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Course Information

Course Title: *Comprehensive Tax Course on Retirement Planning #496024*

Recommended CPE credit hours for this course

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

CFP®: 22 (All States) CFP Board Course ID# 257119

CFP Board sponsor number: 1008.

CPA: 32 (All States)

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

National Registry of CPE Sponsors ID Number: 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 .51 PSR

Pennsylvania Board of Accountancy: PX178025

Texas State Board of Accountancy: 009349

EA/OTRP/ERPA: 32 (All States) IRS: Qualified Sponsor number: *FWKKO*.

Course Description:

This course is essential for participants who wish to attain a comfortable retirement for themselves and their clients by maximizing tax saving strategies. This presentation integrates federal taxation with retirement planning. The course will examine tax and savings strategies related to determining retirement income needs, wealth building, capital preservation, and estate distribution. The result is a unified explanation of tax economics that will permit the tax professional to locate, analyze, and solve the financial aspects of retirement. Designed to improve the quality of services to clients and the profitability of engagements, this program projects the accountant into the world of retirement planning. This course will give the participant practice in analyzing problems, developing solutions, and presenting final personal retirement plans to clients. The emphasis is on practical simplicity in dealing with the self-employed and highly compensated individual. Retirement income needs are calculated; net after-tax Social Security benefits are determined, and distribution options from IRAs and retirement plans are explored. Special consideration is given to the tax treatment of the home and business on retirement. Buy-sell agreements are discussed and eldercare planning is examined.

Course Content

Publication/Revision Date: 9/9/2024.

Author: Danny Santucci, J.D.

Final exam (online): Two-hundred questions (multiple-choice).

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

Subject Codes/Field of Study:

CFP Board of Standards, Inc.; "E" Retirement Planning and "D" Taxes.

CPA: Taxes

IRS (EA, OTRP): Federal Tax Law; (ERPA): Qualified Retirement Plan Matters

NAPFA: Retirement Planning (10), Taxes (12)

Course Level, Prerequisites, and Advance Preparation Requirements:

Program Level: CFP Board: Intermediate; 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. 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.

(TABLE OF CONTENTS FOLLOWS THE LEARNING OBJECTIVES)

Learning Assignments & Objectives

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

ASSIGNMENT	SUBJECT
Chapter 1	Financial Tax Planning

At the start of Chapter 1, participants should identify the following topics for study:

- * Goals v. purposes
- * Investment purposes
- * Myths of retirement
- * Investment goals
- * Investment needs of five critical decades
- * Investment vehicles & entities
- * Retirement - the ultimate objective
- * Basic planning elements

Learning Objectives

After reading Chapter 1, participants will be able to:

- 1.** Identify short-term financial goals and investment purposes and recognize the importance of retirement income and money management.
- 2.** Determine the tax consequences of title holding methods by specifying ways to hold title to assets starting with the simplest and most direct ways to hold property.

After studying the materials in Chapter 1, answer exam questions 1 to 7.

ASSIGNMENT	SUBJECT
Chapter 2	Building an Estate

At the start of Chapter 2, participants should identify the following topics for study:

- * Types of income
- * Information reporting on taxable income
- * Rules of budgeting
- * Cash
- * Acquisition
- * Assets
- * Rules of management
- * Managing risk

- * Taxes & investment economics
- * Leverage

Learning Objectives

After reading Chapter 2, participants will be able to:

1. Identify money management specifying income types and cite reporting requirements for taxable income.
2. Determine how to convert income into assets by purchasing investments, specify tax-advantaged investments, and determine the economic impact of accelerating deductions and postponing tax liability.

After studying the materials in Chapter 2, answer exam questions 8 to 21.

ASSIGNMENT	SUBJECT
Chapter 3	Preservation of Wealth

At the start of Chapter 3, participants should identify the following topics for study:

- * Obstacles to preservation
- * Tracking spending
- * Building savings
- * Designing a budget
- * Determining worth
- * Analyzing net worth
- * Ignorance
- * Inflation
- * Taxes
- * Tax planning tactics

Learning Objectives

After reading Chapter 3, participants will be able to:

1. Identify obstacles to the preservation of wealth, determine net worth using a balance sheet, and select assets and liabilities for an inventory on which to base financial goals.
2. Specify why individuals should take primary responsibility for investment planning including necessary self-education and determine basic income tax planning tactics.

After studying the materials in Chapter 3, answer the exam questions 22 to 26.

