

TEACHING MODULE -- 1

- **INSTRUCTOR'S NAME AND COLLEGE NAME**
 - JOHN M DAUGHERTY
 - PITT COMMUNITY COLLEGE

- **COURSE TITLE AND NUMBER**
 - INDIVIDUAL INCOME TAXES
 - ACCOUNTING COURSE ACC 129

- **MODULE TITLE**
 - UNITED STATES TAX LAWS, CODES AND HOW THEY APPLY TO UNITED STATES CITIZENS

DESCRIPTION OF MODULE

This module consists of a series of components infused in a lecture/discussion hour during 12 weeks of the 16 week semester. We will introduce the various tax laws governing individual income taxation. Emphasis is placed on the filing status, exemptions for dependents, gross income, adjustments, deductions, adjusted gross income (AGI), and computation of tax. Upon completion students should understand the basic tax laws and be able to complete various tax forms pertaining to the topics covered in this course.

OBJECTIVES

1. Be able to explain the five basic filing statuses.
2. Be able to explain and determine the dependency exemptions.
3. Be able to determine and use the appropriate tax form (s) depending on the taxpayer's requirements.
4. Be able to determine the taxability of income and where the income is reported on the tax form (s).
5. Be able to explain the adjustments to income and how they reduce the individual's taxable income.

6. Be able to explain the difference between standard deductions and itemized deductions.
7. Be able to explain the tax credits and how they reduce the individual's tax liability.
8. Be able to complete an accurate Federal Income Tax return for various taxpayers' requirements.

METHODOLOGY

Lectures/Discussions

Lectures will lay the foundation to develop the understanding of the United States tax laws and codes as they apply to individual taxpayers. This will provide the framework for discussion of the various tax forms, filing statuses, dependency exemptions, taxable income, standard deductions vs. itemized deductions, adjustments to income, and various tax credits. With each topic, lectures and discussions will focus on tax laws and codes that apply to the area being studied.

Readings Assignments

Cruz, Deschamps, Niswander, Prendergast, Schisler, and Trone. Fundamentals of Taxation: New York: McGraw-Hill Irwin, 2008, ISBN # 978-0-07-337934-0.

Publication 17

<http://www.irs.gov/publication/17/index.html>

Efile

<http://www.irs.gov/efile/>

TEACHING MODULE – 2

➤ MODULE TITLE

- UNITED STATES TAX LAWS, CODES AND HOW THEY APPLY TO UNITED STATES CITIZENS—WORKING ABROAD**

DESCRIPTION OF MODULE

This module consists of a series of components infused in a lecture/discussion hour during one week of the 16 week semester. We will introduce the various United States tax laws governing United States citizens living and working abroad.

OBJECTIVES

1. Be able to explain claiming exemption from withholding on foreign earned income eligible for the exclusion.
2. Be able to explain foreign earned income and housing exclusion deduction.
3. Be able to explain how income from United States possessions is taxed. (U.S. citizen or resident alien own and operate a business in Puerto Rico, Guam, the Commonwealth of the Northern Marian Islands, American Samoa, or the U.S Virgin Island).
4. Be able to explain the exemption from Social Security and Medicare Taxes.
5. Be able to explain Tax Home in a foreign country,

6. Be able to explain the difference between bona residence and physical presence and how these affect ones tax status.
7. Be able to explain the amounts that are included in earned income.
8. Be able to explain the excludable amount from ones United States taxable income and United States Tax form 2555.

METHODOLOGY

Lectures/Discussions

Lectures, discussion and student research will lay the foundation to develop the understanding of the United States tax laws and codes as there apply to United States citizens working abroad.

Reading Assignment:

IRS Publication 54

<http://www.irs.gov/publications/p54/index.html>

US Expatriate Taxes

<http://www.usa-international-offshore-expatriate-tax.com>

American Employment abroad-taxes

http://www.overseasamericansweek.com/documents/2008/Position-Taxation_2008.pdf

US Tax Treaties

<http://www.irs.gov/businesses/international/article/0,,id=96739,00.html>

TEACHING MODULE – 3

➤ MODULE TITLE

- **UNITED STATES CITIZENS—WORKING ABROAD- IN CANADA, CHINA, INDIA, AND MEXICO**

DESCRIPTION OF MODULE

This module consists of a series of components infused in a lecture/discussion hour during three weeks of the 16 week semester. We will introduce the various

tax laws governing United States citizens living and working abroad in the above countries. These countries were selected because; United States citizens have the most opportunity to work in one of these countries.

OBJECTIVES

1. Be able to explain the various tax forms United States citizens will be required to prepare by country.
2. Be able to explain the various tax law affecting United States citizens working in each country.
3. Be able to explain the resident laws and how they affect United States citizens tax liability in each country.
4. Be able to explain the amount that are included in earned income in each country.
5. Be able to explain the withholding laws in each country.
6. Be able to explain the due date of the tax return in each country.
7. Be able to explain the tax rates in each country.
8. Be able to explain credits for foreign taxes paid in each country.

METHODOLOGY

Lectures/Discussions

Lectures, discussion and student research will lay the foundation to develop the understanding of the tax laws and codes in the selected countries and how they apply to United States citizens working in these countries.

Reading Assignment:

OCED Tax Database (Canada and Mexico)

www.oecd.org/ctp/taxdatabase

Individual Income Taxes – Canada

Wikipedia

http://en.wikipedia.org/wiki/Income_taxes_in_Canada

Canada Revenue Agency

<http://www.cra-arc.gc.ca/menu-eng.html>

Canadian Tax Rates

<http://www.cra-arc.gc.ca/tx/ndvdl/fq/txrts-eng.html#federal>

Individual Income Tax – China

Wikipedia

http://en.wikipedia.org/wiki/Tax_system_in_China

http://www.worldwide-tax.com/china/china_tax.asp

Individual Income Taxes – India

Indiamart

http://finance.indiamart.com/taxation/income_tax/rates.html

Wikipedia

http://en.wikipedia.org/wiki/Income_tax_in_India

Income Tax Department

<http://incometaxindia.gov.in/>

Taxes in Mexico: Individual Income Tax

<http://www.solutionsabroad.com/en/business-in-mexico/business-category/taxes-inimexico-individual-income-tax.html>

Project Assignment:

Students will be divided into groups and each group will select a country. Each group will research the tax laws of their selected country. The groups will report to the class their finding.

Each group will turn in a written report on their presentation to the class.

Evaluation:

The evaluation of the students' understanding of what we covered during the semester will be based on the following: homework assignments, quizzes, comprehensives tax returns, group project, participating in the class discussion and attendance. The following percentages will be applied to determine the final grade:

Homework	10%
Quizzes	20%
Comprehensive Tax Returns	20%

Group Project		20%
Class Discussion	20%	
Attendance		<u>10%</u>
Total		100%