



ACCT 334 (Individual & Corporate Tax): CBA ACCOUNTING MAJOR - FALL 2018

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AUK MISSION STATEMENT: The American University of Kuwait is a liberal arts institution dedicated to teaching, learning, and scholarship. The university offers programs that provide students with the knowledge and skills necessary for lifelong learning and professional success. AUK enriches society by fostering an environment encouraging critical thinking, effective communication, personal growth, service, and leadership.

AUK VALUE STATEMENT: The AUK community strives to uphold the following values: freedom of thought, expression, and intellectual inquiry; respect for individual identity and rights, and cultural diversity; commitment to high standards of morality, integrity, and social responsibility; and adherence to high professional standards and ethics. AUK aspires to be a leading university recognized locally, regionally, and internationally for its institutional distinctiveness, academic excellence, and the accomplishments of its graduates.

COLLEGE OF BUSINESS & ECONOMICS MISSION & VISION: The College of Business & Economics prepares students through an American educational experience combining quality intellectual challenge and ethical professional practice for careers in Kuwait and beyond by: focusing on the development of business in Kuwait and the Gulf; supporting rigorous programs that foster excellence in business teaching and scholarship; and working together to learn and disseminate socially responsible practices to advance society.

COURSE OBJECTIVES:

This course develops students' knowledge and skills of income tax fundamentals. It builds upon the topics covered in ACCT201 by covering the individual income tax return, partnership taxation and the corporate income tax. This course develops communication skills, ethical understanding and reasoning, analytical thinking, application of knowledge and diverse and multicultural work environments.

COURSE OBJECTIVES RELATION TO AACSB ACCREDITATION: CBE is in the Final AACSB (<http://www.aacsb.edu/>) Accreditation Phase. AACSB is the hallmark for excellence in business teaching and research. Roughly 5% of business degrees-awarding programs around the world are accredited by AACSB. As part of the accreditation process CBE has developed a set of learning

goals (see Column 1) that are emphasized in the Bachelor of Business Administration (BBA) curricula. This course helps you meet, in part, few of these goals, see (see Column 2)

Column 1	Column 2
Program Goal (Table 2.4)	Program Goals met in this course
Communication: professional writing, effective oral presentations	Demonstrate the ability to communicate information about the individual income tax return.
Ethical behavior and social responsibility: understand ethical and professional responsibilities, recognize ethical dilemmas, and formulate ethical strategies.	Demonstrate the ability to identify ethical concerns, analyze options and make ethical decisions with respect to behavior related to various taxation issues.
Critical thinking: identify, evaluate, analyze, and solve diverse and unstructured management problems in unfamiliar settings, use, synthesize, and evaluate data / evidence, exercise judgment, and assess risks, understand the holistic and systemic nature of the organization and its internal and external environment.	<p>Demonstrate critical thinking skills with application of principles to business situations.</p> <p>Critical thinking and decision skills are developed through course material; practice with class discussions of exercises and taxation problems at the end of each chapter, study of review chapter and quizzes.</p>
Technology: competent in selection and use of appropriate management technologies, understand information systems and their role in management functions	
Professional behavior: work effectively in various roles with diverse individuals and groups to achieve common goals, able to assume leadership roles, quickly understand what needs to be done, organize, prioritize, and delegate tasks.	
Quantitative skills: recognize when quantitative analysis is useful, understand appropriate data, select and apply appropriate quantitative tools, interpret results.	
Information literacy: understand the role of information in solving management problems, define search criteria, locate, and access appropriate information, evaluate the accuracy, validity, and relevance of information.	
Global, regional, and multi-cultural aspects of business (no change; see Table 2.1)	Demonstrate the ability to prepare income tax returns using US taxation rules that are adaptable in different international environments and contexts.
Entrepreneurial Orientation: recognize situations where a small business or startup can find opportunity, understand how business knowledge can be adapted to small organizations with minimal resources	

LEARNING OUTCOMES:

By the end of the course, students should be able to (all must reflect with Column 2):

1. Introduce the US individual income tax system, including the tax calculation, who must file, filing status, exemptions, and the interaction of itemized deductions and the standard deduction.
2. Apply the definition of gross income, including the special tax treatment for interest and dividends, alimony, prizes and awards, annuities, life insurance proceeds, and gifts and inheritances.
3. Complete a basic schedule C (profit or loss from business), covering important elements of income and expense which enter into the calculation of adjusted gross income.
4. Calculate itemized deductions and other incentives allowed when calculating taxable income.
5. Calculate the most common tax credits and use several special methods of calculating tax.
6. Determine the different accounting periods and the different accounting methods allowed for tax purposes, including depreciation methods.
7. Describe the basic tax rules for partnership formation and operation and the tax treatment of partnership distributions.
8. Employ the corporate tax rates to calculate corporate tax liability.

