

**Course Code:** ACC 274

**Course Title:** Principles of Income Taxation

**Department:** Business/Computer Science and Technologies

**Effective Date:** Summer 2026

**PCS Code:** 1.2 - Occupational/Technical Instruction

**CIP Code:** 52.0302

**Repeatability:** 0

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## Credit Hours

**Catalog Notation:** 4-0-4

**Credit Hour Distribution:**

Lecture: 4

Lab: 0

Clinical: 0

**Total: 4**

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## General Course Information

### Catalog Description

Introduction to federal income taxation and income tax forms relevant to most taxpayers. Focus on measurement and reporting of taxable income (including property transactions).

### General Course Objectives

Understand the components of and complete federal tax form 1040 including calculating income, determining filing status, eligibility of dependents, appropriate deductions from income, calculation of tax liability, and tax credits.

### Minimum Placement Levels

**English**

None

**Reading**

None

**Math**

None

### Prerequisites

None

### Methods of Evaluation

12-15 assignments consisting of tax returns, quizzes, comprehensive problems, and one final project.

### Instructional Materials and Additional Supplies

Fundamentals of Taxation with Connect access, current edition, Cruz. Students must have access to a textbook (either hardback or ebook) and Connect. Access to the ebook is provided with Connect access.

## Course Content

### General Learning Outcomes (GLOs)

- Reasoning and Inquiry: Students will demonstrate the ability to solve problems using deductive reasoning and logic, quantitative reasoning, or the scientific method.

### Course Segments and Student Learning Outcomes

Course Segment	Learning Outcomes	Lecture Hours	Lab Hours	Clinical Hours
Introduction to Taxation, the Income Tax Formula, and Form 1040	<ol style="list-style-type: none"> <li>1. Identify progressive, regressive, and proportional tax structures.</li> <li>2. Calculate marginal and average tax rates.</li> <li>3. Understand and complete the basic components of a Form 1040, including calculation of income tax liability.</li> <li>4. List the types of tax authorities.</li> </ol>	5	0	0
Expanded Tax Formula, Form 1040, and Basic Concepts	<ol style="list-style-type: none"> <li>1. Use the expanded tax formula.</li> <li>2. Prepare major sections for Form 1040.</li> <li>3. Identify proper filing status, including eligibility of dependents and standard deduction.</li> </ol>	5	0	0
Gross Income: Inclusions and Exclusions	<ol style="list-style-type: none"> <li>1. Interpret when and how to record income for income tax purposes.</li> <li>2. Analyze the taxability of components of gross income including interest, dividends, tax refunds, and social security benefits.</li> <li>3. Apply the formula for calculating the portion of social security that is taxable.</li> <li>4. Apply the rules concerning items excluded from gross income.</li> </ol>	5	0	0
Adjustments for Adjusted Gross Income	<ol style="list-style-type: none"> <li>1. Identify eligibility and apply the tax rules for AGI deductions for student loan interest, health savings account deductions, moving expenses, self employment taxes, self employed health insurance deduction, alimony paid, and educator expenses.</li> <li>2. Calculate the amounts of deductions for AGI and apply any applicable limits.</li> </ol>	7	0	0
Itemized Deductions	<ol style="list-style-type: none"> <li>1. Calculate the deductibility of medical expenses.</li> <li>2. Identify and calculate the state and local tax deductions.</li> <li>3. Apply the tax rules for interest deductions and calculate the amount of deductible interest expense.</li> <li>4. Calculate the deductibility of charitable contributions and restate any reporting requirements.</li> <li>5. Apply the rules for miscellaneous expenditures and casualty loss deductions.</li> <li>6. Prepare a Schedule A.</li> </ol>	7	0	0
Self-Employed Business Income	<ol style="list-style-type: none"> <li>1. Apply the rules for determining income and expense recognition for self employed individuals.</li> <li>2. Discuss the concepts of ordinary and necessary business expenses.</li> <li>3. Calculate depreciation for business assets.</li> <li>4. Distinguish the deductibility of travel expenses and calculate deductible portion.</li> <li>5. Restate and apply hobby loss rules.</li> <li>6. Calculate self employment taxes.</li> <li>7. Prepare a Schedule C and Schedule SE.</li> </ol>	7	0	0

<b>Course Segment</b>	<b>Learning Outcomes</b>	<b>Lecture Hours</b>	<b>Lab Hours</b>	<b>Clinical Hours</b>
Capital Gains and Other Sales of Property	<ol style="list-style-type: none"> <li>1. Classify assets as capital, ordinary, or Section 1231 assets.</li> <li>2. Apply the rules for recognizing gains and losses on sale of assets for each type of asset.</li> <li>3. Calculate the realized and recognized gain or loss on sale.</li> <li>4. Summarize rules for special types of sales, including capital gain distributions and sales of property received as a gift or inheritance.</li> <li>5. Prepare a Schedule D and Form 4797.</li> </ol>	7	0	0
Rental Property, Royalties, and Income from Flow-Through Entities	<ol style="list-style-type: none"> <li>1. Recognize and apply the reporting of income and expenses for rental property.</li> <li>2. Restate rules for reporting personal use of rental property.</li> <li>3. Identify royalty income and inclusion on Schedule E.</li> <li>4. Classify types of flow-through entities including partnerships, LLCs, and S Corporations; and identify where income is reported on returns.</li> <li>5. Prepare a Schedule E.</li> </ol>	7	0	0
Tax Credits	<ol style="list-style-type: none"> <li>1. Calculate an individual's filing status, personal and dependent exemptions, and itemized or standard deductions, as well as various tax credits.</li> <li>2. Prepare several individual comprehensive returns containing multiple sources of income and expense.</li> <li>3. Calculate the tax liability based on ordinary income as well as capital gain income and lower rates for qualified dividends.</li> </ol>	10	0	0

**Total Contact Hours**

<b>Lecture Hours</b>	<b>Lab Hours</b>	<b>Clinical Hours</b>
60	0	0