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## Course Information

**Course Title:** §199A Pass-Through Deduction #290224

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### **Number of continuing education credit hours recommended for this course:**

In accordance with the standards of the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour.

**EA, OTRP** 3 IRS: Qualified Sponsor number: *FWKKO*.

**CPA:** 3 (Accepted in all states)

National Registry of CPE Sponsors ID Numbers: 107615:

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 0004761 (Ethics #0011467)

Hawaii Board of Public Accountancy: 14003

New York State Board of Accountancy (for ethics): 002146

Ohio State Board of Accountancy: CPE .51PSR

Pennsylvania Board of Accountancy: PX178025

Texas State Board of Accountancy: 009349

**CLU, ChFC:** 3 (Professional Recertification)

**Program Delivery Method:** QAS Self-Study (interactive)

### **Course Description**

The Tax Cuts and Jobs Act of 2017 (TCJA) affects the tax planning and income tax liability for many taxpayers. Among those for whom the TCJA will have a more significant effect are business owners of pass-through trades or businesses who may be eligible for the TCJA's pass-through deduction. This course will examine the pass-through deduction authorized under § 199A of the TCJA.

The text is conceptually divided into three sections: First, calculation of the pass-through deduction for business owners whose taxable income does not exceed a threshold amount set by statute; second, calculation of the pass-through deduction for business owners whose taxable income is greater than the threshold; and finally, calculation of the pass-through deduction for business owners whose taxable income is greater than the threshold and whose businesses are considered specified service trades or businesses (SSTBs). The final chapter examines each of the business categories that are considered specified service trades or businesses and identifies those businesses that might appear to be placed in those categories but which would not be deemed SSTBs.

## Course Content

Publication/Revision date: 2/5/2024.

Author: Paul J. Winn CLU ChFC

Final exam (online): Twenty questions (multiple-choice).

**Program Delivery Method:** Self-Study (NASBA QAS Self-Study/Interactive)

## Subject Codes/Field of Study

NASBA (CPA): Taxes.

IRS (EA, OTRP): Federal Tax Law.

NAPFA: Taxes

## Course Level, Prerequisites, and Advance Preparation Requirements Program Level

Program Level: NASBA/CPA, IRS: Overview.

This program is appropriate for professionals at all organizational levels.

Prerequisites: Basic familiarity with federal taxation

Advance Preparation: None

## Instructions for Taking This Course

- **Log in to your secure account at [www.bhfe.com](http://www.bhfe.com). Go to "My Account."**
- **You must complete this course within one year** of purchase (If the course is "Expired," contact us and we will add the latest edition of the course to your account (no charge).
- **To retain the course-PDF after completion (for future reference) and to enable enhanced navigation:** From "My Account," Download and save the course-PDF to your computer. This will enable the search function (Menu: Edit>Find) and bookmarks (icon on left side of document window).
- **Complete the course by** following the learning objectives listed for the course, studying the text, and, if included, studying the review questions at the end of each major section (or at the end of the course).
- **Once you have completed studying the course** and you are confident that the learning objectives have been met, answer the final exam questions (online).

## Instructions for Taking the Online Exam

- **Log in to your secure account at [www.bhfe.com](http://www.bhfe.com). Go to "My Account."**
- A passing grade of at least **70%** is required on the exam for this course.
- You will have three attempts to pass the exam (call or email us after three unsuccessful attempts for instructions).
- The exam is not timed, and it does not need to be completed in one session.
- For a printed copy of the exam questions, open the exam and press "Print Exam."
- Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- CFP Board and IRS credit hours, if applicable, are reported on Tuesdays and at the end of the month.

Have a question? Call us at 800-588-7039 or email us at [contact@bhfe.com](mailto:contact@bhfe.com).

# Course Learning Objectives

Upon completion of this course, you should be able to:

- Explain how to compute the § 199A deduction for pass-through business owners whose taxable income is:
  - Not in excess of the applicable threshold,
  - In excess of the applicable threshold but not in excess of the sum of the threshold and phase-in range, and
  - In excess of the sum of the applicable threshold and phase-in range;
- Determine W-2 wages and the unadjusted basis of qualified property immediately after its acquisition (UBIA);
- Define qualified business income (QBI), qualified REIT dividends and qualified publicly traded partnership (PTP) income and the special rules applicable to them;
- Recognize the aggregation rules applicable to the § 199A deduction; and
- Identify the trades or businesses considered specified service trades or businesses (SSTBs) that may be ineligible for the pass-through deduction.

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