

Assets, Income and Cash

Course Description

This mini-course integrates federal taxation with overall financial planning. The course explores tax strategies relating to the central financial tactics of wealth building, capital preservation, and estate distribution. The result is a unified explanation of tax-economics that will permit the tax professional to locate, analyze, and solve financial concerns. Designed to improve the quality of services to clients and the profitability of engagements, this program projects the accountant into the world of financial planning.

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.

CPE Credits: 3 (CPA, EA)

Category: Taxes

Prerequisite: General understanding of federal income taxation.

Advanced Preparation: None

Course Learning Objectives

Lesson 1: Assets, Income & Cash

1. Identify investment purposes and retirement misconceptions, the multi-step retirement process and the elements of investment planning.
2. Determine income types, from a tax perspective, to be budgeted into cash so that income-producing assets can be acquired and managed for an effective investment plan.
3. Recognize the means of achieving tax deferral noting like-kind ex-changes, retirement plans and installment sales, and specify the double financial benefit of exchanging through tax postponement and possible tax elimination.
4. Determine how to use tax credits, estimated taxes, and basic deductions to effectively reduce federal income tax and thereby increase discretionary income for investment purposes.

5. Specify formats for income splitting that can benefit taxpayers by lowering overall taxes as a unit and permitting wealth and tax allocation among individuals or entities.
6. Identify the tax benefits of the \$500,000 home sales exclusion, municipal bonds, divorce and separation settlements, gifts and inheritances, life insurance, fringe benefits, and Social Security to eliminate tax on realized gain and ordinary income.