PREREQUISITES: ACCT201

REQUIRED TEXTS:

Income Tax Fundamentals (2018) By Whittenburg/ Gill, Cengage.

CLASS POLICIES:

- **Attendance:** student is expected to attend all classes, arrive on time and leave after I take roster at the end of class. AUK policy on attendance will be enforced and so if you miss more than 15% (6 class meetings) of the class sessions should expect to fail, unless verifiable documented evidence is submitted to justify absence. Student who does not submit documented evidence for absences exceeding the limit are expected to withdraw from the course. It is the student's responsibility to withdraw from the course by the specified deadline, as indicated on the Academic Calendar. Students who withdraw from a course receive a grade of "W." Student who does not withdraw from a course nor submit supporting documents for excessive absences will receive a grade of "FN" (failure for non-attendance).

PEDAGOGY: This course is part of the BBA Core courses and it aims to help you develop specific competencies (see Column 2) by integrating the goals of reading, critical thinking, application and interpretation. Instructions are designed to engage students through lectures, practical exercises, case studies and discussions in order to develop analytical and decision-making skills. Crucially, students will also be given the opportunity to assume some responsibility for learning by completing exercises and problems from the textbook, study of a review chapter and participation in the class. As such, you are expected to conduct yourself in a professional manner and assume a simulated managerial decision-making role.

To this end, this course utilizes the followings:

- **Quizzes:** Four quizzes (5 marks each) will be conducted as per the schedule overleaf. The score of the best three will count towards the final grade. Questions may be in any one of, or a combination of, MC, Exercises or Short Answer formats. N.B. students may be asked to demonstrate how they derived answers to MC questions.

- **Exams 1, 2 & 3** will include questions that may be MC, exercises, short answer or challenging answer questions like preparing income tax returns or some combination thereof. N.B. students may be asked to demonstrate how they derived answers to MC questions. Some of these MC questions may be based on questions available on the text book's web site.
- **Individual Income Tax Return:** Students are required to prepare an individual income tax return. Students will be given the opportunity to demonstrate achievement of this as follows. Students will be required to prepare an individual income tax return in class and under examination conditions. It will be undertaken in class on Thursday 20th December 2018.

EVALUATION & GRADING: Students' performance is evaluated using the following criteria:

	%
Individual Income Tax Return (IITR)	10
Quizzes (Ch. 1, 2, 5 & 10)	15
First Exam (Ch. 3 & 4) – 50 min.	20
Second Exam (Ch. 6 & 7) – 50 min.	20
Final Exam (Ch. 1, 7, 10 & 11)	35
Total Marks Possible	100

Letter of grade is assigned using the following scale:

≥ 91	80-89	70-79	60-69	< 60
A to A-	B+ to B-	C+ to C-	D+ to D-	F

AUK POLICY & ACADEMIC HONESTY AND INTEGRITY: upon admission to AUK, you took upon yourself to act responsibly in areas such as personal, social and academic, among others, which are explicitly stated in the AUK STUDENT CODE OF CONDUCT. The University has the right to, through the due process, to take disciplinary action against students for violations of this Code and any institutional standards of behaviors and academic regulations and procedures, which are defined in the catalog and the Student Planner & Handbook. This includes cheating and plagiarism in any form (e.g. exam, research papers). Violations of this Code will be penalized by a failing grade in exam and/or course and may also lead to student's dismissal from the University.

ACADEMIC SUPPORT: AUK offers a host of resources designed to help you develop the skills you need to succeed in college. The Academic Advising Center provides Academic Skills Workshops throughout the semester such as: effective study habits, time management, classroom etiquettes, note-taking, productivity and critical thinking, building reading skills, thinking styles, building self-esteem & self-motivation, test-taking, communications skills, stress management. Also, for technical assistance related to the writing of the research paper, you may want to consider the support of AUK Writing Center.

DISABILITY ACCOMMODATION: AUK is committed to providing equal opportunity to all students including those with disabilities. If you have a disability you are advised to immediately contact Dr. Huda Shaaban (2224 8399 ex. 3235; hshaaban@auk.edu.kw), Assistant Director for Disability Services at the Student Counseling Center, to determine eligibility for disability-related accommodations. Registration with the Students Counseling Center is required for ALL disability-related accommodations. Accommodations cannot be applied retroactively in the event eligibility is determined later in the semester.

