ACCTNG 6441 Advanced Tax Topics: Taxes and Investments Spring 2017. Wednesdays 6:55 – 9:35 #104 ESH (Express Scripts Hall)

1) Professor: Greg Geisler  Phone: (314) 516-6122  
email:    geisler@umsl.edu
Office and Hours:  1208 (12th Floor) in the Tower (next to SSB Building).  
My office hours are: Wednesday from 5:15 to 6:00.  
I am available to meet other times only by appointment.  
Admin. Assistant is Diane Mongillo.  1207 Tower,  (314) 516-6114,  Hours: Monday – Friday, 8:00 to 4:00.

Course Description and General Topics
Traditionally, tax courses focus only on learning legal (i.e., tax) law rules. The primary objective of this course is to understand the role taxes play in evaluating decisions confronted by individuals and businesses. You will apply basic tools learned in finance courses to settings impacted by tax laws with the goal of not minimizing taxes but maximizing the present value of any taxpayer’s wealth. You will gain the ability to quantify the effect taxes have on taxpayer’s decisions. Unlike tax knowledge that can become irrelevant when a law’s repealed or changed, the analytical skills you develop in this course will never be outdated.

-“Taxes and Making Investments and then Decumulating Investments During Retirement”: Quantify taxes in evaluating decisions about both making and selling investments. You will become an effective evaluator of both the tax aspects of investment strategies by individual taxpayers and how tax fits into overall financial planning by individuals.

-“Three Tax Planning Framework Themes”: Analyze all parties to any transaction, all costs (both tax and nontax), and all taxes (both implicit and explicit).” Using this framework can accomplish the goal of maximizing the present value of any taxpayer’s wealth.

- Because this is a ‘Tax Topics’ course, we will also discuss the assigned reading in a seminar-type format.

Prerequisites: - Successful completion of ACCTNG 3441 “Income Tax” at UMSL or its equivalent at another university.  
- Accepted into the Master of Accounting program at UMSL.

Grading:  Your final grade is based on the number of points you accumulate in the course.  
i)Participation (includes questions you write on reading)  70  
ii)Exam #1 300  
ii)Exam #2 180  
ii)Exam #3 80  
iii)Outside of Class Problem Sets* 120  
iv)Paper 150  
v)Presentation 100  
TOTAL 1,000 points

* Additionally, three extra credit opportunities worth a maximum of 15 points each will be offered (discussed after iii) below).  NO other extra credit work will be given to any student for any reason.

Your grade for the course will be based on your total number of points.  
The following is how your points translate into a letter grade.  
A 920 to 1000  
A− 880 to 919  
B+ 840 to 879  
B 800 to 839  
B− 760 to 799  
C+ 720 to 759  
C 680 to 719  
C− 640 to 679  
F 639 or below
Course Web Site: MyGateway will include folders for the “Syllabus” (one file) and “Reading” (one file), “PreClass Notes” (& Overheads), Problem sets and, posted one week later, their Solutions (under “Assignments & Solutions” folder), and the number of points you receive on each and every graded component of the course (under “My Grades”)

More info on “PreClass Notes”: At least one file for each class will be posted on MyGateway. The “overheads” contain blank underlines. These will be completed by you during class. Also, ALWAYS WRITE NOTES IN CLASS on either your print out of the file (or in a notebook or on your laptop). If you use the latter method, be sure to cross-reference your notes with your PreClass Notes print-out. Why write additional notes if I provide a file already? If we had a quiz at the end of every class and no tests, there’d be no reason to write additional notes. But we don’t! So the purpose of your notes is to assist you in understanding the material when you are studying for the exam in the future.

What additional notes should you write down? The answer is different for different students. The goal is to write down whatever will help you understand the material when you are preparing an assignment or studying for an exam. Sometimes I do “extensions” of factual problems. You might want to have one or two pens or pencils handy that are in a different color from the rest of your notes. It’s usually quickest to write these in different colored pens right on the problem itself.

More info on “Assignments & Solutions”: Your answers are due at the beginning of class. The same night your answers are submitted, the solutions will be posted to MyGateway”

Course Materials

1) Financial Calculator (approx. cost = $15 to $35): Needed to perform present value of future cash flows and after-tax computations for problems in class, on the problems, and on the exams. Always bring your calculator to class


3) Required i>Clicker2: Every student must buy and bring to every class (after the first class) their own iClicker2. Your class participation grade is zero every class (after the first one) that you don’t have a clicker and successfully use it during class. Buy it at the UMSL bookstore It costs about $56. If you were in my ACCTNG 3441 Income Taxes course or ACCTNG 4441 Advanced Income Taxes course, you might still have the iClicker2. There is no additional activation charge. Instructions on activating your clicker for this course are below.

Above is a picture of i>clicker2, required for in-class participation and attendance in this course. Purchase it through the UMSL bookstore. Instructions for using i>clicker2 are on the back of the remote.

Student Instructions for Registering iCLICKER2 through MyGateway and Using it in Class:

(Note: “Blackboard” (course management software) is called MyGateway at UMSL)

To enroll your i>Clicker2 pad through MyGateway, follow these directions:
1. Log on to your MyGateway account. Do not use Internet Explorer. Use Firefox or Chrome instead.
2. Click the Courses tab at the top of the screen.
3. Click the name of the course you want to enroll your response pad in (i.e., ACCTNG 6441)
4. On the left-hand side of the screen Click Tools. Scroll down to the bottom.
5. Click on i>clicker Remote Registration
6. Enter the 8-character remote clicker ID (on the back of your iClicker2) into the ★Remote ID box and click on Submit.

Using the iClicker’s Buttons during class

<table>
<thead>
<tr>
<th>Key</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-9</td>
<td>If instructor chooses a numeric question, “123” will be beneath battery power indicator. Tap Up and Down buttons to select numbers and the Left and Right buttons to move between character positions. For example, if you think 34 is the correct answer press the Up bar to get to the “3”; press the Right bar to get to the next position; press the Up bar to get to the “4”; press Send button.</td>
</tr>
<tr>
<td>A, B, C, D, E</td>
<td>Tap the button and press Send for multiple choice questions when instructor chooses “ABC.” F, G, H are options only when instructor chooses ABC123.</td>
</tr>
<tr>
<td>Blue button</td>
<td>Refresh. Push to clear your screen or begin a new question.</td>
</tr>
<tr>
<td>Right, Left, Up, Down bar buttons</td>
<td>In the middle of the top of the iClicker (below the LCD screen), these look like a plus sign missing its middle. Right and Left change the placement of the cursor on the LCD screen. Up and Down scroll through different letters or numbers</td>
</tr>
<tr>
<td>Decimal Point (.)</td>
<td>If first number you want is zero and then you Press the Right bar 0. will appear. Other than the first number, a decimal is found after tapping higher than 9 or lower than 0. Ignore “E” or “^”, we will never use them.</td>
</tr>
<tr>
<td>Negative (-)</td>
<td>A negative is only available for the first character. It is found after tapping higher than 9 or lower than 0.</td>
</tr>
</tbody>
</table>

IMPORTANT INFORMATION BEFORE PURCHASING YOUR i>CLICKER2 somewhere other than UMSL bookstore:
- It must be the i>clicker2—NOT the original i>clicker. The correct ISBN is 1429280476.
- If you have a technical question, please contact the technical support team at support@iclicker.com from 8AM-10PM CT, M-F or call 866-209-5698.

