



## Standard Course Outline

ACCT 622 Taxation of Partnerships and S Corporations

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### I. General Information

<b>Course Number</b>	ACCT 622
<b>Title</b>	<b>Taxation of Partnerships &amp; S Corporations</b>
<b>Units</b>	4.0
<b>Prerequisites</b>	None.
<b>Course Coordinator</b>	Debra Grace/Sy Pearlman
<b>SCO Prepared by</b>	Debra Grace/Sy Pearlman
<b>Date prepared</b>	March 6, 2013.

### II. Catalog Description

This course focuses on the federal income taxation of partnerships, S corporations, and their owners/beneficiaries. Students will learn why so many closely-held businesses and real estate investments are owned by partnerships or LLCs.

### III. Curriculum Justifications

Closely-held businesses and real estate are often owned by pass-through entities. This course provides students with the knowledge and skills necessary to understand the tax considerations involved with the partnership form of organization and those involved with S corporations.

This course addresses the following CBA graduate learning goals.

1. **Critical Thinking:** Students will be able to demonstrate learning, critical thinking, and problem-solving skills. More specifically, students will be able to understand:
  - How the tax rules relating to partnerships apply to the formation, operation and liquidation of such entities.
  - How the tax rules relating to S corporations apply to electing and maintaining S corporation status, the operation of such entity and the liquidation of S corporations.
2. **Interpersonal, Leadership & Team Skills:** Students will be able to demonstrate interpersonal and team skills by working on a group project. Students learn how to manage a project with multiple deliverables throughout the semester. By completing a written report and making a formal presentation, they also learn team and communication skills.

Management-Specific Learning Goals: Students will be able to use their acquired knowledge of partnership and S Corporation tax rules.

### IV. Course Objectives

Specific course goals are the following:

1. Understand the federal income tax rules relating to forming and operating



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- partnerships.
2. Understand tax terminology relating to partnerships.
3. Understand the tax basis of partnership interests and special basis adjustments .
4. Understand the tax treatment of transactions between partners and their partnership.
5. Understand guaranteed payments and their tax implications.
6. Understand the tax treatment of special partnership allocations.
7. Understand limitations of the deductibility of partnership tax losses.
8. Understand the tax treatment of partnership distributions and sales and liquidations of partnership interests.
9. Determine the tax consequences relating to unrealized receivables and inventory.
10. Understand the basic tax rules relating to S Corporations.

#### V. Outline of Subject Matter

<b>Week</b>	<b>Topics/Concepts</b>
1	General Partnership Concepts and Definition; LLCs and LLPs.
2	Forming the Partnership- Property Contributions; Assumption of Debt.
3	Forming the Partnership-Service Contributions; Additional Considerations
4	Basis of Partnership Interest; Operation of Partnership
5	Operation of Partnerships; Guaranteed Payments; Transactions Between Partners and Partnership.
6	Operation of Partnerships: Special Allocations; Deduction of Partnership Losses
7	Partnership Distributions
8	Sales and Liquidations of Partnership Interests
9	Termination of Partnerships and Partners' Interests
10	Unrealized Receivables and Inventory
11	Special Basis Adjustments
12	Overview of S Corporations
13	Group Projects

#### VI. Methods of Instruction

This course is taught through classes conducted using a combination of lecture/discussion format. Lecturing will be limited to the key tax rules of the week's topics. Discussion will focus on illustrational examples from published reports and cases that are assigned for the meeting. Active interaction between the instructor and students is expected. To this end, students are encouraged to volunteer to be a lead discussant of a problem/case that will be discussed in class.



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Instructors in planning the exams, and other grading procedures, should adhere to the relevant University Policy on "[Grades, Grading Procedures, and Final Assessments, Final Course.](#)"

The textbook for this course should be chosen in accordance with the University Policy on textbooks.

### **Suggested Texts:**

Brian Spilker et. al, McGraw-Hill's Taxation of Business Entities, updated annually.  
William H. Hoffman Jr. et al, South-Western Federal Taxation: Corporations,  
Partnerships, Estates & Trusts, updated annually.

Plus the Internal Revenue Code and U. S. Treasury Regulations.

Student learning outcomes will be assessed based on student performance on (1) homework assignments and (2) examinations and quizzes.

## **VII. Instructional Policies Requirements**

The students are expected to comply with the universally accepted norms of considerate and courteous behavior, and with all University rules and policies found in the current University Catalog, including the Withdrawal Policy and Policy on Cheating and Plagiarism.

Students are expected to attend classes regularly and be responsible for all materials covered in class. A make-up exam will only be administered in case of a dire emergency and documented proof of such a situation must be provided. Students must refer to the specific university policy on these issues.

The instructors reserve the right to make any changes to this syllabus. The students shall be notified and given sufficient notice about any such changes.

**Students with Disabilities:** Students with disabilities are responsible for notifying their instructor as early as possible of their needs for an accommodation of a verified disability. A student with a disability is urged to consult with Disabled Student Services as soon as possible in order to identify possible accommodations to enhance academic success.