

Investments:

Tax Analysis 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. The Internet provides an unheard of degree of information on investment and financial planning. It addresses the information needs of those interested in stock and bond investment, life insurance, estate planning, debt management, tax law, and real estate. It provides a powerful and profitable information resource for the investor or financial planner. This course shows the practitioner how to access information-rich tax websites, and emphasis will be given to the substantial speed and cost advantages of the Internet over traditional paper and other tax services.

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: 10 (CPA, EA)

Category: Taxation

Prerequisite: General understanding of federal income taxation.

Advanced Preparation: None

Course Learning Objectives

Chapter 1: Introduction

1. Determine the differences between goals & purposes when retirement planning and how to implement strategies to preserve wealth by maintaining buying power.
2. Identify the various cash management strategies and their effectiveness as part of an overall financial plan.
3. Specify categories of assets noting their role in improving investment planning.
4. Recognize the impact of Social Security and insurance in developing a financial plan for retirement.

5. Identify active versus passive investment selection and evaluation strategies and the role each of the techniques can play in a financial plan for retirement.

Chapter 2: Building an Estate

1. Determine the role income in money management by identifying the various types of income particularly tax-free and tax-deferred income and their impact on financial and retirement planning.
2. Recognize the principles of budgeting and cash management to increase discretionary income by citing budgeting techniques and specifying how to expand financial planning opportunities through the use of savings, deductions, and emergency funds.
3. Identify ways to manage assets using the author's guidelines for purchasing assets and specify rules for acquiring financial assets that improve investment return and minimize risk.
4. Recognize the tax advantages of accelerating deductions and leveraging the purchase of assets.

Chapter 3: Preserving the Estate

1. Recognize the impact of taxes, inflation, and bad spending habits on wealth preservation and a budget to increase discretionary income.
2. Identify the process of taking an asset inventory noting its impact on net worth and variables that impact net worth.
3. Specify the importance of personal responsibility when it comes to financial planning noting the importance of personal control over finances and recognize the role of asset allocation, risk tolerance, diversification, and tax planning tactics in maximizing investment returns.

Chapter 4: Distribution of the Estate

1. Identify the unlimited marital deduction noting its effect on the value and death transfer of property and specify the tax implications of the applicable exclusion amount for estate planning.
2. Recognize stepped-up basis at death and its importance to surviving spouses and heirs.
3. Determine primary dispositive plans and identify their effects on estate planning starting with simple wills, identify the various asset types that are included and not included in wills, and specify the various types of trusts and their characteristics noting their advantages and disadvantages relative to estate planning.
4. Recognize the roles of a conservatorship and durable power of attorney play in estate planning and identify the advantages and disadvantages of former private annuities.