Honor Code and Academic Dishonesty
I follow the UMSL Academic Dishonesty Guidelines by making an assessment of the student’s work believed to be academically dishonest, then providing such work, along with his assessment, to the Vice-Chancellor for Academic Affairs who will conduct a Disciplinary Hearing with the student. The Vice-Chancellor for Academic Affairs determines disciplinary action. Further, they now have all of the information on the incident in case any other instructor alleges academic dishonesty by that student in the future.

Course Withdrawal Policy (Note: Withdrawal forms are available in SSB #487 or it can be done in MyView):
This course may be dropped in MyView, without faculty approval and without receiving a grade, through the fourth week of classes. Courses dropped during this period will not appear on transcripts. Students with specific academic holds may be required to obtain approval from their advisor to change their schedule. Semester and session calendars posted on the registrar’s website include specific deadline dates for dropping courses. Students who officially drop any of their classes may have fees reassessed and/or refunded based on the current fee reassessment schedule posted on the cashier’s website.
- From the 5th week to the end of the 8th week, students may continue to drop courses in MyView without instructor approval. A grade of “EX” (excused) will be issued on the transcript.
- From the 9th week to the end of the 12th week dropping courses will require instructor approval. Students receiving approval to drop during this period will be issued either an EX, or “EX-F” (excused but failing) if the student was failing at the time of dropping. The EX and EX-F grades will be posted to transcripts, but neither one will be used in calculating the GPA.
Students who wish to withdraw after the end of the 12th week must provide documentation of exigent circumstance and
receive both the instructor’s permission and approval of the Dean.
- Dropping or withdrawing from a course may adversely impact scholarships, financial aid, and progress toward graduation. Students are strongly urged to discuss these possibilities with the financial aid office and their academic advisors before dropping or withdrawing.
- Students registered in a course in which they fail to meet a minimal level of participation as deemed by the instructor will be issued a grade of “FN” (Failure, Non-participation). The FN grade indicates that the student is not regularly attending class or is making little or no attempts on assignments or activities and may be violating the terms of financial assistance. This grade is equivalent to an F for GPA calculations.

Daily Preparation
As a teacher, I have the following responsibilities:
- Be prepared and on time for every class.
- Create a mutually respectful environment and an atmosphere where we are able to have professional discussions.
- Provide a process and environment that assists you in accomplishing learning objectives

My responsibility is to assist you in acquiring new knowledge. The class format will be me providing lectures on new material, and you working on applications of the lecture material in class.

As a student, you have the following responsibilities:
- Engage in professional, verbal interaction including raising good questions, providing informed opinions, answering or responding to cold questions from the instructor, and providing constructive feedback to peers.
- Further, engage in all discussions instead of only listening to the discussions.
- Behave in a professional manner in class.
- Make a good effort toward learning the objectives of the course.
- Complete all assigned work on time and with proper thought and effort.

Fulfilling these responsibilities will provide you with a rich learning experience from this course. Each individual’s participation is important in this class to enhance the learning of everyone. Consistent with the importance of your effort and participation in each class, part of your course grade is determined on the basis of your participation in the activities of each class.

i) Participation (includes questions you write on reading) (Points = 70)
Students are expected to attend and participate in all classes. Missing any part of any class will have a negative effect on this part of your grade (because you can’t participate if you don’t attend). Any unprofessional behavior will also have a negative effect on this part of your grade. The rationale for grading these components is because your being unprepared to participate, unprofessional in any way, and not in attendance can negatively impact the learning experience for the entire class.

ii) Exams (Total Points = 560):
The exam will be problem-oriented with some questions that require a written response. The objective is for you to draw upon your knowledge of the relevant tax laws and framework concepts from the course and apply them as well as being able to provide a written explanation of tax saving and wealth enhancing strategies learned.
- You will use your financial calculator on the exam. You are not allowed to use your cell phone as a calculator. Calculators cannot be shared and all programmable memory must be empty.
- The exams (especially exams 1 and 2) are challenging and the class average typically does not end up being high
- You may bring one 8½ x 11 sheet of paper with only handwritten notes (i.e., no word processing/typing and no copying) on both sides.
- No other materials (such as your class notes or class overheads) can be used.
- After returning any graded work, if you would like to have the grading reconsidered for a specific item, you must provide a written explanation to me. I will respond in writing.

iii) Out of Class Problem Sets (Total Points = 120)*
- In MyGateway, homework problems will be under “Assignments and Solutions”
- The two Assets & Debts assignments must be submitted via MyGateway. Here’s a 2 minute video on how to upload and submit an assignment via MyGateway:
Otherwise, turn in assignments at the **beginning of the following class** during the semester. If you do not turn in your problems by 6:55 pm, you automatically receive ZERO credit.

- **Solutions** will be available (also under “Assignments and Solutions”) after class the **night** it is due.
- **Selected parts** of problems collected will be **graded**. The number of points for each assignment is determined by the instructor who will not inform anyone of what parts he will select for grading.
- The exams are very challenging so completing the problems greatly improves your ability to be successful on the exams.

*Three Extra Credit Opportunities (maximum is: 15 points each; 45 points total).*

**Due Date:** Any time after Spring Break up through Friday May 5 at 5:00 pm
**Grading and Return Date:** Will be graded and returned at the final exam on Wednesday May 10.

1) With the individual(s) who you analyzed their assets and debts and share your analysis (and my feedback on your analysis). Be sure to tell them that you are not a financial adviser and that this is solely for a class assignment. Write down their response to each suggestion. Their response must be either:
   a. “They probably will change their actions (based on the analysis) to (fill in the suggestion here) because (fill in their response here); or
   b. “They probably won’t change their action (based on the analysis) to (fill in the suggestion here) because (fill in their response here)...

2) Analyze someone’s 2016 1040 with the goal of finding tax planning suggestions/opportunities that you recommend the individual consider to reduce the present value of taxes. Read relevant portions of the article titled “Using Your Client's Form 1040 to Uncover Planning Suggestions” (request this article from Prof. Geisler) to develop suggestions. Write up your suggestions. ONLY provide 1040 information that is relevant to your suggestions. Do NOT provide any identifying information about the individual(s) whose 1040 you analyzed.

