

Sam Houston State University
College of Business Administration
Department of Accounting
Course Syllabus-Spring, 2004

COURSE NUMBER: Accounting 487W.01 **WRITING ENHANCED**
(may be taken for graduate credit- but certain additional requirements exist for graduate credit)

COURSE TITLE: Estate Planning

PREREQUISITES:
ACC 383 or approval of instructor

PROFESSOR:
Taylor S. Klett, CPA, JD

OFFICE:
SHB 305E, Sam Houston State University, Huntsville, Texas

OFFICE TELEPHONE:
Phone: 936-294-4977
Email: klett@shsu.edu
See my web page for fax numbers, etc for the department

WEB PAGE:
www.shsu.edu/~klett ☞ Visit often! The web page will be updated as we go through the semester. Blackboard may be used for some items, and probably will be used for posting grades.

OFFICE HOURS:
MW: 7:00 am.- 9:15 a.m.
MW 11:30- 12:30 noon.
TTh.: 10:00- 11:00 a.m..
Woodlands: 5:00 - 6:00 depending on traffic.
Others by appointment- call ahead or just drop by

CLASS HOURS:
MW 9:30- 11:00
MW 12:30- 2:00
TN Woodlands
TTh 11:00- 12:30

REQUIRED TEXTS:
Estate Planning and Taxation, John C. Bost
2003-2004 edition, ISBN 0-7575-0035-8, Kendall/Hunt Publishing Co

RECOMMENDED:

Corporations, Partnerships, Estates and Trusts, Hoffman, Raabe, Smith Maloney, 2004 Edition West Federal Taxation, Southwestern College Publishing. *Notice this text is only recommended if you already have it from your advanced tax class.*

SUPPLEMENTAL MATERIALS:

NONE (I will provide either in class or via the Internet/Blackboard.)

COURSE DESCRIPTION:

Concepts of estate planning used to legally transmit property from one generation to the next with minimal tax burdens, if any. Topics to include: introduction to estate planning, basic estate planning concepts, transfer of wealth, the unified transfer tax, the federal estate tax, fiduciary income taxation, the goals of estate planning, common estate plans, advanced planning, gift planning and other related topics. Understanding how to prepare tax forms 709, 706, 1041, and other related forms.

COURSE OBJECTIVES:

The primary objective of the course is to familiarize the student with the Internal Revenue Code as it pertains to Estate, Gift, and Trust taxation and to obtain proficiency in research in these and other Code sections. When the student completes the course, s/he will be able to:

- Understand the nature of the Federal gift and estate taxes.
- Work with the Federal gift and estate tax formulas.
- Explain the operation and computation of the Federal gift tax.
- Describe the components of the gross estate and the taxable estate.
- Determine the Federal estate tax liability.
- Appreciate the role of the generation skipping transfer tax.
- Recognize concepts in the valuation process.
- Understand the reason for and the use of the special use valuation method.
- Identify some of the problems involved in valuing an interest in a closely held corporation.
- Compare the income tax basis rules applying to property received by gift and by death.
- Plan gifts so as to minimize gift taxes and avoid estate taxes.
- Make gifts so as to avoid income taxes for the donor.
- Reduce probate costs in the administration of an estate.
- Apply procedures that reduce estate tax consequences.
- Obtain liquidity for an estate.
- Use working definitions with respect to trusts, estates, beneficiaries, and other parties.
- Identify the steps in determining the accounting and taxable income of a trust or estate and the related taxable income of the beneficiaries.
- Illustrate the uses and implications of distributable net income.
- Apply effects of statutory restrictions on the taxation of distributions from accumulation trusts.
- Use the special rules that apply to trusts where the creator (grantor) of the trust retains certain rights.
- Proficiently perform estate, trust and gift tax research on the internet.

COURSE EVALUATION PROCESS

This is a writing-enhanced course. Therefore, at least 50% of your grade will be based on written assignments, which will include written essay style examinations.

The specific means through which grades are assigned in the course are contained elsewhere in this syllabus under the heading EXAMINATIONS AND MEASUREMENT OF PROGRESS. Please refer to that section for specific evaluation and progress measurement methods. However, the overall grade in the course will be graded on the percentage of the total available points earned. The grade achievement levels will be 90%, 80%, 70%, and 60% for A, B, C, D respectively. Any score below 60% is an F.

RELIGIOUS HOLY DAYS:

Section 51.911(b) of the Texas Education Code requires that an institution of higher education excuse a student from attending classes or other required activities, including examinations, for the observance of a religious holy day, including travel for that purpose. A student whose absence is excused under this subsection may not be penalized for that absence and shall be allowed to take an examination or complete an assignment from which the student is excused within a reasonable time after the absence. The specific procedures for this process are described in Academic Policy Statement 861001 as revised January 7, 2004.

