key points, review more difficult concepts and materials, work problems, and to supplement and update reading assignments. Students should be prepared to discuss questions and work problems in class and to answer quiz questions on both assigned and material presented in class. **Questions are welcomed by preferably by E-mail and in class.**

**Blackboard:** Scores on assignments, quizzes and tests results are expected to be posted on Blackboard Learn and posted in a student-folder for individual students and provided in the class room with the return of papers.

**Exams & Quizzes:** **Numerous quizzes (in any class), two tests and a final.** Students are not expected to memorize the standard deductions for filing status, personal and dependency exemptions or similar material specific to the tax. **Examinations are closed book (no notes) with only materials provided by the instructor with the test and a student calculator. No cell phone calculators and other electronic devices are allowed during a quiz or test.** There will be 5 minute quizzes during (at the beginning, middle or end) class. Quizzes missed will affect your attendance score. **Quizzes will be Power Points projected on a screen.**

**Homework:** **Homework problems are listed in this syllabus.** Assignments will be turned in at the beginning of class, on the specified due date in the syllabus. **Homework must be typed, properly labeled (homework #, name, seat assignment, start page #, problem numbers) be neatly organized and clearly presented.**

**Showing your work (labeled calculations and explanations-similar to examples in the text). For homework or any take-home tests or assignments type (a word processor) is required. Unprofessional appearing papers will be penalized. For each home work question, repeat only essential data. You need not draft the question. Use**

**2015 tax rate schedules, standard deductions, personal exemptions for tax year 2015 supplied by the instructor. Be sure to save the computer file copies of homework.**

**Class Attendance and Participation:** Students must attend and participate in class. Some of the homework offers bonus points. During class cell phones use or observing calls or texts are not allowed. If, because of a University-sponsored activity, you are going to be absent from class provide a letter from the faculty involved in advance for a possible excused absence. Assignments in another course or job interviews are not considered University-sponsored activities.

**Class Policies:**

1. Errors in grading **addition and/or subtraction or recording of grades must be corrected within 2 weeks of their posting on Blackboard.** The instructor reserves the right to re-grade the entire assignment, examination, etc. in the case of disagreement with respect to scoring. Generally, **scores are final once they are posted.**
2. Home works are **handed in at the beginning of the designated class period on the table at the front of the classroom.**
3. **Exams must be taken when scheduled.** The only reason for allowing a makeup exam would be an emergency documented to the instructor's satisfaction. It is the student's responsibility to contact the instructor as soon as possible to reschedule this exam.
4. **E-mail will be used to communicate class information (e. g. corrections and hints on homework assignments). Students are expected to check their Purdue E-mail on a regular basis. In case your E-mail is out of service, have a classmate for a contact for class E-mail information.**
5. **Academic Integrity** – University policy on academic misconduct is clear – academic dishonesty in any form is strictly prohibited. As a student, you should be familiar with the guide to academic integrity provided by the [Dean of Students Office](#). **Student cheating** will be dealt with on an individual basis. If you are caught cheating, you may be dismissed from this class with a failing grade (F) and you will be reported to the Dean of Students Office for disciplinary action. **If a cell phone or similar device in use is during a quiz, test or final examination, you will be asked to leave the room and immediately eligible for a grade of F for that exercise.** If you are unsure whether an action constitutes academic dishonesty, seek clarification from the instructor. **E-mail the instructor for your concerns and questions.**
6. **Special Needs** - If you have a disability that may require academic adjustments you must notify the instructor. Please note that university policy requires all students with disabilities to be registered with [Adaptive Programs](#) in the [Office of the Dean of Students](#) before appropriate accommodations can be provided.

**Seating:** Students may select a seat which becomes permanent for the semester and will be noted with a photo of the student on a seating chart. Permanent seating assignments are required to facilitate return of student folders with homework and for attendance checks. **Students are expected to be in the assigned seat at the start of a class session.**

**IRS Website:** For example: [www.irs.gov](http://www.irs.gov) may be searched by publication number, form number, or topic.

**Campus Emergency:** In the event of a campus emergency, course requirements, deadlines and grading percentages are subject to changes that may be necessitated by a revised semester calendar or other circumstances. Information about ongoing on-campus emergencies will be posted at <http://www.purdue.edu>. Local news is available at <http://www.wlfi.com> & <http://www.jconline.com>. Cell phone emergency text messages will be sent to those signed up for them. You can register for this at <http://www.purdue.edu/securepurdue/>.