ASSIGNMENT	SUBJECT
Chapter 4	Deferral

At the start of Chapter 4, participants should identify the following topics for study:

- * Elements of like-kind exchanges
- * Related party exchanges

- * Personal & multiple property regulations
- * Delayed (deferred) exchange regulations
- * Actual & constructive receipt rule
- * Qualified contribution plans
- * Tax-deferred annuities
- * Installment sales
- * At-risk rule
- * Deferred compensation and options

Learning Objectives

After reading Chapter 4, participants will be able to:

1. Identify the benefits of tax deferral, cite the tax deferral advantage under §1031 listing its elements, specify the related party §1031 restrictions identifying prohibited parties or entities, determine the exchange restrictions on partnership interests and personal property, and recognize delayed exchanges.
3. Identify retirement plan design and recognize popular methods for providing for retirement.
3. Specify the requirements for an installment sale, determine the variables affecting §453 availability, and recall how to use a property option to receive income and postpone tax.

After studying the materials in Chapter 4, answer exam questions 27 to 41.

ASSIGNMENT	SUBJECT
Chapter 5	Reduction

At the start of Chapter 5, participants should identify the following topics for study:

- * Work Opportunity Credit & Rehabilitation Credit
- * Low Income Housing Credit & Child & Dependent Care Credit
- * Estimated taxes
- * Interest
- * Automobile deductions
- * Business entertainment deductions
- * Depreciation & cost recovery
- * Net operating losses
- * Tax breaks for nonitemizers
- * Amended returns

Learning Objectives

After reading Chapter 5, participants will be able to:

1. Identify tax credits specifying qualified expenses, limitations, and restrictions and specify the deductible and nondeductible interest types.

2. Identify business vehicle operating costs using (or switching between) the actual cost method or the standard mileage rate, recognize the application of R.R. 90-23 and R.R. 99-7 to the deduction of temporary work location costs, and recall the business entertainment expense statutory exceptions.

3. Determine MACRS business asset depreciation and identify sources of §172 net operating losses (NOLs) recognizing carryback and carryover rules.

After studying the materials in Chapter 5, answer exam questions 42 to 54.

ASSIGNMENT	SUBJECT
Chapter 6	Income Splitting

At the start of Chapter 6, participants should identify the following topics for study:

- * Using progressive tax rates
- * Deductible business expenses
- * Home-office deduction
- * C or regular corporations
- * S corporations
- * Family partnerships
- * Kiddie tax trap
- * Childcare & education
- * Gifts
- * Interest-free loans

Learning Objectives

After reading Chapter 6, participants will be able to:

1. Recognize basic formats for income splitting, determine the tax treatment of employee and self-employed business expenses, particularly home-office expenses, and identify the tax opportunities available to an unincorporated business including retirement plans, casualty losses, and bad debt deduction.

2. Determine the uses and tax characteristics of regular and S corporations, specify initial §351 formation and capitalization issues, and recognize the use of partnerships to split income among partners.

3. Identify the taxation of child income and the dangers of the “kittie tax” and recognize the use of educational bonds.

After studying the materials in Chapter 6, answer the exam questions 55 to 67.

ASSIGNMENT	SUBJECT
Chapter 7	Elimination

At the start of Chapter 7, participants should identify the following topics for study:

- * \$500,000 home sale exclusion
- * Municipal bonds
- * Divorce & separation settlements
- * Gifts & inheritances
- * Life insurance
- * Fringe benefits
- * Taxation & valuation of benefits
- * Employee expense reimbursement & reporting
- * Fixed & variable rate allowances
- * Social Security

Learning Objectives

After reading Chapter 7, participants will be able to:

- 1.** Identify tax elimination techniques by recognizing the §121 home sale exclusion and specify the tax elimination aspects of family transactions such as gifts, inheritances, and even divorce.
- 2.** Recognize employer deductions as a means to increase tax-free incentive-based compensation for employees by identifying excludible fringe benefits under §132 including employer paid accident & health coverage, determine how to value fringe benefits, specify the proper reporting of reimbursed and unreimbursed business expenses under accountable and nonaccountable plans.

After studying the materials in Chapter 7, answer the exam questions 68 to 75.

ASSIGNMENT	SUBJECT
Chapter 8	Asset Protection

At the start of Chapter 8, participants should identify the following topics for study:

- * Need for asset protection
- * Types of creditors
- * Fraudulent transfers
- * Preparation for asset protection
- * Types of insurance
- * Buy-sell agreements
- * Individual ownership and corporate ownership
- * Asset protection aspects of trusts
- * Co-tenancy and partnerships
- * Divorce

Learning Objectives

After reading Chapter 8, participants will be able to:

1. Identify the goals and purposes of asset protection recognizing objections some people have about shielding assets from creditors, cite reasons for asset protection and situations that put assets at risk, and define asset protection using the primary concepts of insurance, asset placement, and statutory protections.
2. Recognize the importance of creditor types associated with asset protection and fraudulent transfers.
3. Determine the degree and necessity of asset protection using net worth and asset values on a balance sheet, identify the ways that insurance and buy-sell agreements can offer asset protection, and recognize the asset protection advantages and disadvantages of ownership formats and entities.
4. Identify what constitutes post-nuptial and premarital agreements stating how they relate to divorce settlements and divisions.