3) Convert IRA to Roth IRA (or convert 401(k) to Roth 401(k) if employer’s 401(k) plan allows this)? Use someone’s (or a married couple’s) 2016 1040 and adjust it to their 2017 facts then make a recommendation. The recommendation can be convert none of it, all of it, or part of it. If you recommend conversion, state the amount that you recommend and why you recommend that amount. Remember to estimate their tax rate during retirement ($t_r$).
   (Note that conversions for 2017 must be made by December 31, 2017.)

The quality of the analysis and writing and number of issues addressed will determine the number of points. Assume you do two of the three opportunities. Assume you earn 20 points. Keep in mind that earning a total of 20 points on extra credit opportunities you choose is not a poor grade—it is an improvement in your total points by 20 points which is half of a grade range.

**iv) & v) Short Paper and Brief, Formal Presentation (Total Points = 250):** This is a two-part assignment. You are to both write a short paper and give a presentation on your paper’s topic. The chronological steps of this assignment follow:

1) Investigate then choose a tax topic you are interested in that is relevant to your colleagues in class. **Inform me of your topic** as early as possible. Call or email me if you want me to assist you in focusing in on a topic of interest to you. Your paper and presentation topic must be agreed to by me! Everyone **must have a topic that I have approved by the Wednesday before Spring Break.**

2) Do your research and writing on the topic and, if you would like, **turn in an early draft of your paper to me by the Friday morning before it is due.** Tell me you want my feedback. I will provide constructive
criticism and questions either verbally (20 minute or less phone call or meeting) or by using “Track Changes” function in WORD, and emailing it back to you, so you can read my comments. **Follow up on my comments to improve your grade on your paper.**

3) **Turn in your final paper on its due date which is one week before the presentation date I assign to you.** I recommend that the paper be about **4 to 8 pages** (double-spaced, 12 point font, 1 inch margins) **plus no more than a few** Exhibits or Tables.

4) Starting now, think about a **potential topic.** You must inform the instructor of your topic by the class before Spring Break (at the latest). Our class will not have multiple presentations on the same topic.
   - **The earlier you inform the instructor of your topic, the less likely it will already have been chosen.**
   - Do not hesitate to ask the instructor for assistance in choosing a topic.
   - Do not hesitate to brainstorm with the instructor about how to turn an idea you have into a good topic.

5) Your goal is to **teach your colleagues** (i.e., others in class) **something** “investments and taxes”-related that was **not covered in** either this **course** or your first Income Tax course.
   - Your presentation must include a professionally prepared **PowerPoint presentation.**

   [At Prof. Geisler’s discretion, bonus points can be given for work on the required paper that shows exceptional research, outstanding illustrations/tables that are original (i.e., not from reference material) and excellent writing. Please do **not ask** about your paper being considered for bonus points.]

6) The Paper must Include the following:
   a) Your **research must be** based on **more than just** sites that come up via a **web search.** Instead, search UMSL’s databases. At [www.umsl.edu](http://www.umsl.edu), click on “Libraries,” under “Databases” click on “Sorted by Subject,” then click on “Business & Economics,” Here’s what I suggest you use:
      - For tax laws access the Tax Research Library called “CCH Tax Research - IntelliConnect
      - **Under All Content** (on the bottom left hand side of screen), click on Federal Tax, then click on Federal Tax Editorial Content, then checkmark Standard Federal Tax Reporter. Now you are ready to **Type keyword(s) into the blank box at top of the page**
      - For articles in business magazines, newspapers, and journals, access:
         - “ABI/INFORM.” Click on **Search ABI/INFORM Complete, 1971-**
         - Type in search term(s), choose Date Range, and then click on Search.
         - “Business Source Premier”

   A decent portal to Tax and Accounting related websites is: [www.taxsites.com](http://www.taxsites.com)

   b) **Writing:**
   - Start each paragraph with a topic sentence
   - Include the related information in the body of your paragraph
     - Can the reader easily follow your analysis and/or discussion of that topic?
   - End the paragraph with a concluding sentence
   - Use transitions to connect ideas from one paragraph to the next
   - Use more, rather than fewer paragraphs.
   - Also, you must use Titles and Subtitles (i.e., a heading for each section) including Introduction and Conclusion. -This structure makes the document easier to read and clearly separates ideas

c) Your paper must include **proper citations** of where you found your information.
   To accomplish this, prepare your paper using the Chicago Manual of Style (CMS) Citation Guide [http://owl.english.purdue.edu/owl/resource/717/01/](http://owl.english.purdue.edu/owl/resource/717/01/)
   Use (**Sciences**) (NOT ‘The Arts, Literature, History’)
Before sending or turning in your paper to the Instructor, verify that you have followed the Standards of Acceptable Submissions below:

NOTE: The less you follow the Standards for Acceptable Submission, the lower your grade will be.

Department of Communication [University of Missouri – St. Louis]

Standards for Acceptable Submissions

The Standards for Acceptable Submissions were created through the cooperative efforts of several faculty members in the Department of Communication. These standards were developed to help address a variety of format and stylistic issues that commonly occur. This document is organized into: (1) Formatting, (2) Style, and (3) Citing/Referencing.

1. Formatting

Written assignments should conform to the formatting guidelines:

[1a] COVER SHEET:

Name of Project (Tax Paper)
Project’s Due Date (e.g., April 15)
Student Name
Course Name and Number (Tax Seminar 6441)

[1b] If a written project, it must be double-spaced with 1-inch margin for all paper edges (top, bottom, left, right) …and a font size of 12 point…and Standard fonts must be used (e.g., Arial, Times New Roman)

2. Style

Stylistic issues include written language, grammar and syntax, spelling, paraphrasing, and quotations.

2.a. Submitted assignments must be proofread [and edited multiple times before submission]. [Use] spell-check and grammar check in a software program [like WORD].

2.b. Assignments that include charts or graphs with data must be attributed to the original source.

3. Citing/Referencing

3.a. What should be referenced or cited? …[Y]ou should credit the original author.

3.b. Why should you cite? The principle of acknowledging, or citing, sources is that you should always provide enough information to tell the reader where your information came from and how they can locate it themselves. The format through which this is done varies across different fields. Social sciences, like communication, generally use a format developed by the American Psychological Association, called APA style.

3.c. Components of citing and referencing the work of others. There are two parts to citing works.

3.c.1. The first part is in-text citations. In-text citations are labels that are inserted next to each piece of information that comes from another source. In APA style, the in-text citation is made up of the author’s last name(s) and year of publication.

3.c.2. The second part is the WORKS CITED [i.e., REFERENCES] list. This is an alphabetized list of all the sources that are cited in the entire paper. It contains not only the author’s name and the publication date, but also information like the book or article title and the publisher/location of publication. It should include all the information that a reader needs to go out and find the original source. The idea is that readers who want to follow-up on a piece of information they read about in your paper can use the in-text citation to find the appropriate entry in the works cited list. The works cited list, in turn, could allow them to find the original book, article, or web-page. There are specific rules about the type of information that is put into a works cited list for different types of sources and how this information should be formatted. Examples are provided in the WORKS CITED list [below].

