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Course Information

Course Title: *Tax Guide to S Corporations #493215*

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® 1.5 (All states) CFP Board Course ID# 195452

CFP Board sponsor number: 1008.

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 2.5

Course Description

In this course, the intricacies of setting up and terminating an S corporation are detailed and taxation is discussed. The numerous advantages and disadvantages of this entity are identified to help practitioners determine whether the S corporation is most suitable for their clients. Eligible domestic corporations can avoid double taxation by electing to be treated as an S corporation under the rules of Subchapter S. Subchapter S provides an optional method of corporate taxation and allows small business corporations to elect unusual tax treatment. The S corporation is taxed like a partnership, but in other respects, S corporations are taxed like C corporations.

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: 5/29/2015.

Author: Danny Santucci, J.D.

Final exam (online): Fifteen 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:

- * Advantages & disadvantages
- * S corporation status
- * Termination
- * Income & expense
- * Built-in gain
- * Passive income
- * Basis of stocks & debts
- * Distributions
- * Form 1120S
- * Fringe benefits

Learning Objectives

After reading the materials, participants will be able to:

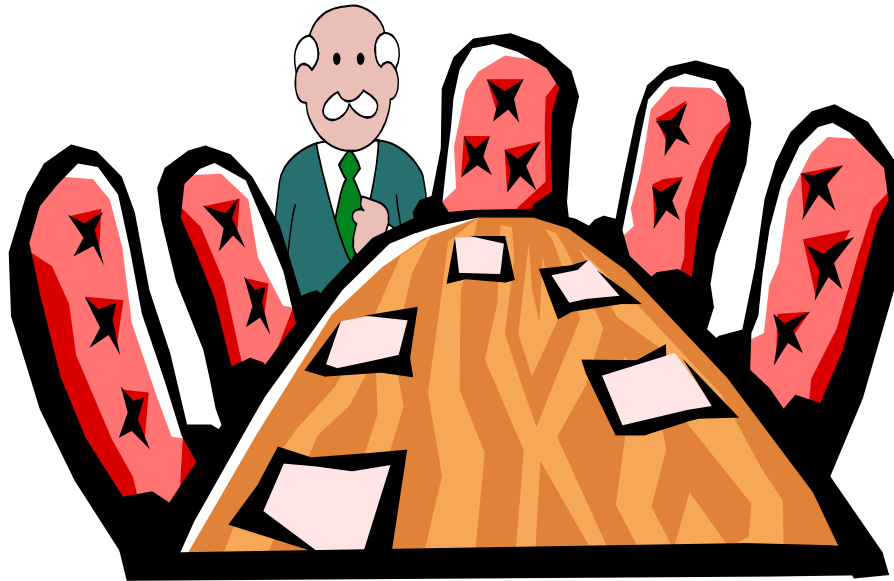
1. Recognize a client's potential use of the S corporation format and its tax advantages and disadvantages by: citing the requirements for an S corporation election, identifying eligible S corporation shareholders, specifying the one-class-of-stock regulations, and determining the ways an S corporation election can be terminated.
2. Identify the concepts of S corporation taxation by:
 - a. Recognizing the application of passive income taxation, accumulated adjustments accounts, built-in gains, net operating losses, tax preference items, and potential capital gains taxes,
 - b. Determining a shareholder's stock basis from capitalization and loan activity,
 - c. Specifying the related party rules including their impact on deductions, available fringe benefits, and tax forms to use when filing as an S corporation.

Notice

This course and test have been adapted from materials and information contained in the above text and any supplemental material provided. This course is sold with the understanding that the publisher is not engaged in rendering legal, accounting, or other professional advice and assumes no liability whatsoever in connection with its use. Since laws are constantly changing, and are subject to differing interpretations, we urge you to do additional research and consult appropriate experts before relying on the information contained in this course to render professional advice.

Tax Guide to S Corporations

By
Danny C. Santucci



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