TAX 5065
TAX PROFESSIONAL RESEARCH
Fisher School of Accounting
University of Florida

Instructor:  J. V. Boyles, Ph.D., CPA
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Office Hours:  Tue./Thurs. 2:30PM - 4:00PM

Course Materials:
(1) Materials to be purchased at Target Copy Center

Course Description:
This course introduces you to the tax information and technology that professional tax advisors regularly use in tax practice. The course is a skill-development course that uses cases to let you practice dealing with issue identification, authority evaluation, and proper communication of very technical information in unstructured and poorly defined situations. Creativity and communication in a way that makes your recommendations and the reasons for those recommendations easily reviewable is extremely important. Many times two students may provide the exact same information and there may be a twenty or more point variation in their grade driven solely by how the information is communicated. A reviewer in practice can deal with incorrect conclusions and improper authority but he or she cannot deal with incorrect issue identification and work that takes forever to review because it is poorly written.

Course Objectives:
1. The student will become familiar with the various areas of tax practice and with the legal authority used by professional tax advisors in order to provide tax services.
2. The student will become familiar with the techniques used by tax practitioners to find the legal authority necessary in order to provide tax services.
3. The student will have a basic understanding of how to use legal authority in order to figure out defensible positions for a client to take in calculating the appropriate tax liability to report to tax authorities and how to communicate the thought process and the recommendations in such a way that it is easy to review.
4. The student will learn how to learn about tax law.
5. The student will become familiar with the interface between tax law and tax accounting, professional rules and ethics, Circular 230, The AICPA Statements on Standards for Tax Services, the impact of Sarbanes-Oxley on tax practice, confidentiality in tax practice, and IRS procedure.
**Course Format:**

I will not be a lecturer. Class is a time for you to work with your peers and your instructor, as we all struggle to better understand the material. In this regard, we are full partners in the learning process. Knowledge is currently expanding many times faster than it ever has in the history of the world. As a result many futurists predict that each of you will become obsolete three to six times during your working life. You simply will not be able to go back to school and retool that many times. As a result you must **learn to learn.** This is the big topic in education these days. Universities cannot be content with the dissemination of knowledge. Sometimes this knowledge is obsolete before you graduate [i.e., What if Congress completely rewrites the tax law next year?]. What must be taught is the ability to acquire knowledge. This will be the focus of the class meetings.

How you learn probably depends on the particular situation. If you are acquiring the skill to perform a task someone probably shows you how to do the task. After you know the correct procedures, your mentor will probably observe you performing the task. Initially, your mentor may make suggestions and correct your mistakes. As you get more comfortable with the task the corrections will be fewer and the suggestions may involve things to increase your efficiency and to do more sophisticated operations that are related to your task. If you are acquiring factual knowledge and/or the ability to apply factual knowledge to new problems or situations you may use many mental processes including:

1. Memorization of information.
2. Reclassification and categorization of factual knowledge.
3. Relating new facts to known facts.
4. Periodic restructuring or reorganizing of known facts.
5. Practice application of factual knowledge to problem situations with positive and negative feedback.

No matter which mental processes you use you should recognize that "effective" acquisition of factual knowledge is more that rote memory of facts. This is because knowing factual knowledge is not very useful unless you can apply that knowledge to new situations as they arise. Therefore, anytime you are studying an entirely new area of tax law you must try to completely understand the fundamental principles, rules, and concepts that make up the body of law in that area including the interrelationships of these items. As you prepare yourself to enter the workforce you must take ownership for developing your skills and abilities to complete the various tasks that you will be required to do in the workplace. Each situation has its own unique set of facts so a checklist doesn’t work. By taking ownership I mean you have to learn the steps for a task [that is the checklist part of it] but you have to really work hard in order to understand why you are doing what you are doing and how your thinking might have to change in response to what you are finding as you work through the required task. Creative thinking about a problem may lead you to abandon one perfectly satisfactory approach to the task in favor of an even more favorable approach.