3.d. Common examples of citing and referencing the work of others.
3.d.1. **How to acknowledge a source if you are re-stating someone else’s ideas in your own words:** If you are paraphrasing or summarizing someone else’s ideas, you can cite the source in the text of the paper by mentioning the name of the original author… Include the year of the publication in parentheses after the author’s name. For example: According to *Gerbner, Gross, Morgan, and Signorielli (1994)*, the effect of television on audience members’ perceptions of crime is cumulative. The more one watches, the more one’s view of the world will match the violent patterns of representation of television.

Another way to credit a source is by using *parenthetical citations*. After the paraphrase or piece of information that you are using, include the name of the original author, a comma, and then the year of the publication within a set of parentheses.

For example: One of the concerns about cultivation theory is that it fails to take into account the fact that audiences select what they watch. Some individuals may see very little violence by consistently choosing to watch game shows. Other individuals may see a lot of violence in the same amount of time by choosing to watch crime dramas (*Potter, 1993*).

3.d.2. **How to acknowledge a source if you are using someone else’s exact words:** If you use the same words as the original author it is a “direct quote” and it must be identifiable to readers. If you are using another person’s words, but fail to indicate that you are doing so, it counts as plagiarism even if you include a parenthetical reference at the end of the passage.

For example: *Gerbner, Gross, Morgan, and Signorielli (1994)* argue that the kinds of television programs an individual chooses to watch are ultimately irrelevant because the images of television programming are uniform: “…the pattern of settings, casting, social typing, actions, and related outcomes…cuts across program types and viewing modes and defines the world of television. Viewers are born into that symbolic world and cannot avoid exposure to its recurrent patterns…” (*p. 20*).

3.d.2b. If you are not mentioning the author’s name in the sentence, it should be added along with the year to the parentheses at the end of your quotation.

For example: This type of reality program represents one of the most popular and influential of the programming category. *Survivor* has been said to represent “the ‘classic’ format of the current generation of reality TV” (*Andrejevic, 2004, p. 195*).

3.e. **Avoiding plagiarism** Please remember that no matter what kind of in-text citation you use, you must also include the entire bibliographic citation (author, title, publication date, page numbers, publisher, and so forth) of all the sources you’ve used in a *WORKS CITED* list [or you can call it *REFERENCES*] page attached to the end of your paper. For information about formatting the works cited list, see the most recent edition of the *Publication Manual of the American Psychological Association* (currently, 5th edition).

3.f. **Techniques to avoid plagiarism…**

3.f.2. Make careful notes when you are researching your paper. Make sure that you keep track of what ideas come from which source.

3.f.3. Remember to **always** acknowledge it when you are using someone else’s words with either quotation marks or a block quote. Generally, any time your paper contains more than five words that are the same as one of your sources and are in the same order as your sources, those words should be in quotation marks or in a block quote. They should also be accompanied by the author’s name, the publication year, and the page number.

3.f.4. Err on the side of caution. When in doubt, give a reference or ask your professor for help before you turn in the paper.

3.g. **Citations and Referencing for Acceptable Submissions**

Failing to properly reference and cite your sources properly is not acceptable.

4. **Works referenced in section 3 [This is an example of the last page of your paper.]:**

*WORKS CITED* [or *REFERENCES*]


Each work referenced follows this format: Author(s). (Year). *Title of article*. Specific publication (i.e., source).

If the source is a book, then it is: Author(s). (Year). *Title of book (i.e., source)*. Location: Name (of publisher).

The only time the source is a specific URL is if there was never a physical (i.e., paper) publication. The source is never a library database. Instead, it is the article or book (found in such database).

Additional information on citing web-based sources:

To answer other FAQs on proper citing and referencing, go to [http://www.apastyle.org/learn/faqs/index.aspx](http://www.apastyle.org/learn/faqs/index.aspx) then scroll down to the FAQs under References.

Purdue University’s Online Writing Lab’s (OWL) page titled “Reference List: Electronic Sources (Web Publications)” is also very helpful. Go to [http://owl.english.purdue.edu/owl/resource/560/10/](http://owl.english.purdue.edu/owl/resource/560/10/)

5) Your paper must not include any plagiarism. According to “Avoiding Plagiarism,” (Source: [http://owl.english.purdue.edu/handouts/print/research/r_plagiar.html](http://owl.english.purdue.edu/handouts/print/research/r_plagiar.html)) “the heart of avoiding plagiarism is to make sure you give credit where it is due.” The following is more information to assist you in avoiding plagiarism:

   The Academic Honor Code at Brigham Young University describes plagiarism as follows: “Intentional plagiarism is a form of intellectual theft that violates widely recognized principles of academic integrity…. Inadventent plagiarism… is… a form of intellectual carelessness that is unacceptable… Plagiarism does not acknowledge the original intellectual work of others that is included in one's own work… Intentional plagiarism is the deliberate act of representing the words, ideas, or data of another as one's own without providing proper attribution to the author through quotation, reference, or footnote…”

   “Examples of plagiarism include:
   *Direct Plagiarism*. The verbatim copying of an original source without acknowledging the source. *Paraphrased Plagiarism*. The paraphrasing, without acknowledgment, of ideas from another that the reader might mistake for your own.
   *Plagiarism Mosaic*. The borrowing of words, ideas, or data from an original source and blending this original material with one's own without acknowledging the source.
   *Insufficient Acknowledgment*. The partial or incomplete attribution of words, ideas, or data from an original source.”

6) **UMSL will help you improve the writing in your paper:**

The following is a good resource: [http://www.umsl.edu/~umslenglish/Writing%20Center/resources.html](http://www.umsl.edu/~umslenglish/Writing%20Center/resources.html)

You can set up a free appointment with a writing consultant either face-to-face on campus (222 SSB) or virtually at [https://umsl.mywconline.com/](https://umsl.mywconline.com/). At the same website, another option is to email your paper in WORD and receive back “Comments” added to it by a writing consultant.

--------------------------------------------------------------------------------------------------------------------------
Presentation:

You will present one week after your final paper is due. Presentations will be on April 19, April 26, and May 3. Use your paper to prepare a brief presentation. The first page is your title, the second is your outline of the presentation, and the last page is your conclusions and what the audience has learned and should take away from your presentation overheads. The presentation length must be kept between 6 to less than 10 minutes. Your goal is to design and deliver an effective and efficient presentation based on your paper. The longer you exceed 10 minutes, the lower your grade will become.

If you would like to, turn in your presentation by the Monday morning before the week you will present. I will provide constructive criticism over the phone or in my office or via email. This provides you with an opportunity to improve your presentation and the grade you will receive on it.