For specific information regarding this course, contact by email at [harrisog@purdue.edu](mailto:harrisog@purdue.edu), or call Gerry's Office at (765) 49-44216 early a.m. or contact Tracy Buck Phone: (765)49-44208, Gerry's Cell phone: (765) 427-1045. Gerry typically works at his home office afternoons, evenings and week-ends.

**AGEC 456 - Spring 2016  
Class Schedule**

Date	Topics	Text	Homework (Hmk)
Monday, Jan. 9	Overview of selected tax forms. Types of taxes	Introduction & Chapter 1 <b>Suggestion: Read the homework selections before or as you read the chapter.</b>	<b>Hmk #1 start on page 1-36 -- 2,7,9,11, 20, 29, 43, 49, 52</b> <b>Homework must be labelled, typed and submitted in the class room when due!</b>
Wed., Jan. 11	<b>Quiz in any class!</b>	Chapter 1	
Friday, Jan. 13			
Monday, Jan 16	<b>Martin Luther King Jr. Day NO CLASS</b>		<b>Hmk #2 page 2-38 – 4, 9, 18, 26, 41,45 (2 points each)</b>
Wed. Jan. 18	Working with the Tax Law (Making, Finding and Researching the Tax Law)	Chapter 2	Hmk #1&#2 Due at the beginning of class.
Friday, Jan. 20	Tax Formula & Tax Determination Overview of Property Transactions	Chapter 3	<b>Hmk #3 page 3-41—1, 3, 7, 9, 14, 21, 25, 28, 32, 37, 44</b>
Monday, Jan. 23		Chapter 3	<b>Note, more than 10 problems, gives extra credit—1 point each.</b>
Wed., Jan. 25	Gross Income : Concepts & Inclusions	Chapter 4	Hmk #3 due today at the beginning of class.
Friday, Jan. 27			<b>Hmk #4 page 4-35 –2, 6, 10, 12, 16, 18, 24, 31, 37, 49, 52, 53</b>
Monday, Jan. 30			Hmk #4 due today at the beginning of class.
Wed., Feb. 1	Gross Income Exclusions	Chapter 5	<b>Hmk #5, Page 5-30 --1, 3, 6, 11, 15, 22, 23, 27,35,38,39&amp; 57</b> <b>Option</b> -every other problem for two points each.
Friday, Feb. 3			Hmk #5 due today at the beginning of class.
Monday, Feb. 6	Deductions and Losses: In General	Chapter 6	<b>Hmk #6, Page 6-34 — 2, 3, 5, 18, 20, 22, 26, 34, 35, 39, 59</b> <b>Option</b> -every other problem for two points each.
Wed., Feb. 8			Hmk #6 due today at the beginning of class.
Friday, Feb. 10	Deductions and Losses: Certain Business Expenses	Chapter 7	<b>Hmk #7 Page 7-30 – 1, 9, 13, 16, 19, 23, 30, 36, 48, 52, 55</b>

Monday, Feb. 13			
Wed., Feb. 15			Hmk #7 due today at the beginning of class.
<b>Friday, Feb. 17</b>	<b>Test #1</b>	<b>Hmk#8 Option</b> -every other problem 2 points each.	<b>Hmk. #8, Page 8-39--</b> 1, 3, 12, 17, 21, 32,36,45,49, 51,& 53
Monday, Feb 20			
Wed., Feb. 22	Depreciation, Cost Recovery, Amortization, and Depletion	Chapter 8	Hmk #8 due today at the beginning of class.
Friday, Feb. 24			
Monday, Feb. 27	Employee and Self-Employed – Related Expenses	Chapter 9	<b>Hmk #9 page 9-37—</b> 4, 9, 16, 18, 29, &45 2 points each
Wed., March 1			Homework #9 is due today at the beginning of class.
Friday, March 3			
Mon., March 6	Deductions and Losses: Certain Itemized Deductions	Chapter 10	<b>Hmk #10, page 10-37 –</b> 3, 5, 6, 12, 13, 19, 20, 23, 24 ,25, 26, 29, 36, 40 Option, do seven for 2 pts each or 12 for 1 pt each.
Wed., March 8			
Friday, March 10			
Mar. SPRING 13-18 Break	<b>Study Tax!!</b>		<b>Hmks #11 &amp; #12 are all bonus points — 2 points each.</b>
Mon., March 20	Investor Losses	Chapter 11	<b>Hmk #11, page 11-28—</b> 15, 16, 22, 25
Wed., March 22			Hmk #10 is due today at the beginning of class
Friday, March 24	Review for Test #2		
Mon., March 27	<b>Test #2</b>		Hmk # Chap. 11 Due today

