

Accounting for Income Taxes

Course Description

Accounting for income taxes is one of the more challenging topics of financial accounting. Corporations must file income tax return following the guidelines developed by the IRS. Because GAAP and tax regulations differ in a number of ways, so frequently do pretax financial income and taxable income. Hence, the amount that a company reports as tax expense will differ from the amount of taxes payable to the IRS. Those differences produce a complex accounting standard.

This course is designed to help you navigate the complexities of this topic. It covers the accounting and financial reporting requirements for income taxes discussed in ASC 740 Income Taxes. It addresses the basic principles such as the asset and liability method, assessment for uncertain tax positions, and the effect of temporary differences. It explains the process of accounting for income taxes, including valuation allowance, asset acquisition, intraperiod allocations, and interim reporting. It describes presentation and disclosure requirements. It also provides specific examples to illustrate the application. Relevant references to and excerpts from ASC 740 are discussed throughout the course.

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: Advanced

CPE Credits: 6 (CPA)

Field of Study: Accounting

Prerequisite: Understanding of GAAP

Advanced Preparation: None

Course Learning Objectives

After completing this course, you should be able to:

1. Recognize the basic principles of accounting for income taxes
2. Identify recognition and measurement requirements for uncertain tax positions
3. Recognize temporary differences and identify how these differences may arise
4. Distinguish between permanent and temporary differences
5. Identify method for computing deferred taxes
6. Recognize basic rules for income taxes in interim reporting
7. Recognize the reporting requirements for income taxes