At the end of your presentation, your colleagues might ask a couple of questions or we might have some class discussion based on your presentation. This is not part of your grade but it is valuable learning experience for you.

- Grades are typically between 70% and 90% on both the paper and the presentation.
- However, in the past grades have been as low as 55% and as high as 97%.
- It is also possible to be below 55% or above 97% but that did not happen in the last four years.

You may look at only 1 outline sheet with less than 100 words total on it when you give your presentation.
- This is designed so you will practice your presentation many times before actually making it in class.
- Make sure you have less than 50 words / numbers on each overhead you use.
- A font size of at least 24 must be used.
- Keep in mind, YOU MUST NOT READ your presentation off of your overheads. Instead, prepare what you will say in your presentation and practice it at least a few times. Don’t try to memorize what you will say though. You can briefly glance at the outline in front of you. If you have to, you can briefly glance at an overhead slide but don’t do this more than a couple of times because it detaches you from the audience.

You will be graded on all of the above elements and also on:
- the quality of both your verbal presentation and your powerpoint slides and whether you stayed within the 5 to 8 minute range and whether you taught the class something that most everyone in it did not already know.

Both positive comments and constructive criticisms will be provided by the class on your presentation. Specifically, on all of your fellow students’ presentations, you will be required to write the following on a separate note card for each presentation:
- Presenter’s name, b) at least one strength of the presentation, c) one or more suggestion(s) for improvement.

The rationale for this assignment is to simulate a real-life work experience you will have in the future.
- In business, you will not write long papers by yourself that you get little feedback on and then file them away (i.e., a typical paper you may have written as an undergraduate).
- Instead, you might be asked to gain expertise on a topic, provide a written summary to manager(s) you are working for, and then present your knowledge to other colleagues at work or to potential clients.
- When you are preparing your presentation, it is a mistake to do it “in a vacuum.” Instead, your manager will either ask to see your work and give you feedback to improve it.

It can be a good idea to ask a classmate to review your work and give you feedback also. Do not hesitate to ask classmates to provide feedback on your paper and/or presentation before it is due and, in exchange, you provide them feedback on their paper and/or presentation.
TOPICS FOR PAPER/PRESENTATION:
One of the best topics is a taxes and investments topic not covered in class!!!!

Often, a great topic is typically an analysis of a real-life occurrence or strategy to engage in an action where the tax impact is important. Sources for such topics are often something occurring where you work OR something you’ve been reading about in the business press.

Often, an interesting topic is a person (or married couple) that you know well who is either retired or very near retirement (if married, one or both spouses are retired or very near retirement) and is/are living on more than just social security. What are their assets (i.e., their retirement accounts and their personal investments), their sources and amounts of cash inflow last year, and expected sources of cash inflow this year? What changes do you suggest that they make to their sources of inflows this year to increase tax efficiency (i.e., increase how long their retirement assets should last)?

Hint: Use what you learned in class on “tax-efficient decumulation of investments during retirement years” but do not begin work on this until after such material is covered in class. It is not often that the individual(s) that a student analyzed their assets and debts and made tax-efficient recommendations on spending and paying down debts will have a “rich enough” fact pattern that “tax-efficient decumulation of investments during retirement years” could be a paper/presentation topic. Last year, however, one out of 10 did have a “rich enough” fact pattern.

If they provide you with the necessary info (ticker symbols) on specific investments they own both inside and outside of retirement accounts, a couple of paragraphs can be written on the analysis of their investment portfolio’s asset allocation after using Morningstar’s “Instant X-Ray” of portfolio holdings.

Whatever topic you pick, do at least one of the following:
- Explicitly link it to one of the 4 tax planning strategies (i.e., Controlling 1 jurisdiction 2 entity 3 all taxes 4 character)
- “Multilateral” analysis instead of a “unilateral” analysis (i.e., it considers company or client AND also both the other party to the transaction and the government tax collectors)
- Computation of after-tax cash flows and/or present value analysis of estimated future after-tax cash flow

Below are some other, specific topics—one of which you might be interested in. However, there’s many topics that are as good or better than any of the topics below so don’t limit your topics to those listed below.

