

Investments:

Evaluating Alternatives Using the Internet

Course Description

All tax professionals need to know the tax-economics of investing for themselves and their clients. This need is accentuated by the rapid rise of the Internet as a broad-based and effective investment tool. Over 20 million investors have switched to online investment brokerages. Learn about: investing in Bull and Bear markets, direct investing, investment vehicles for maximum tax savings, risk management, investment evaluation, alternative investments and the impact of global economic factors. This course will explore the use of the Internet in company research, fundamental analysis, technical research and the use of key ratios. Key websites are provided to assist you with research. Whether you intend to invest yourself or just assist clients in reporting their transactions - this course is a must for the techno-accountant.

Completion Deadline & Exam: This course, including the examination, must be completed within one year of the date of purchase. In addition, unless otherwise indicated, no correct or incorrect feedback for any exam question will be provided.

Course Level: Overview. This program is appropriate for professionals at all organizational levels.

Category: Taxation

Prerequisite: None.

Advanced Preparation: None

Course Learning Objectives

Lesson 1: Evaluating Investment Alternatives

1. Identify advantages of the Internet noting the depth and volume of investment and financial planning information that is available.
2. Determine what constitutes financial independence using the steps in the mapping process.
3. Recognize individual personal and financial goals as a mapping tool for financial planning by:
 - a. Citing differences between financial goals and purposes noting major investment purposes and retirement myths;

- b.** Identifying investment goals in retirement planning including timing, careers, investment philosophies, insurance needs, risk management, and estate planning;
 - c.** Recognizing resource allocation noting necessary generational changes and identifying investment ownership and those who will be involved in the financial planning process; and
 - d.** Specifying the tax consequences of title holding methods by identifying ways to hold title and the various types of private retirement plans.
- 4.** Determine net worth using a balance sheet employing an asset inventory of assets and liabilities to meet financial goals.
- 5.** Recognize an individual's primary responsibility for the investment planning including necessary self-education and, identify the allocation of financial resources among investments to maximize return and the economic impact of inflation, risk versus return, and income tax planning tactics.
- 6.** Identify spending habits, determine how to convert an operating loss into an operating surplus, and select a budget to build savings and increase discretionary income.
- 7.** Specify the development and implementation of a financial plan for retirement by:
 - a.** Identifying how to manage income to generate and inflation protect cash stating key savings elements;
 - b.** Determining physical and financial assets naming which assets have more liquidity and citing the potential investment opportunities of real estate;
 - c.** Specifying stock types that influence potential earnings and the pros and cons of the several bond types;
 - d.** Locating mutual funds based upon an investor's personal objectives and risk tolerance and specifying life insurance types which can become financial planning tools; and
 - e.** Identifying the mechanics of the Social Security system noting payments subject to Social Security taxes and recognizing the commitment needed to create a successful financial plan.
- 8.** Identify active and passive strategies associated with purchasing investments.