As you go through this process you are likely to experience many emotions probably best described by the words "love" and "hate." When you first try to complete a tax research project you will likely "hate" tax and wonder why you aren't an auditor. As you expend inordinate amounts of time trying figure how you should go about dealing with the task your feeling of "hate" is likely to grow. You may be particularly inclined to direct these emotions at your instructor for not completely explaining how to do the task to you. But always remember that when you are at work you will not have an instructor to tell you what to do and because each set of facts is different the professional who assigned the task to you may not be able to tell you what you need to do. As you slowly grasp the various things that you have to think about in order to
complete the task and begin to understand how key concepts interact when they are applied and as you realize how few people in the U.S. can do this you may feel like tax is pretty "neat." You may even come to "love" the topic. You may wonder why Congress can't make the technical provisions in the IRC more complicated so even fewer people will be able to master it! When you are feeling particularly frustrated recall the eminent jurist, Judge Learned Hand, who in sharing his great legalistic insight concerning the Internal Revenue Code with others, was once heard to remark:

"The words of the Internal Revenue Code merely dance before my eyes in a meaningless procession: rule upon rule, exception upon exception, cross-reference to cross-reference until my head is spinning - couched in abstract terms that appear to offer no handle to seize hold of. They leave in my mind only a confused sense of some vitally important, yet successfully concealed, purpose which it is my duty to extract, but which is within my power to interpret, if at all, only after the most inordinate expenditure of time." (Emphasis added)

What does this insight tell you? This judge devoted his entire working life to the study of law and he was known as one of the best legal minds of his day. With this in mind, are you likely to experience frustration in this course? Are you likely to experience discouragement? How are you going to react?

Understanding the learning process can help deal with the emotions that are associated with learning. No matter what you are trying to learn, the learning process can be divided into four segments:

1. There is an understanding phase where you are trying to grasp the correct way of performing a task or attempting to understand the factual knowledge that you are trying to learn.
2. There is an instructional phase. At this point you know the basics but you still make mistakes that have to be corrected. Everything looks and feels awkward because you have to think about what you are doing and you are being corrected as you go. You are very conscience of your uncertainty and your mistakes.
3. There is a practice phase where you know the correct way to perform a task but you have to really concentrate in order to do everything correctly. Everything is still awkward because of the need to think through every step. If you are dealing with factual knowledge, you understand the factual knowledge but you can't remember it all so you must constantly refer to written materials and/or having to seek the advice of your mentors. Your technique or understanding may have to be corrected in order for you to become more proficient.
4. Finally, there is the fluid or expert stage. Here you are a master of the task or the knowledge. You use it almost without consciously thinking about it. The correct way to perform the task or the knowledge is embedded in you and part of your very being. It is at your fingertips and you use it when necessary without even being aware that you are using it.

My Responsibilities and Your Responsibilities:

You have the responsibility to learn the material. No teacher can open up your head and pour knowledge in so I do not have the responsibility to insure that you know the material. You are mature people who are very close to entering a profession that demands self-discipline since you will be held to high standards. You should realize that the only thing that you have to sell is your knowledge. My responsibility, like that of your immediate superiors in your first job, is to be your mentor and coach in learning. My primary responsibility is to provide you with the opportunity to learn and develop your professional qualifications. I will assist you in your effort to learn by showing you how to organize the material; by explaining and clarifying basic concepts, rules, etc. including relationships; by illustrating the application of
the fundamental knowledge that you acquire; and by providing historical perspective. But you must take ownership of your learning process. Only you have responsibility for what you take from this class.

Your Peers:
Once you "enter the real world" you will find that your peers are one of the most important sources of information and support. You should begin to practice using this very important resource while in school. Just as different people approach problems differently, they also approach the process of learning differently. These different views, approaches, insights, and experiences can provide valuable feedback to you that can help you as you learn or try to solve problems. You will be divided into two or three person groups each week. Your partner(s) will serve as a study partner during that week. In addition, the work that we do in class will be done with your partner(s). By randomly selecting partners each week you will get to know all of the people in the class and you will experience many different approaches to learning.

Communication by e-mail:
Since we are all partners in the learning process we may need to communicate outside of normal hours. On occasion I may send messages to you. My e-mail address is at the top of this syllabus. I would request that e-mail correspondence not contain numerous technical questions that I may have to type one-half page responses to each. I am a very slow typist and this becomes all consuming. When faced with this challenge I usually just delete the e-mail and beg your forgiveness. All class e-mail will be sent to your GATORLINK address. Most other email providers consider the UF servers to be spam generators. If you choose to forward e-mail from the UF address to another address you do so at your own risk.

Assignments:
The attached schedule lists the topics for each class meeting

Examinations:
There will be one examination. It is scheduled on the assignment sheet. It will cover the first eight chapters of the material.