SPECIFIC TOPICS:
- Social security: Optimal time to take it given real life married couple’s (between ages 50 and 62) earnings history, expected marginal tax rate when receiving future social security benefits, etc., (i.e., fact pattern)
- MyRA (My Retirement Account) and its interaction with the Saver’s Credit
- Accessing IRA money early without incurring the 10% early distribution penalty. Analyze all possible methods (including 1) 72(t); 2) conversion of IRA funds into Roth IRA then waiting 5 years; etc.,)
- Master Limited Partnerships: It’s not a stock, it’s not a bond, it’s not a REIT, it’s a different type of publicly traded investment…that you get a K-1 for after the end of the year.
- Unrelated Business Income Tax when Master Limited Partnerships are held inside a retirement account
- Both sides of the controversy over whether annuities are a good or bad investment—include all costs & benefits
- Pros and Cons of purchasing a variable annuity inside a retirement account
- Health Savings Accounts: How much wealthier can they make an individual compared to saving through other investment vehicles we covered in class?
- Analysis of increase in tax when gambling income reported and equal amount of gambling losses included in miscellaneous itemized deductions
- Salary, Bonus, Qualified and Nonqualified deferred compensation, etc., to one CEO at a specific corporation…the “whole package” (i.e., tax treatment of each component and year(s) in which each component will be income)
- Nonqualified deferred compensation (e.g., stock options, restricted stock, restricted stock units, stock appreciation rights) available at a specific corporation. Either summarize all types available at a specific
corporation and discuss how each type works and its impact on employees OR Focus on details of only one specific type including how plan works, its impact on employees, and recommendations for employee’s use of it.
- A specific publicly-traded corporation’s Employee Stock Purchase Plan (i.e., ability of employee to purchase company stock at a modest discount). Focus on the details for that one specific corporation and make recommendations for how employees should utilize this benefit.
- Nonqualified deferred compensation--Focus on only one specific type (such as stock options, restricted stock, restricted stock units, stock appreciation rights) including how plan works, what employees need to do (if anything) to have access to and benefit from the plan, and its impact on such employees.
- Comparing same job in different state & local government jurisdictions in the U.S: The proper analysis is after all taxes and after cost of living. If an accounting related job, Robert Half Salary guide lists relative salaries. Compute actual federal & state (&city, if applicable) income taxes in both locations then use totaltaxinsights.org/Calculator to estimate other (nonincome) taxes. Adjust for relative cost of living in both locations (go to www.bestplaces.net/cost-of-living/). Finally, discuss noneconomic reasons for each location being more/less preferable to the other.
- Analysis of real life older individual who is retiring and comparing staying in MO or IL to moving to FL or CA. What is cost of living adjusted after-tax buying power in each location.
- Accelerated depreciation deductions on cost of a large SUV auto used in business (compare higher present value of tax savings from accelerated depreciation tax deductions versus an auto that costs the same amount but does not meet the definition of a large SUV)
- Tax planning strategies to reduce the impact of Alternative Minimum Tax on Individuals.
- MO tax incentives related to a business/investment activity (e.g., credit for development of certified historic building; tax credit for renovating home in certain areas under neighborhood preservation act; tax breaks for building low-income housing; -Structuring a divorce to maximize after-tax cash flows to both spouses (& minimize total tax paid to government)
- “Leveraging” the return on investments by using debt financing (i.e., using loans to purchase the investments)
- Contributing to Roth vs. nonRoth retirement account when individual is subject to phase-out of another tax break
- Employer is a corporation whose 401(k) match is the corporation’s stock. Tax Savings Opportunity when employee leaves, takes the stock & uses “net unrealized appreciation” tax rule (& rolls over remaining 401(k))
- Wealthy individual donating to charity in future yet getting tax benefits before the actual donation (vs. donating to charity at date of death (as instructed in the decedent’s “will”) using Donor Advised Fund and/or IRA, and/or charitable trust and/or charitable annuity and/or charitable life estate and/or private foundation and/or gift annuity and/or Life Insurance)
- Wealthy individual donating to charity using Donor Advised Fund compared to Private Foundation.
- U.S. individual income taxpayer owning stocks and bonds issued by corporations (or in the case of bonds, also consider those issued by the government) from a specific foreign country that has withholding tax on both interest and dividends (or from two specific foreign countries—one of which has withholding tax on interest and the other of which has withholding tax on dividends)
- The tax benefits (but especially) the tax pitfalls of renting a former principal residence a few years then selling it.
- Federal income taxation of financial instruments such as options and/or forwards and futures and/or swaps and/or other common derivatives...(we already know the federal income taxation treatment of stocks and bonds...).
- Automated “investing” tools (i.e., “Robo-advice”) online that are low cost investment advice and investment management (e.g., Wealthfront, Betterment). If you want, you can also consider Vanguard’s offering. Which one do you recommend (i.e., are best)? Why? Which ones aren’t very good ( & we shouldn’t use)? Why?
- Self Directed IRAs and their investments in start-up or private company businesses
- Use the marginal tax rate table provided around week #9 to lead you to tax planning to reduce the present value of tax for relatively high income taxpayers (i.e., file joint and have income somewhat above $300,000 and/or file single or head of household and have income somewhat above $250,000)
- 3.8% higher tax rate on net investment income beginning in 2013 ONLY for individual income taxpayers whose taxable income places them in the highest individual tax rate bracket (39.6%). What strategies can reduce income enough to avoid this additional tax. Compute the tax savings if successfully avoided.
- Proper or improper investment clientele: Provide real-life example and the “cost” (e.g., reduction in return on the particular investment compared to if taxpayer was in the clientele of investors for whom that particular investment is proper (i.e., is the most tax efficient). Possible topics include:
  - MO state and local government bonds versus IL state and local government bonds.
  - Proper 529 plan for IL income taxpayer versus proper 529 plan for MO income taxpayer.
- Charitable contributions: Cash from your IRA versus Appreciated Capital Asset—Compare the tax benefits.
- Mitt Romney: tax law on “carried interest” (i.e., specific tax law rules allow him to have lower than ordinary tax rate treatment of income related to investments he made in his old job as partner in Bain Capital)
- Mitt Romney: Estimate his after-tax accumulation from i) stuffing his IRA with assets that have greatly appreciated (related to investments he made in his old job as partner in Bain Capital) versus ii) if he would have owned these same investments personally. Analysis on this same topic in future when he is required to start taking minimum distributions from his IRA.
  Assume that he did not have all of these investments in an IRA, he sells them all, pays the required federal income tax on the LTCG, and gives all the after-tax cash to poor people in the U.S. Compare this to having all of these investments inside his IRA, he takes a distribution of the entire amount, pays all of the tax he owes, then gives all of the after-tax cash to poor people in the U.S.
- Pros and Cons of investing in Master Limited Partnerships (MLPs) in natural resources (e.g., oil and gas). Specifically, the income is considered unrelated business taxable income (UBTI) in retirement accounts and if UBTI > $1,000, additional reporting requirements and taxes apply.
- Real-life example that relates to which organizational form (C corp, S corp, LP, or LLC taxed as _____) is the most tax-efficient way to invest. Note that if the example you choose uses a less tax-efficient organizational form, you must explore why this is the case.
- Newt Gingrich disclosed (in early 2012) his 2010 tax return and it showed that all of his income from personal services ($3.1 million) is received by an S corporation (Gingrich Productions, Inc.) that he is the sole shareholder of. As an employee Newt received a small salary ($250,000—less than 10% of income) from the S corporation. By this strategy, Newt saved about $70,000 or $80,000 of medicare tax compared to if he had been self-employed. Assume Newt’s 2010 form 1040 gets audited, the IRS says Newt owes more tax, Newt disagrees, and Newt takes it to court. Legal tax research: Approach this from either the IRS’s viewpoint (or from Newt’s tax CPA’s viewpoint), research and find support for the salary not being large enough and some of the income passed through will be reclassified as salary and additional medicare tax paid (or the amount of salary is sufficient and none of the income should be reclassified as salary). 1/23/12 http://usat.ly/As2A7d or http://www.usatoday.com/money/perfi/taxes/story/2012-01-23/gingrich-taxes/52759714/1
- Real-life election by C corporation shareholders of an ongoing business to be taxed as an “S” corporation and resulting issue of potential Built-In-Gains tax that might have to be paid.
- Assume individual owns shares of stock: Important Issue(s) with the amount of basis when stock is later sold.
  One possible topic: Assume 100 shares of AT&T stock purchased for $60 per share in Fall of 1983. Total basis = $6,000. Determine basis of only the AT&T stock after AT&T breakup in January 1984, subsequent spin-offs of other companies from inside AT&T, stock splits and reverse stock splits, and everything else that has caused changes in basis per share of AT&T stock.
- REITs and tax efficiency. Some REITs are relatively tax efficient so owning personally is not too bad. Some REITs are not tax efficient so ideally they'd be owned inside a retirement account. Investigate this, provide an overview, show the specific tax consequences (i.e., Form 1099 to an investor in that REIT after the end of a year) of specific REITs, provide specific recommendations, show the tax savings of having two specific REITs in the proper account (i.e., retirement versus personal).
- Disability insurance
- Reverse Mortgages
- FICO Credit Scores and what causes them to change
- Master Limited Partnerships in the energy sector
- The Labor Department has published its final rule smoothing the path for states that want to create workplace retirement-savings plans for employees with no retirement savings plan through their employer. The rule guarantees that the plans won't have to comply with the federal Employee Retirement Income Security Act as long as a few basic requirements are met. CA recently passed the CA Retirement Savings Account program.
- Qualified Charitable Distribution (QCD) directly from an IRA—how it can save compared to cash to charity.
- Donating appreciated stock to a charity—quantify more than one way it can save tax compared to donating cash to the charity.