After studying the materials in Chapter 8, answer the exam questions 76 to 96.

ASSIGNMENT	SUBJECT
Chapter 9	How Much Do You Need To Retire?

At the start of Chapter 9, participants should identify the following topics for study:

- * Mapping mechanics
- * Common pitfalls
- * Popular retirement myths
- * Defining retirement
- * Developing a plan
- * Savings
- * Assets

Learning Objectives

After reading Chapter 9, participants will be able to:

1. Recognize the importance of preparing for retirement and summarize the basic guidelines of retirement planning, including common pitfalls and misconceptions of retirement.
2. Determine retirement using the major levels of retirement and key questions that have financial and personal ramifications.
3. Identify retirement costs and income needs of clients based on their current budget, recognize tax savings strategies, and identify guidelines when purchasing investment assets.

After studying the materials in Chapter 9, answer exam questions 97 to 113.

ASSIGNMENT	SUBJECT
Chapter 10	Social Security Benefits & Retirement Planning

At the start of Chapter 10, participants should identify the following topics for study:

- * Will Social Security be there?
- * How Social Security works
- * Social Security participants
- * Social Security benefits
- * Retirement benefits
- * Direct deposit
- * Social security tax
- * Total disability benefits
- * Survivors' benefits
- * Medicare

Learning Objectives

After reading Chapter 10, participants will be able to:

1. Determine how Social Security funds are invested and paid, specify the system's mechanics, list qualified Social Security participants determining their benefit eligibility, identify the requirements to receive Social Security, and list its multi-step calculation process.
2. Recognize Social Security taxes, their tax rates, and covered earnings allowing better retirement planning.
3. Specify the eligibility requirements of Social Security disability benefits and survivors' benefits, and determine what constitutes Medicare Part A and Medicare Part B recognizing their qualifications.

After studying the materials in Chapter 10, answer the exam questions 114 to 127.

ASSIGNMENT	SUBJECT
Chapter 11	Retirement Plans

At the start of Chapter 11, participants should identify the following topics for study:

- * Qualified deferred compensation
- * Basic requirements of a qualified pension plan
- * Basic types of corporate plans
- * Types of defined contribution plans
- * Self-employed plans – Keogh
- * Distribution & settlement options of IRAs
- * Tax-free rollovers for IRAs
- * Roth IRAs
- * Simplified employee pension plans (SEPs)
- * SIMPLE plans

Learning Objectives

After reading Chapter 11, participants will be able to:

1. Identify qualified deferred compensation plans specifying their benefits, contributions, and ERISA restrictions and specify the requirements for the basic forms of qualified pension plans.
2. Recall the variety of qualified plans, identify employee contributions, and recognize plan termination rules.
3. Differentiate self-employed plans from qualified plans for other business types, and identify the requirements of IRAs, SEPs, SIMPLEs, and tax-free Roth IRAs.

After studying the materials in Chapter 11, answer the exam questions 128 to 146.

ASSIGNMENT

SUBJECT

Chapter 12

Distributions from Retirement Plans & IRAs

At the start of Chapter 12, participants should identify the following topics for study:

- * Prior law for annuity payments
- * Mandatory basis rule for annuity payments
- * Nonqualifying lump-sum distributions
- * Treatment options for lump-sum distributions
- * Eligible rollover distributions
- * 20% withholding
- * Rollover period
- * Premature distributions
- * Minimum distribution rules
- * Making charitable gifts with plan balances

Learning Objectives

After reading Chapter 12, participants will be able to:

1. Identify popular ways to receive distributions from a retirement plan or an IRA including lump sum and annuity distributions and their respective tax treatment options.
2. Recognize the key components of rollovers that can be used to reinvest cash or other assets without including the amount in income.
3. Specify the tax consequences of taking premature distributions stating how to avoid the 10% penalty.
4. Identify the minimum distribution rules and recognize the ability of participants to make charitable contributions of retirement balances.

After studying the materials in Chapter 12, answer the exam questions 147 to 158.

ASSIGNMENT

SUBJECT

Chapter 13

Nonqualified Plans

At the start of Chapter 13, participants should identify the following topics for study:

- * Postponement of income
- * Purposes & benefits
- * Constructive receipt
- * Economic benefit
- * Funded company account plan
- * Segregated asset plan
- * Tax consequences
- * Accounting
- * Estate planning considerations
- * Withholding, Social Security & IRAs

Learning Objectives

After reading Chapter 13, participants will be able to:

1. Recognize the postponement of income with deferred compensation arrangements and specify the IRS's position on such arrangements stating the impact of constructive receipt and economic benefit concepts;
2. Determine the mechanics of unfunded and funded plans stating the use of company assets or bookkeeping accounts and specify the tax consequences of establishing a nonqualified plan.

