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## Course Information

**Course Title:** *Tax Guide to Partnerships #4931*

**Recommended CPE credit hours for this course**

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

**CPA 2.5** (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: 002146

Ohio State Board of Accountancy: M0021

Texas State Board of Accountancy: 009349

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

**CLU, ChFC/PACE Recertification 2**

**Course Description**

The mini-course will examine tax issues relating to the formation and operation of partnerships. Participants will gain a familiarity with basic areas of partnership taxation so as to recognize a problem and have at hand some practical knowledge for its solution.

**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

**Course Content**

Publication/Revision Date: 2/17/2016.

Author: Danny Santucci, J.D.

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

**Instructions for taking this course**

You must complete this course within one year of the date of purchase (if you do not complete the course within one year, contact us to determine whether an updated edition of the course is available, in which case we will provide you with a PDF of the updated course and the online exam at no charge).

A passing grade of at least 70% is required on the final exam for this course. You may retake the exam if you do not pass it on the first attempt (no charge).

Complete the course by following the learning objectives listed on the following page, studying the text, and 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 Final Exam Online**

- Login to your account online at [www.bhfe.com](http://www.bhfe.com).
- Go to "My Account" and view your course.
- Select "Take Exam" for this course and follow instructions.

**Additional Information**

- The exam may be started, stopped, then resumed at a later date.
- The exam is "open book," it is not timed, and it may be retaken if not passed on the first attempt (no charge).
- Results (correct, incorrect answers) and certificate appear immediately upon passing the exam.
- EA credits are reported weekly.

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# 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:

- \* Partnership definition
- \* Partnership income
- \* Partnership tax return
- \* Year taxable
- \* Transactions between partner & partnership
- \* Contributions to partnerships
- \* Sales & exchanges of partnership interests
- \* Partnership distributions
- \* Partnership liquidations
- \* Limited liability companies

## Learning Objectives

After reading the chapter, participants will be able to:

1. Recognize the tax treatment of partnerships noting advantages and disadvantages and their effect on income attribution.
2. Determine partnership income and reporting requirements by:
  - a. Identifying filing requirements and the impact partnership K-1's on individual or partner taxation; and
  - b. Specifying loss deduction limitations and stating the tax treatment of guaranteed payments, organizational expenses and other fees.
3. Identify the tax treatment of contributions of property to a partnership under §721 and the impact on tax basis.
4. Recognize the tax treatment of partnership distributions and sale of partnership interests by:
  - a. Identifying the tax treatment of partner liabilities and of sales and exchanges of partnership interests and property; and
  - b. Determining the differences between liquidating and nonliquidating payments including definition of a partner's basis on such an event.

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

## Notice

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# Tax Guide to Partnerships



**By**

**Danny C. Santucci**

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