# Final Assessment Guide

**Competency Name:** Federal Taxation II

**Competency Statement:** Demonstrate an understanding of the federal tax rules and regulations and how it applies to C Corporations, S Corporations, Partnerships, and Estates & Trusts. Prerequisite: BUS 220

**Final Assessment Title**:

Fundamental Steps of Business Taxation

# General Learning Outcomes:

None

# Program Learning Outcomes: Our graduates will be able to demonstrate appropriate analytical and quantitative skills by examining a wide range of business models.

**Competency Learning Outcomes (CLOs){Objectives}**

1. Demonstrate an understanding of the Federal Tax Code and how it applies to the concepts, principles, and rules of taxation for corporations, partnerships, and estates & trusts.
2. Understand how to identify placement of various tax related information to the federal form 1120 c corporate income tax return and demonstrate the ability to prepare the return.
3. Understand how to identify placement of various tax related information to the federal form 1120S s corporate income tax return and demonstrate the ability to prepare the return.
4. Understand how to identify placement of various tax related information to the federal form 1065 partnership income tax return and demonstrate the ability to prepare the return.
5. Demonstrate an understanding of estates, gift tax, and trusts and how the Federal Tax Code applies to them.

# Purpose of the Assessment

The final assessment for this competency is preparing business entity tax returns; Forms 1120, 1120S, and 1065 federal income tax returns and a comprehensive analysis of estates, gift tax, and trusts.

# Items Required for Submission

In order to demonstrate mastery of this competency, please submit:

* + A 2018 Form 1120 Income Tax Return for C Corporations (including Book to Tax Worksheet)
  + A 2018 Form 1120S Income Tax Return for S Corporations (including Schedule K-1 (1120S))
  + A 2018 Form 1065 Income Tax Return for Partnerships (including Schedule K-1 (1065))
  + A comprehensive analysis of Estates, Gift Tax, & Trusts

# Step 1: Prepare a Form 1120 Corporate Federal Income Tax Return

Use the UMPI, Inc. tax information provided to complete the entity’s 2018 Form 1120 corporation tax return and Book to Tax Worksheet (found on final). Complete the worksheet in an Excel document. Print the tax documents Form 1120 Page 1and Schedule M-1 on Page 6. Complete forms and scan back in as a pdf or use the IRS's fill-in PDF forms. The IRS fill-in PDF forms will retain information when saved.  See <https://www.irs.gov/help/downloading-and-printing> for more information on how to utilize these forms. If unable to save, print as pdf file and then save to a location on your computer. All tax documents and instructions are provided below.

Save tax return (including all supporting schedules) as a pdf file 2018 UMPI, Inc. Form 1120 andpost under Assignment 1.

# Step 2: Prepare a Form 1120S S Corporate Federal Income Tax Return

Use the Clothes R Us, Inc. (CRU) tax information provided to complete the entity’s 2018 Form 1120S s corporation tax return. Print the tax documents, fill out, and scan back in as a pdf or use the IRS's fill-in PDF forms. The IRS fill-in PDF forms will retain information when saved.  See <https://www.irs.gov/help/downloading-and-printing> for more information on how to utilize these forms. If unable to save, print as pdf file and then save to a location on your computer. All tax documents and instructions are provided below.

Save tax return (including all supporting schedules) as a pdf file 2018 CRU, Inc. Form 1120S andpost under Assignment 2.

**Step 3: Prepare a Form 1065 Partnership Federal Income Tax Return**

Use the UMPI Plumbing LLC tax information provided to complete the entity’s 2018 Form 1065 & Schedule K-1 partnership tax return. Print the tax documents, fill out, and scan back in as a pdf or use the IRS's fill-in PDF forms. The IRS fill-in PDF forms will retain information when saved.  See <https://www.irs.gov/help/downloading-and-printing> for more information on how to utilize these forms. If unable to save, print as pdf file and then save to a location on your computer. All tax documents and instructions are provided below.

Save tax return (including all supporting schedules) as a pdf file *2018 UMPI Plumbing, LLC Form 1065* andpost under Assignment 3.

**Step 4: Prepare a Comprehensive Analysis of Estates, Gift Tax, & Trusts**

Analyze and prepare a comprehensive summary of Estates, the Gift Tax, and Trusts. Be sure to expound on key attributes related to each body. Define the role of each and how it relates to the Federal Transfer Tax system (Estates & Gift Tax).

