

GAAP: Tax-Basis Q&A

Course Description

This course is divided into two sections. The purpose of Section I is to review unusual reporting and disclosure issues that develop in practice including questions such as how to disclose life insurance, leases, catastrophes, agreements not to compete, and investments. Section II deals with how to disclose and present tax-basis financial statements. Most of the course is presented in a Q&A format.

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: 16

Category: Accounting

Prerequisite: None.

Advanced Preparation: None

Course Learning Objectives

Section 1: GAAP Balance Sheet, Revenue and Expenses

1. Recall the accounting treatment for non-monetary exchanges
2. Recognize the formula for measuring an impairment of real estate
3. Identify the accounting for different types of investments such as securities, investments using the equity method, and partnerships
4. Recognize some of the disclosures required for trade receivables
5. Recognize how FIFO inventory is valued under the new inventory rules
6. Recall certain inventorable costs
7. Recall the GAAP rules to account for an intangible asset with a finite useful life
8. Identify the accounting for environmental contamination costs
9. Identify examples of costs associated with exit activities
10. Recognize how an entity should account for revenue when treated as an agent

11. Identify options to avoid having to maintain two depreciation schedules
12. Recall how to account for certain lease arrangements
13. Recognize how to account for certain transactions on the statement of cash flows
14. Identify examples of group concentrations
15. Recognize some of the results from the new net operating loss rules in tax reform
16. Identify the basic accounting for fresh start reporting
17. Identify how web development costs are accounted for during certain stages of development
18. Recognize when an entity may elect the fair value option and identify some of the eligible items for which the option is available
19. Recognize the basic rule for the liquidation basis of accounting

Section 2: Tax-Basis Financial Statements

1. Recognize some of the M-1 differences that do not apply to tax-basis financial statements
2. Recognize how to account for an accounting change in tax-basis financial statements
3. Recall how to account for and present nontaxable and nondeductible items in tax-basis financial statements
4. Identify the disclosure requirements for tax-basis financial statements
5. Recognize the appropriate and inappropriate financial statement titles for tax-basis financial statements