Grade Weighting for Written Assignments:

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Weighting</th>
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</thead>
<tbody>
<tr>
<td>Case Projects</td>
<td>50.0%</td>
</tr>
<tr>
<td>Daily Worksheets &amp; Breakouts</td>
<td>20.0%</td>
</tr>
<tr>
<td>Examination</td>
<td>30.0%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Students who have 90% or higher of the total points will earn an A; students with 87% - 89.99% of the total points will earn an A-; students with 83% - 86.99% of the total points will earn a B+; students with 80% - 82.99% will earn a B; students with 60% - 79.99% of the total points will earn a C; students with less than 60% of the total points will earn a D. If the total class GPA is not at least a 3.2 by assigning grades using the percentages stated above then the total points earned by each individual will be listed from the highest to the lowest. The individuals whose point total is in the top 10% will get the A grade. The individuals whose point total is in the bottom 10% will get the B grade. Everyone else will be assigned either an A minus grade or a
B plus grade based on an evaluation of your entire body of work done in the class including class participation. Very roughly 40% of the class will earn the A- and 40% will earn the B+. It is possible that a curve may increase the 10% standard at either the bottom or the top and it is also possible that your performance will justify a grade less than the B.

**Grade Values:** The grade-point value per credit hour associated with each letter grade is assigned by the Office of the University Registrar: A = 4.0, A- = 3.67, B+ = 3.33, B = 3.0, B- = 2.67, C+ = 2.33, C = 2.0, C- = 1.67, D+ = 1.33, D = 1.0, D- = .67, E = 0.0.

For more information visit: [https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx](https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx)

**Case Projects:**

The cases will require you to apply the concepts introduced and developed in previous reading assignments and classes. You must figure out which concepts are relevant to resolving each case and then figure how to apply these relevant concepts to resolve the case. In this way you will master the material. However, like your supervisor in tax practice, I cannot evaluate the quality of your work unless you document what you did. Therefore, proper documentation of your solution approach including cites to the authorities that you relied on is most important. All of these cases are designed to help you better understand the tax decision process and the tax research process in order to create valuable work products in a minimum amount of time. Sometimes they will require creative thinking that goes beyond rote tax knowledge.

**Daily Worksheets and Breakout Problems:**

During class worksheets and breakout problems may be provided. You will work on these materials for a specified period of time. We will then reconvene the class and discuss any uncertainties that you experienced as you worked through the material. These materials are designed to help you better understand a topic. The objective is to analyze and think about the material together in a group setting so that we can experience the thought process rather than focus on the bottom line solution. You may be asked to hand in the worksheets and the breakout problems for a particular class session at the end of that class.

**Administrative Information:**

1. All elections of the Satisfactory-Unsatisfactory grade option must be made by the deadline specified in the catalog.
2. The drop policy for the course will be that outlined in the University of Florida Undergraduate Catalog.
3. The prerequisite for this course is TAX 5025 and Tax 5027. If you do not meet the prerequisites for any accounting course you should not attempt to take it. The records of each student will be checked later in the term and when a student has not satisfied the necessary prerequisites, he or she will be administratively dropped, without recourse, from the class.
4. University policy prohibits food or drink in the classroom.
5. The Director of the Fisher School of Accounting is Dr. Gary McGill, GER 210, 273-0207. Under University policy any problems between a student and a course instructor, which remain unresolved after consultation with the instructor, may be discussed with Professor McGill. Also, all English language fluency and similar problems should be brought to the attention of Professor McGill.
6. A make-up exam will be given when the student has a valid verifiable reason for not taking the exam during the scheduled time. Barring a documented emergency, the request must be made a minimum
of ten days prior to the scheduled exam. Exceptions are made if the policy conflicts with UF attendance requirements. More detail on acceptable reasons for absence and UF policies on attendance are found at: https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx

7. Students requesting classroom accommodations must first register with the Dean of Students Office. Support services for students with disabilities are coordinated by the Disability Resource Center in the Dean of Students Office. All support services provided for University of Florida students are individualized to meet the needs of students with disabilities. To obtain individual support services, each student must meet with one of the support coordinators in the Disability Resources Program and collaboratively develop appropriate support strategies. Appropriate documentation regarding the student's disability is necessary to obtain any reasonable accommodation or support service. The Dean of Students Office will provide documentation to the student who must then provide this documentation to the instructor a minimum of ten days prior to the requested accommodation.

8. Although attendance may not be taken at every class, students are expected to attend and participate in every class. Students should prepare for all classes even if they miss and are responsible for material covered in their absence. Students who do not attend at least one of the first two class meetings of a course or laboratory in which they are registered, and who have not contacted the School to indicate their intent, may be dropped from the course. The instructor adheres to all UF attendance policies.