DISABLED STUDENTS POLICY:

It is the policy of Sam Houston State University that no otherwise qualified disabled individual shall, solely by reason of his/her handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any academic, Student Life program, or activity. Handicapped students may request academic assistance when needed from a Committee for Continuing Academic Assistance for Disabled Students by visiting the Director of the Counseling Center in the Lee Drain Building Annex, or by calling 936-294-1720.

ATTENDANCE POLICY:

Class attendance is a requirement of this course. Regular attendance will indicate the amount of interest and effort a student is willing to exert in learning. It is generally the borderline student for whom absences can be of vital importance.

TOPICS:

- | | |
|---|-----------------------------------|
| 1. Introduction to estate planning | 2. Basic estate planning concepts |
| 3. Estate planning documents | 4. Transfer of wealth |
| 5. The unified transfer tax | 6. The federal estate tax |
| 7. The federal gift tax and basis rules | 8. Fiduciary income taxation |
| 9. The goals of estate planning | 10. Probate decisions |
| 11. Common estate plans | 12. Advanced planning |
| 13. Gift planning | 14. Lifetime transfers |
| 15. Other related topics | |

COURSE OUTLINE:

Specific and more detailed timing of assignments and examinations *will be provided separately*. It would appear, however, that we will progress as follows: We will follow the general progression and outline of the text from the beginning of the text at least through chapter 15.

Tests will probably be around mid February, March, and April, and the final paper will be due on **the last class day** (or gladly accepted before). There will be no exam during final exam periods. More on that later, however.

OTHER:

ACADEMIC HONESTY

“Students are expected to maintain complete honesty and integrity in the academic experience both in and out of the class room. Any student found guilty of dishonesty in any phase of academic work will be subjected to disciplinary action.” Code of Student Conduct and Discipline, Section 5.3, as printed in *Student Guidelines*. Members of this class are **especially** subject to the Guidelines.

EXAMINATIONS AND MEASUREMENTS OF PROGRESS:

Homework:

Homework will be assigned. In addition, tax returns and perhaps a few estate tax research projects will also be assigned. I do not intend to be a dictator about homework. Homework is designed to help you understand the course work. ***By this time in your academic career, you should be past the stage of trying to get out of doing this type of work.*** You will only hurt yourself as homework is part of the overall grade “equation.”

Timeliness of Submission of Assigned Work:

I **REQUIRE** the exams (if take home), tax research project and tax returns to be turned in on the due dates/times that will be established at a later time.

è I WILL EITHER SUBSTANTIALLY DEDUCT GRADE POINTS OR REFUSE ACCEPTANCE (AKA- A ZERO) OF THE WORK IF SUBMITTED LATE, MY CHOICE. ☺ BE WARNED. I had been overly generous in the past and this generosity was rewarded with horrible abuse last semester, therefore no longer will I allow late work.

Exams:

There will be several major exams. Good cause must exist for you to miss any major exam, and I will be the sole judge of that “good cause.” Two major exams being missed may result in a grade of F being given for the course. Exams will probably be “take home” and thus it will be the rare case where an exception is granted for missing or delaying the turn in of the exam(s). Also, as the class is writing enhanced, it is not to be unexpected that the exams, or at least a substantial part of them, will be essay format.

Make-up exams. è There are none. ☺ Students who miss an exam will receive a zero for the exam unless the absence is prearranged with or otherwise allowed by the professor, who in his sole discretion shall determine the validity of the absence during the

regular exam. Again, since the major exams will probably be take home, it is unlikely the student will have a valid excuse for a late or non taken exam, but I will listen.

Grading:

Your semester grade will be based on approximately the following:

Exams	30%
Estate, Gift and Trust Tax Returns	30
Final Paper- estate/trust/planning	30
Internet /Homework Assignments	10

Extra credit opportunities will abound for those interested, up to a yet to be determined maximum. I reserve the right to implement **pop tests** and additional other assignments if determined necessary by myself.

USE OF EMAIL:

I highly recommend you consider corresponding with me via email on any class related matter. In addition, you should expect to see from me to you various items that will relate to class activities and/or assignments either via email or the internet. Of course, feel free to drop by and chat as well.

CLASSROOM CIVILITY:

Please turn off your cell phone before class begins and/or mute it!!! Students are expected to assist in maintaining a classroom environment that is conducive to learning. In order to assure that all students have an opportunity to gain from time spent in class, *unless otherwise approved by the professor*, students are prohibited from using cellular phones or beepers, eating in class, making offensive remarks, reading newspapers, sleeping, talking among each other at inappropriate times or engaging in any other form of distraction. Inappropriate behavior in the classroom shall result in, minimally, a directive to leave class.

CAVEAT:

As are most things in life, the above is subject to change at any time; however, you will be adequately notified of such changes- in class, internet, etc.

IMPORTANT UNIVERSITY WIDE DATES:

Jan 19	HOLIDAY!!!
March 15-19	Spring Break
May 6	Last official “class” day for the entire University
May 7	Study day
May 10-13	Finals

You may wish to examine the academic calendar on the SHSU website.