Wed., Mar.29	<b>Test #2 Critique</b>		
Friday, Mar. 31	Alternate Minimum Tax	Chapter 12	<b>Hmk #11, page 12-32 – 5, 21</b>
Monday, April 3			
Wed., April 5	Tax Credits and Payment Procedures	Chapter 13	<b>Hmk #11 page 13-47 – 5, 16</b>
Friday, April 7			Hmk #11- Chap. 13 is due today at the beginning of class.
Monday, April 10	Property Transactions: Gains & Losses and Basis Considerations	Chapter 14	<b>Hmk #12, page 14-25 – 4, 10, 12</b>
Wed., April 12			
Friday, April 14			
Monday, April 17	Property Transactions: Nontaxable Exchanges	Chapter 15	<b>Hmk #12, page 15-27 – 5, 15</b>
Wed., April 19			
Friday, April 21	Property Transactions: Capital Gains & Losses	Chapter 16	<b>Hmk #12, Page 16-39 - 6, 14, 19</b>
Monday, April 24			
Wed., April 26	Property Transactions: Sec. 1231 & Recapture Provisions Corporations & Partnerships	Chapters 17 & 20	<b>Hmk #12, page 17-31 – 3, 14 Page 20-39 --1, 7</b>
Friday, April 28			Homework #12 is due today at the beginning of class!
May	<b>Final Exam</b>		<b>Course scoring ends with the final! No alibis!</b>

**Components for a Final Grade**

	<u>Points</u>	
<b>Homework</b> -10 pts. each*	100	Extra problems & Hmk #11 & #12 are bonus opportunities*
<b>Quizzes</b> , - best 6, 50 pts. each	300	Expect 12 or more quizzes, usually 5 questions each.
<b>Two Tests</b> --125 pts., each	250	
<b>Final Exam</b>	250	
Bonus points are in the numerator not in the denominator.		* -- Bonus points are available on selected homework assignments.
<b>Attendance &amp; Participation (Free)</b>	<u>100</u>	<b>- Minus 5 for a late homework, minus 10 points for missed quizzes</b>
<b>Total</b>	<b>1000</b>	<b>(No make-ups without a Med. Doc or Dean's information)</b>

<b>Grade</b>	<b>%</b>	<b>Grade</b>	<b>%</b>	<b>Grade</b>	<b>%</b>	<b>Grade</b>	<b>%</b>	<b>Grade</b>	<b>%</b>
A+	97-100	B+	87-89	C+	77-79	D+	67-69	F	<60
A	94-96	B	84-86	C	74-76	D	64-66		
A-	90-93	B-	80-83	C-	70-73	D-	60-63		

**Students need lots of time for AgEc 456 -Tax Law!!**

**Selected Course Topics**

**Income tax Planning:**

- Tax fundamentals: income, adjustments to income, deductions and credits.
- Tax compliance
- Calculations
- Taxable income
  - Deferred income
  - Ordinary income
  - Capital gain income
    - basis
    - netting gains and losses
- **Alternative business entities:** characteristics and income taxation
- Income taxation for trusts and estates
- Tax minimization techniques
- Special tax circumstances
- Charitable contributions/Schedule A deductions
- Alternate minimum tax
- Tax implications of special circumstances
- Retirement accounts and fringe benefits for employees
  - Employees
  - Independent contractors

**Academic Dates for Spring Semester 2017**

- January 17<sup>th</sup> last date to register without a late fee.
- January 23<sup>rd</sup> last date to cancel a course assignment without appearing on your record.
- March 10<sup>th</sup> by 5:00 p.m., last date to withdraw with a W or WF grade.
- March 10<sup>th</sup> by 5:00 p.m., last date to add/modify a course with advisor, instructor and dept. head signatures