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Course Information

Course Title: *Auto Rules #4922*

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® 1 (All states) CFP Board Course ID# 195323

CFP Board sponsor number: 1008.

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: 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

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 apportionment of personal and business use, the actual cost method and 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.

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

Subject Codes/Field of Study

NASBA (CPA), CFP Board of Standards, Inc.: Taxes.

IRS (EA, OTRP): Federal Tax Law.

NAPFA: Taxes

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

Course Content

Publication/Revision Date: 6/10/2015.

Author: Danny Santucci, J.D.

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

Instructions for taking this course

In order to receive CPE credit for this course, you must complete the course within one year of the date of purchase. This includes achieving a passing grade of at least 70% on the final exam. Exams may be retaken if not passed on the first attempt (no charge).

Complete the course by following the learning assignments and objectives listed on the following page and studying the review questions after each major section in the text. Once you have completed each learning assignment 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.
- Go to "My Account" and view your courses.
- Select "Take Exam" for this course and follow instructions.

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 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 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 noting 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 noting 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 noting what reporting standards apply.

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

Notice

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Auto Rules



By

Danny C. Santucci

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