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Course Information

Course Title: *Auto Rules #492223*

Recommended CPE credit hours for this course

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

CPA 2 (All states)

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration:

Florida Division of Certified Public Accountancy: 4761 (Ethics #11467)

Hawaii Board of Public Accountancy: 14003

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

Ohio State Board of Accountancy: CPE.51

Pennsylvania Board of Accountancy: 178025

Texas State Board of Accountancy: 009349

EA/OTRP 2 (All States) IRS: Qualified Sponsor number: *FWKKO*.

CLU, ChFC: 2 (Professional Recertification)

Course Description

Operating costs for vehicles used in the course of a taxpayer's business are deductible. Thus, when taxpayers use their vehicles in their businesses or employment, they can deduct that portion of the cost of operating their vehicle. Such costs that can be deducted are property taxes that are paid on their vehicle if deductions are itemized on Schedule A. This mini-course reviews the apportionment of personal and business use, the actual cost method, the standard mileage method, and expensing. Moreover, this presentation informs practitioners about topics such as the benefits and costs of leasing versus owning and working condition fringe benefits.

Course Content

Publication/Revision Date: 4/11/2023.

Author: Danny Santucci, J.D.

Final exam (online): Ten 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.

Course Level, Prerequisites, and Advance Preparation Requirements

Program Level: 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. 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. 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.

Learning Assignment & Objectives

As a result of studying the assigned materials, you should be able to meet the objectives listed below.

ASSIGNMENT

At the start of the materials, participants should identify the following topics for study:

- * Apportionment of personal & business use
- * Deduction limitations using the actual cost method
- * Expensing - §179
- * Predominate business use rule
- * Auto leasing
- * Standard mileage method
- * Auto trade-in vs. sale
- * Employer-provided automobile
- * Nonpersonal use vehicle
- * Reporting of an employer-provided automobile

Learning Objectives

After reading the materials, participants will be able to:

1. Recognize tax vehicle depreciation (§168) and expensing (§179) methods including their requirements and limitations under MACRS and recognize basis, business use and deduction computations.
2. Specify the predominate business use rule recognizing the result of less than 50% qualified business use, cite the pros and cons of auto leasing, and determine how to estimate monthly lease payments indicating what factors affect payments so clients may recognize leasing costs and know common leasing terms.
3. Identify items included under the standard mileage method recognizing items that may be separately deducted, determine the taxable fringe benefit value of an employer provided automobile using the general and special valuation methods and specify several qualified nonpersonal use vehicles stating what reporting standards apply.

After studying the materials, answer exam questions 1 to 10.

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Auto Rules



By
Danny C. Santucci

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