After studying the materials in Chapter 13, answer the exam questions 159 to 167.

ASSIGNMENT	SUBJECT
Chapter 14	Life Insurance, Annuities & Buy-sell Agreement

At the start of Chapter 14, participants should identify the following topics for study:

- * Taxes
- * Types of life insurance
- * Life insurance trusts
- * Annuities
- * Buy-sell agreements
- * Purchase price & terms
- * Community property
- * Professional corporations
- * S corporations
- * Sole shareholder planning

Learning Objectives

After reading Chapter 14, participants will be able to:

1. Specify reasons to purchase life insurance, recognize the tax treatment of life insurance proceeds, and determine the gift tax associated with transfers of life insurance policies.
2. Identify the pros and cons of the various types of insurance policies, specify the reasons for using an irrevocable life insurance trust in an estate plan, and differentiate deferred and private annuities.
3. Determine what constitutes entity purchase and cross-purchase buy-sell agreements recognizing tax and legal advantages.

After studying the materials in Chapter 14, answer the exam questions 168 to 180.

ASSIGNMENT	SUBJECT
Chapter 15	Home Sales & Moving Expenses

At the start of Chapter 15, participants should identify the following topics for study:

- * Capital gains rates
- * Rate groups
- * AMT
- * Home sales under §121
- * Special rules for ownership & use requirements
- * Prorata exception
- * 1099-S reporting
- * Distance & time tests for pre-2018 moving expenses
- * Deductible pre-2018 moving expenses
- * Reporting pre-2018 moving expenses

Learning Objectives

After reading Chapter 15, participants will be able to:

1. Determine the relationship between home sales and the capital gains rates.
2. Recognize the key elements and application of the §121 home sale exclusion and identify safe harbor regulations associated with the home sale exclusion.
3. Identify the disallowance deductible moving expenses under §217.

After studying the materials in Chapter 15, answer the exam questions 181 to 189.

ASSIGNMENT	SUBJECT
Chapter 16	Estate Planning Issues

At the start of Chapter 16, participants should identify the following topics for study:

- * Unlimited marital deduction
- * Applicable exclusion amount

- * Stepped-up basis
- * Basic estate planning goals
- * Simple will
- * Types of trusts
- * Charitable trusts
- * Insurance trusts
- * Family documents
- * Private annuities

Learning Objectives

After reading Chapter 16, participants will be able to:

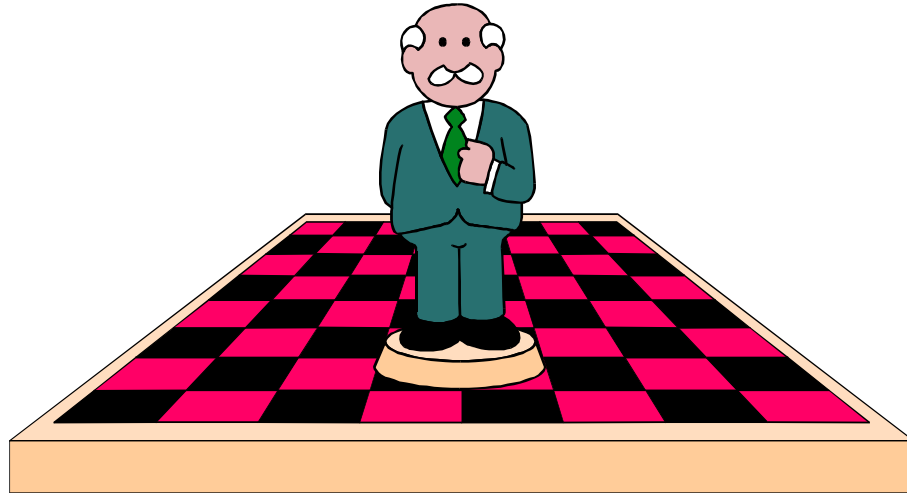
- 1.** Recognize the unlimited marital deduction and its effect on the gross estate and specify the applicable exclusion amounts for various years of death.
- 2.** Identify the relationship of simple wills to probate and why some plan to avoid it.
- 3.** Specify various types of estate trusts and their use to accomplish planning goals, recognize the benefits and drawbacks of the primary dispositive plans, and determine the advantages and disadvantages of private annuities.

After studying the materials in Chapter 16, answer exam questions 190 to 200.

The Comprehensive Tax Course on Retirement Planning

By

Danny C. Santucci



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