ACCT334 Course Outline (tentative)

Week	Reading	Notes
<i>Week1</i> Sep 9-13	Ch.1 The Individual Income Tax Return Sep 11 (Tuesday): Islamic New Year – University holiday	
<i>Week2</i> Sep 16-20	Ch.1 Continued	
<i>Week3</i> Sep 23-27	Ch.2 Gross Income and Exclusions	Quiz1 (Ch. 1)
<i>Week4</i> 30 Sep -Oct 4	Ch.2 Continued Ch.3 Business Income and Expenses, Part I	
<i>Week5</i> Oct 7-11	Ch.3 Continued	Quiz 2 (Ch. 2)
<i>Week 6</i> Oct 14-18	Ch.4 Business Income and Expenses, Part II	
<i>Week7</i> Oct 21-25	Ch.4 Continued Ch.5 Itemized Deductions and Other Incentives	First exam (Ch. 3 & 4)
<i>Week8</i> Oct 28-Nov 1	Ch.5 Continued	
<i>Week9</i> Nov 4-8	Ch.6 Credits and Special Taxes	Quiz 3 (Ch. 5)
<i>Week10</i> Nov 11-15	Ch.6 Continued Ch.7 Accounting Periods and Methods and Depreciation	
<i>Week11</i> Nov 18-22	Ch.7 Continued Nov 22 (Thursday): Prophet’s Birthday – University holiday	
<i>Week12</i> Nov 25-29	Ch.10 Partnership Taxation	Second Exam (Ch. 6 & 7)
<i>Week13</i> Dec 2-6	Ch.10 Continued	
<i>Week 14</i> Dec 9-13	Ch.11 The Corporate Income Tax	Quiz 4 (Ch. 10)
<i>Week 15</i> Dec 16-20	Ch.11. Continued	IITR – in class
<i>Weeks 16-17</i> Dec 23-Jan 3	Winter Break	
<i>Week 18</i> Jan 6-7	Last week of classes for Fall 2018 Semester- Revision	
<i>Weeks 18-19</i> Jan 8-13	Comprehensive Final Exam (check AUK Final Exam schedule)	Final Exam (Ch. 1, 7, 10 & 11)

Appendix

Table 2.3: AUK General Education Learning Outcomes

Upon completion of the general education requirements, the student will be able to:

1. Examine social, economic, political, cultural, and scientific phenomena.
2. Identify problems.
3. Apply the principles of independent inquiry.
4. Assess qualitative and quantitative information through inductive and deductive reasoning.
5. Link theory and research, and formulate generalizations and/or recommendations.
6. Communicate information and recommendations effectively.

AUK University Catalog 2016-2017; General Education <http://www.auk.edu.kw/Catalog/gened.html>
(full description of these learning outcomes in Appendix 2)

Table 2.2a: AACSB General Skill Areas

- Written and oral communication (able to communicate effectively orally and in writing)
- Ethical understanding and reasoning (able to identify ethical issues and address the issues in a socially responsible manner)
- Analytical thinking (able to analyze and frame problems)
- Information technology (able to use current technologies in business and management contexts)
- Interpersonal relations and teamwork (able to work effectively with others and in team environments)
- Diverse and multicultural work environments (able to work effectively in diverse environments)
- Reflective thinking (able to understand oneself in the context of society)
- Application of knowledge (able to translate knowledge of business and management into practice)

AACSB. 2016. Eligibility Procedures and Accreditation Standards for Business Accreditation, Most Recent Update: January 31, 2016. Pp. 31-32.

Table 2.2b: AACSB General Business and Management Knowledge Areas

- Economic, political, regulatory, legal, technological, and social contexts of organizations in a global society
- Social responsibility, including sustainability, and ethical behavior and approaches to management
- Financial theories, analysis, reporting, and markets
- Systems and processes in organizations, including planning and design, production/operations, supply chains, marketing, and distribution
- Group and individual behaviors in organizations and society
- Information technology and statistics/quantitative methods impacts on business practices to include data creation, data sharing, data analytics, data mining, data reporting, and storage between and across organizations including related ethical issues
- Other specified areas of study related to concentrations, majors, or emphasis areas

AACSB. 2016. Eligibility Procedures and Accreditation Standards for Business Accreditation, Most Recent Update: January 31, 2016. P. 32.