9. Students may not attend a class unless they are officially registered for the course. The Fisher School of Accounting does not approve requests to audit its courses.

10. Students are expected to provide feedback on the quality of instruction in this course based on 10 criteria. These evaluations are conducted online at https://evaluations.ufl.edu Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at https://evaluations.ufl.edu/results/

Honesty:

Accounting students through the Fisher School of Accounting Council developed the following "honor statement".

I promise to uphold the highest standards of honesty in my academic work. As a student in the Fisher School of Accounting, I will adhere to All University guidelines of academic honesty, which prohibit cheating in any form. I understand that "cheating" includes, but is not limited to, the giving or taking of any information or material of academic work considered in the determination of a course grade. I also understand the "giving" of information includes, but is not limited to, allowing another student to use or copy my classwork or giving answers to exam questions either when the exam is being given or after having taken the exam. Further, the "taking" of information includes, but is not limited to, copying classwork from another student, looking at another student's paper during an exam, or working together on take-home assignments or tests when not specifically permitted by the teacher. Finally, I agree that my fellow student's academic honesty is as important as my own and I will not ignore any incidents of cheating that I should become aware of. I understand that the Fisher School of Accounting expects its students to be honest in all of their academic work. I agree to adhere to this commitment to academic honesty, and I understand that my failure to comply with this commitment may result in disciplinary action.
<table>
<thead>
<tr>
<th>DATE</th>
<th>TOPICS</th>
<th>HANDOUT WORKSHEETS</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-28</td>
<td>Introduction; The Compliance Process; Areas of Tax Practice; Tax Decision Process; and Tax Research Process</td>
<td>Chapters 1 &amp; 2</td>
</tr>
<tr>
<td>6-30</td>
<td>Identifying, Locating, Understanding, and Working with Tax Law; Understanding the Inductive Loop of the Legal Reasoning Process; Creating a Foundation for Effective Communication</td>
<td>Chapters 3 - 7</td>
</tr>
<tr>
<td>7-5</td>
<td>Identifying, Locating, Understanding, and Working with Tax Law; Understanding the Inductive Loop of the Legal Reasoning Process; Creating a Foundation for Effective Communication</td>
<td>Chapters 3-7</td>
</tr>
<tr>
<td>7-7</td>
<td>Identifying, Locating, Understanding, and Working with Tax Law; Understanding the Inductive Loop of the Legal Reasoning Process; Creating a Foundation for Effective Communication</td>
<td>Chapters 3-7</td>
</tr>
<tr>
<td>7-7</td>
<td>Midterm Examination- Chapters 1-8 of the Course Materials</td>
<td>Chapters 3 - 8</td>
</tr>
<tr>
<td>7-12</td>
<td>Go over Midterm Exam; Identifying, Locating, Understanding, and Working with Tax Law; Creating a Foundation for Effective Communication</td>
<td>Chapters 8 - 12</td>
</tr>
<tr>
<td>7-14</td>
<td>Identifying Issues; Unauthorized Practice of Law;</td>
<td>Chapters 8 -12</td>
</tr>
<tr>
<td>7-14</td>
<td>Research Case One – Identifying Issues In- Class Exercise [7:00PM – 9:00PM]</td>
<td>Chapters 8 -12</td>
</tr>
<tr>
<td>7-19</td>
<td>Go over Research Case One on 7-19; Evaluating Authority; Communicating the results of the research effort. Research Case Two is handed out on 7-19 and is due on 7-21.</td>
<td>Chapters 8 - 12</td>
</tr>
<tr>
<td>7-21</td>
<td>Make-up Class Meeting if needed [Time and place TBD]; Impact of Sarbanes-Oxley; Circular 230; Professional Standards; General Ethics.</td>
<td>Chapters 8 - 12</td>
</tr>
<tr>
<td>7-26</td>
<td>Go over Research Case Two on 7-26; Communicating the results of the research effort. Research Case Three is handed out on 7-26 and is due on 7-28.</td>
<td>Chapters 8 - 12</td>
</tr>
<tr>
<td>8-2</td>
<td>Go over Research Case Three on 8-2. Research Case Four handed out to you on 8-3 and is due at 10:30AM on 8-4.</td>
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<tr>
<td>8-4</td>
<td>NO Final Exam</td>
<td></td>
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