- Money Guide 2016 by Jonathan Clements provides many other possible topics (both the sections you are required to read and the sections you are not required to read).

The rationale for the paper and its presentation is that communication skills will be extremely important to your career success. It’s important to work on your writing and presentation skills and this assignment provides you with such an opportunity. (If your writing skills are relatively weaker then I will point you toward UMSL’s Writing Lab at 222 SSB.)

An effective presentation is more difficult than it appears. Often the listener gets so lost in the first minute that they don’t understand the rest of your presentation. Putting together an effective presentation is a good challenge!

**Academic Integrity/Plagiarism**

- You are responsible for being attentive to and observant of University policies about academic honesty as stated in the University’s Campus Policies and Procedures in the Triton Manual (p. 30)

- Academic dishonesty is a serious offense that may lead to probation, suspension, or dismissal from the University. One form of academic dishonesty is plagiarism – the use of an author's ideas, statements, or approaches without crediting the source. Academic dishonesty also includes such acts as cheating by using any unauthorized sources of information and providing or receiving unauthorized assistance on any form of academic work or engaging in any behavior specifically prohibited by the faculty member (e.g., copying someone else’s answers on tests and quizzes). Unauthorized possession or distribution of academic materials is another type of academic misconduct. It includes the unauthorized use, selling or purchasing of examinations or other academic work, using or stealing another student’s work, unauthorized entry or use of material in a computer file, and using information from or possessing exams that an instructor did not authorize for release to students. Falsification is any untruth, either verbal or written, in one’s academic work. Facilitation is knowingly assisting another to commit an act of academic misconduct. Plagiarism, cheating, and falsification are not acceptable.

- All instances of academic dishonesty will be reported to the Office of Academic Affairs who will determine whether you will appear before the Student Conduct Committee for possible administrative sanctions such as dismissal from the university. The instructor will make an academic judgment about the student’s grade on that work in this course. The campus process regarding academic dishonesty is described in the “Policies” section of the Academic Affairs website

- Explain the style format (e.g., MLA, APA, etc.) expected for citation

**Sample statements:**

A. Plagiarism is the use of another person’s words or ideas without crediting that person. Plagiarism and cheating will not be tolerated and may lead to failure on an assignment, in the class, and dismissal from the University, per the UMSL academic dishonesty policy.

B. Students are responsible for being attentive to and observant of campus policies about academic honesty as stated in the University’s Student Conduct Code.

C. To avoid accusations of academic dishonesty, please submit all written work to the Turnitin System before finalizing what you submit for evaluation. Check information about The Writing Center @UMSL that is linked to MyGateway Home.

**Technical Support**

UMSL provides students with a variety of technology supports on campus. The information listed below connects you with the most commonly sought supports.

My Gateway (Blackboard): If you have problems logging into your course, or an issue within the course site, please contact the **Technology Support Center**:

- Phone: (314) 516-6034
- Email: helpdesk@umsl.edu
- Web: [http://www.umsl.edu/technology/tsc/](http://www.umsl.edu/technology/tsc/)
<table>
<thead>
<tr>
<th>Date</th>
<th>In-Class Topics / (Points for homework)</th>
<th>Reading to be completed by NEXT CLASS</th>
<th>(DUE by NEXT CLASS)</th>
</tr>
</thead>
</table>
| #1 Jan 18  | - Introduction (10)  
- After-tax cash flows  
- Savings Vehicles                                                                                        | Read Syllabus  
Document on MyGateway from this class  
Reading from 2016 Money Guide: Parts I, III, and IV * | Facts on individual’s assets & Debts (given out in class)  
(DUE IN 2 WEEKS INSTEAD OF NEXT CLASS) (Due via MyGateway’s Assignments)          |
| #2 Jan 25  | Investments where income is taxed in current year (17)                                                 | Document on MyGateway from this class  
Reading from 2016 Money Guide: Parts V, VI, and VII* | - On MyG 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 (This will take a lot of time!) |
| #3 Feb 1   | Investment where timing of taxation is deferred (5)                                                    | Document on MyGateway from this class  
Reading from 2016 Money Guide: Parts VIII and X* | On MyG: 1, 2                                                                                                                                                                      |
| #4 Feb 8   | Investments in tax-free accounts—Roth retirement accounts; 529 college savings plan account (14)      | Document on MyGateway from this class  
Reading from 2016 Money Guide: Part XI*  
Start homework early!  
Morningstar limits users. | List all mutual fund choices in an employer’s 401(k) plan (name & ticker symbol). Type your selections-Include your %s & briefly explain choices. Bring in 3 copies.** |

* Write down 3 things (question or criticism or observation) on 3 different Sections of the book. 
One type of observation is to state when the author is “speculating” or stating his opinion instead of stating a fact. Turn in BEFORE class.

** Ideally, this is your former, current or future employer. Otherwise, it can be any organization you are able to gather this information for (e.g., a parent’s or relative’s or friend’s 401(k) or 403(b) plan). Let Prof. Geisler know early if you want to use UMSL’s 403(b) plan.
<table>
<thead>
<tr>
<th>Class #</th>
<th>In-Class Topics / (Points for homework)</th>
<th>Reading to be completed by NEXT CLASS</th>
<th>(DUE by NEXT CLASS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>#5 Feb 15</td>
<td>Investment in retirement accounts other than Roths (15) + (5)</td>
<td>Document on MyGateway from this class</td>
<td>- On MyG: 1, 2, 3, 4, 5, and 6 - Feedback to two classmates on their 401(k) choices</td>
</tr>
<tr>
<td>#6 Feb 22</td>
<td>Comparison of all 6 types of Investments (5)</td>
<td>Documents on MyGateway from this class</td>
<td>Consider 401(k) feedback from other students and decide your final choices. Highlight differences from original, don’t need to explain</td>
</tr>
<tr>
<td>#7 Mar 1</td>
<td>EXAM #1 (30% of final grade) (on weeks #1 thru #6) (15)</td>
<td>No lecture. You can leave class when you’re finished. Reading from 2016 Money Guide: XII*</td>
<td>- Individual’s Assets/Debts: Attach Facts: Analyze &amp; recommend changes.</td>
</tr>
<tr>
<td>#8 Mar 8</td>
<td>1st of 3 tax framework themes: For any transaction, consider both implicit and explicit taxes. The relation between a clientele of investors and implicit taxes (7)</td>
<td>Document on MyGateway from this class Reading from 2016 Money Guide: XIII*</td>
<td>- On MyG: 1, 2, 3 Inform me of your paper’s topic by next Wednesday at NOON.</td>
</tr>
<tr>
<td>#9 Mar 15</td>
<td>Tax-efficient distributions from retirement accounts (10)</td>
<td>Documents on MyGateway from this class Reading from 2016 Money Guide: XIV and XV*</td>
<td>-- On MyG: 1, 2, and 3 Inform me of your paper’s topic by next Wednesday at NOON.</td>
</tr>
<tr>
<td>#10 Mar 22</td>
<td>Marginal Tax Rates (9)</td>
<td>Document on MyGateway from this class</td>
<td>-On MyG:1, 2, 3 4, 5, &amp; 6 TURN IN BY Monday (April 4) at 9:00 am via email</td>
</tr>
<tr>
<td>Mar 29</td>
<td>NO CLASS--Spring Break</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#11 Apr 6</td>
<td>- Exam #2 (7:00 – 8:30). (18 % of final grade) (on weeks #8 thru #10) - (8:40 – 9:40) Two other tax framework themes: For any transaction, consider 1) all parties, and 2) all costs. Themes are illustrated by comparing current salary with deferred compensation (8)</td>
<td>Document on MyGateway from this class Stay for class after you complete the exam</td>
<td>- On MyG: 1 and 2 Reading from 2016 Money Guide: Appendix (pages 329 – 348) **</td>
</tr>
</tbody>
</table>