Prepare a 2 to 4 page Word document detailing the information above. Save the file as *Analysis of Estates, Gift Tax, & Trusts*. Submit under Assignment 4.

**Step 5: Complete Checklist for Submission** Before you submit, check to see if you believe you have met the criteria noted below. Did you….

* Prepared a 2018 Form 1120 Corporate tax return?
* Prepared a 2018 Form 1120S S Corporate tax return?
* Prepared a 2018 Form 1165 Partnership tax return?
* Prepared a comprehensive analysis of Estates, Gift Tax, & Trusts?
* Write logically with accurate spelling, grammar, and punctuation?
* Adhere to the length requirements?
* Follow APA formatting and referencing standards?
* Convert all files to a doc, docx, ppt or pptx file

## **Submit your Work**

* Your completed final assessment documents should be submitted through the Final Assessment link of your competency.
* Please note, that you can upload multiple files to the Final Assignment link.
* Make sure the files are converted to a doc or docx. (you can share Google Doc and MS OneDrive documents from the “*Choose Existing Activities*” button)
* To upload a file, click “Upload File” and choose the file(s) from your desktop:



More tutorial resources can be found at the [UMPI Student eLearning Hub](https://sites.google.com/maine.edu/umpi-elearning-hub/brightspace?authuser=0)

# Final Assessment Rubric

| ***Criterion*** | **EMERGING (1)** | **DEVELOPING (2)** | **PROFICIENT (3)** | **EXEMPLARY (4)** |
| --- | --- | --- | --- | --- |
| C Corporation Federal Income Tax Return  (Form 1120) | Demonstrates little to no understanding of the federal tax rules and regulations.  Few numbers are correctly placed on the Form 1120 and supplemental schedules. The tax form is missing a lot of important information. | Demonstrates some understanding of the federal tax rules and regulations.  Some numbers are correctly placed on the Form 1120 and supplemental schedules. The tax form is missing some important information. | Demonstrates a thorough understanding of the federal tax rules and regulations.  Most numbers are correctly placed on the Form 1120 and supplemental schedules. The tax form is missing very little important information. | Demonstrates a full understanding of the federal tax rules and regulations.  All numbers are correctly placed on the Form 1120 and supplemental schedules. The tax form was completed with missing no important information. |
| S Corporation Federal Income Tax Return  (Form 1120S) | Demonstrates little to no understanding of the federal tax rules and regulations.  Few numbers are correctly placed on the Form 1120S and supplemental schedules. The tax form is missing a lot of important information. | Demonstrates some understanding of the federal tax rules and regulations.  Some numbers are correctly placed on the Form 1120S and supplemental schedules. The tax form is missing some important information. | Demonstrates a thorough understanding of the federal tax rules and regulations.  Most numbers are correctly placed on the Form 1120S and supplemental schedules. The tax form is missing very little important information. | Demonstrates a full understanding of the federal tax rules and regulations.  All numbers are correctly placed on the Form 1120S and supplemental schedules. The tax form was completed with missing no important information. |
| Partnership Federal Income Tax Return  (Form 1065) | Demonstrates little to no understanding of the federal tax rules and regulations.  Few numbers are correctly placed on the Form 1065 and supplemental schedules. The tax form is missing a lot of important information. | Demonstrates some understanding of the federal tax rules and regulations.  Some numbers are correctly placed on the Form 1065 and supplemental schedules. The tax form is missing some important information. | Demonstrates a thorough understanding of the federal tax rules and regulations.  Most numbers are correctly placed on the Form 1065 and supplemental schedules. The tax form is missing very little important information. | Demonstrates a full understanding of the federal tax rules and regulations.  All numbers are correctly placed on the Form 1065 and supplemental schedules. The tax form was completed with missing no important information. |
| Comprehensive Analysis of Estates & Trusts | Demonstrates little to no understanding of estates, gift tax, & trusts and how the Federal Tax Code applies to them. | Demonstrates some understanding of estates, gift tax, & trusts and how the Federal Tax Code applies to them. | Demonstrates a thorough understanding of estates, gift tax, & trusts and how the Federal Tax Code applies to them. | Demonstrates a full understanding of estates, gift tax, & trusts and how the Federal Tax Code applies to them. |