

2023 Advanced II Income Tax Course – Learning Objectives

MODULE 1

Chapter 1 – Amended Returns

- 1) Identify situations which necessitate an amended return.
- 2) Indicate the requirements for filing an amended return.
- 3) Identify special situations with special qualifications or special rules that apply.
- 4) Describe the process of completing an amended return Form 1040-X.
- 5) Describe when and how a taxpayer can request an installment agreement to pay tax owed to the IRS.
- 6) Summarize factors for the tax preparer to consider when setting fees for amended returns.

Chapter 2 - Special Needs and Concerns for Seniors

- 1) Determine the appropriate methods for calculating a Required Minimum Distribution (RMD) in various circumstances.
- 2) Describe the appropriate tax treatment of Social Security and Equivalent Railroad Retirement Benefits.
- 3) Identify appropriate medical deductions for medical insurance premiums, in-home care, and long-term care.
- 4) Discuss the tax implications of various techniques of estate planning.

Chapter 3 - Tax Issues for High-Income Taxpayers

- 1) Describe which items can contribute to alternative minimum tax (AMT).
- 2) Indicate the phase-out limitations for total itemized deductions.
- 3) Discuss limitations on certain specific itemized deductions.
- 4) Discuss certain adjustments to total income, including related topics.
- 5) Determine which credits apply to certain income limits.
- 6) Recognize the circumstances when two special taxes (Additional Medicare Tax and/or the net investment income tax) apply.

Chapter 4 - Schedule D – Special Issues

- 1) Describe the concept of a gain or loss from the sale or exchange of property, to include wash sales, short sales, and Section 1256 contracts.
- 2) Discuss IRS guidance on treatment of virtual currency (cryptocurrency) transactions.
- 3) Identify the differences between statutory and non-statutory employee stock options.
- 4) Calculate the amount of taxable gain on the sale of a personal residence.
- 5) Discuss installment sales and determine when income from such sales should be reported on Form 6252, *Installment Sale Income*.

MODULE 2

Chapter 5 - Issues for Divorced and Separated Taxpayers

- 1) Recognize how health care laws may impact divorced and separated taxpayers.
- 2) Determine how a taxpayer's filing status and exemptions can be affected by divorce and separation.
- 3) Calculate how alimony paid or received can affect a taxpayer's income.
- 4) Discuss qualified domestic relations orders (QDRO), IRAs, and property settlements in a divorce situation.
- 5) Figure out how tax withholding and estimated tax payments impact divorced taxpayers.
- 6) Recognize the community property issues facing divorced taxpayers.

Chapter 6 - Tax Planning, Savings Strategy, and Updates

- 1) Utilize like-kind exchanges as a tax planning tool.
- 2) Recognize some uncommon credits that can be used as planning tools.
- 3) Develop insight into tax saving strategies related to investment planning.
- 4) Compare retirement plans and the advantages and availability of each.
- 5) Utilize strategies for tax planning.
- 6) Develop an awareness of changes in the tax code and how these changes may influence tax planning for upcoming years.
- 7) Review methods to protect taxpayer identity.

Chapter 7 - Responding to the IRS

- 1) Describe the IRS's determination to examine a taxpayer's return.
- 2) Summarize the most common notices sent to a taxpayer by the IRS along with recommended taxpayer actions.
- 3) Discuss payment of taxes owed by the taxpayer.
- 4) Identify the major issues usually covered in an IRS audit targeting the Earned Income Tax Credit (EITC).
- 5) Describe the types of supporting documentation necessary to justify claiming EIC, Head of Household (HOH) filing status, and dependency exemptions.
- 6) Discuss payment of delinquent taxes by non-filers.
- 7) Describe the audit preparation process and post-audit actions taxpayers should take.

Chapter 8 - Nonresident Alien Returns – Form 1040-NR

- 1) Identify the differences between a resident and nonresident alien for income tax purposes.
- 2) Determine when a nonresident alien must file a tax return and which income must be reported.
- 3) Describe the various types of adjustments that can be made to arrive at U.S. taxable income.
- 4) Determine exemptions and filing status for resident and nonresident aliens.
- 5) Summarize the types of itemized deductions that resident and nonresident aliens can take.
- 6) Discuss the application of tax treaty benefits in determining the amount of tax due to the United States.