* Write down 3 things (question or criticism or observation) on 3 different Sections. One type of observation is to state when the author is “speculating” or stating his opinion instead of stating a fact. Turn in BEFORE class.
<table>
<thead>
<tr>
<th>Class #</th>
<th>Date</th>
<th>In-Class Topics / (Points for homework)</th>
<th>Reading to be completed by NEXT CLASS</th>
<th>(DUE by NEXT CLASS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>#12</td>
<td>Apr 13</td>
<td>NO CLASS: TAX SEASON ENDING BREAK</td>
<td>NO CLASS</td>
<td>NO CLASS</td>
</tr>
<tr>
<td>#13</td>
<td>Apr 19</td>
<td>Continue the two Tax Framework themes: For any transaction, consider i) all parties, and ii) all costs PRESENTATIONS BEGIN</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>#14</td>
<td>Apr 26</td>
<td>CONTINUE PRESENTATIONS</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>#15</td>
<td>May 3</td>
<td>FINISH PRESENTATIONS - Summary: What to take away from this course</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>#16</td>
<td>May 10</td>
<td>Exam 3 (8% of final grade) 6:55 pm - 8:10 pm</td>
<td>then retire to Ferguson Brewing for a beverage!</td>
<td></td>
</tr>
</tbody>
</table>


Week #  Topics Covered in Class

1  Individual Income Tax Formula, Tax Rate Schedules of Individual

Jan 18  Distinguish expenditures using Before-Tax amounts (BT$) and After-Tax amounts (AT$)
       Efficient Tax Planning
       After Tax Cash Flow (ATCF) Model
       Apply ATCF Model to Sale of Stock at Gain and at Loss

2  Compute After-Tax (A-T) Future Value then annualized A-T Rate of Return

Jan 25  Investment 1) Current Model (e.g., Corporate bond held to maturity)
       4 Tax Planning Variables: one is Character (of Income)
       Investment 2) Current Model with lower (i.e., L-T Capital gain or Qualified Dividend) tax rate
       (e.g., Nonappreciating Dividend paying stock or Mutual fund with all stocks)
       - Trends in Dividend Income after the tax rate for individuals was cut in 2003 through 2012


4  Tax Planning Variables: one is Timing

Feb 1  Investment 4) Deferred tax at lower LTCG tax rate (Appreciating capital asset with no annual income
       (e.g., land; stock paying no dividends)
       Mutual Fund and Form 1099: Linking tax law on mutual funds to Form 1099-DIV reporting
       - Differences between ETFs and Mutual Funds

       Investment 3) Deferred tax (e.g., Single Premium Deferred Annuity);

4  Investment 5) Tax Exempt (e.g., Roth IRA or Roth 401(k); 529 college savings accounts

Feb 8  (note: account typically contains some investments #1, 2, and 4)
       (note: contribution to MOST, MO’s 529 account, is state tax deduction so better than investment 5!)

5  Investment Vehicle 6) Retirement Account Model (e.g., Deductible IRA, and 401(k))

Feb 15  (note: account typically contains some investments #1, 2, and 4)
       - Assume tax rate at contribution and (later) distribution are the same
       - Assume tax rate at contribution and (later) distribution are different

6  Investment Decisions after comparisons of all types of Investments under Federal income tax law

Feb 22  Proper “clienteles” for the different types of investments:
       - Investments that are most tax efficient for high versus low marginal tax rate individuals
       - Investments that are most tax efficient for retirement accounts versus personal accounts

7  Mar 1

1st Exam on material from Classes 1 through 6
Week #   Topics Covered in Class
8     1st of 3 Tax Planning Framework Themes: ALL… (Parties, Costs, ) Taxes:
Mar 8 - Implicit tax on tax favored investments

         Exchange Traded Funds (ETFs) versus Mutual Funds
         Summaries of many articles about investing and what to invest in.

9  Mar 15  Tax-efficient Decumulation of Investments during Retirement Years
         - Mutual fund distributions on Form 1099-DIV
         - Early and Late Distributions from retirement accounts
         - Roth versus nonRoth retirement accounts: If \( t_0 \) and \( t_n \) are equal what are important non-tax advantages
         - Social Security benefits;
         - Annuityizing some assets to last through retirement

10.  Mar 22 Marginal Tax Rates (MTR) of Individuals
         - How MTR’s not equal to rate in the Tax Schedule if change causes movement to different bracket
         - Partial Personal Financial planning can be done by a tax CPA using a 1040
         - How MTR’s not equal to rate in the Tax Schedule if AGI before the change or AGI after the
change is in the phase-out range of a law where a deduction or a credit declines as AGI increases
         - How MTR’s not equal to Alternative Minimum Tax (AMT) rate schedule in the Tax Schedule if AMT
Base is in the phase-out range where AMT Exemption Deduction declines as Base increases

March 30  NO CLASS – Spring Break

11.  Apr 5  EXAM 1st half of class on topics from Weeks #8 - 10
         2nd half of class:
         Continue the Other Two Tax Planning Framework Themes: ALL… Parties, Costs, (and Taxes):
         - Apply to comparison of Current Salary versus tax-exempt fringe benefits
         Deferred Compensation (other than Salary): Stock Options, Restricted Stock, RSUs

12.  Apr 12
         NO CLASS

13.  Apr 19
         PRESENTATIONS BEGIN

14.  Apr 26 (PRESENTATIONS CONTINUE)

15.  May 3 (PRESENTATIONS CONTINUE)
         Summary of most important things from semester & How to use what you’ve learned in the future

16.  May 10  FINAL EXAM