

AFSP Exempt Package 1

Summary of Courses in the Package

AFSP Federal Tax Law Course 2017-1 (10 credit hours)

Earned Income Credit

The Earned Income Credit (EIC) is a refundable tax credit that has a significant impact on United States revenue. In fact, EIC claims in any year generally total more than \$60 billion.

This course covers how to:

- Apply the earned income credit rules to determine if a taxpayer is eligible for the tax credit;
- Identify the common errors committed in connection with the earned income credit;
- Describe the consequences of the IRS' disallowance of the earned income credit; and
- Recognize the tax return preparer's EIC due diligence requirements.

Education Tax Benefits

Few advantages are as sought after by parents for their children as an education that will enable them to grow professionally and enjoy the benefits such an education can help bestow. The federal government supports and encourages their efforts to provide that education through various programs and income tax incentives.

This course will examine the programs, credits, deductions and federal income tax treatment of various items that affect saving for and financing an individual's education. In so doing, it will consider:

- Qualified tuition programs;
- Coverdell education savings accounts;
- The education savings bond program;
- Federal tax credits for education;
- The federal tax treatment of scholarships, fellowships, grants and tuition reductions; and
- Deductions available for student loan interest, tuition and fees.

Tax Treatment of Individual Retirement Arrangements

This course covers how to:

- Apply the rules governing eligibility for and contributions to traditional and Roth IRAs;
- Identify the requirements and benefits related to a spousal IRA;
- Apply the tax treatment rules concerning contributions to and distributions from traditional and Roth IRAs; and
- Distinguish between traditional and Roth IRA distribution rules.

This is a combination program that includes the following three courses:

Earned Income Credit

Education Tax Benefits

Tax Treatment of Individual Retirement Arrangements

Federal Income Tax Changes – 2017 (3 credit hours)

Each year, various limits affecting income tax preparation and planning change. Some changes commonly occur each year as a result of inflation indexing, while others occur because of new legislation or the sunset of existing law.

This course will examine the tax changes that took effect in 2017 that are more significant from the perspective of an income tax preparer. Some context will be supplied, as appropriate, to assist readers in understanding the changes.

Tax Return Preparer Ethical Issues (2 credit hours)

This course will examine many of the rules, duties and restrictions for tax return preparers as well as the sanctions imposed for their violation. In that examination of applicable rules, the course will discuss the requirements imposed on tax return preparers by them and will then present real-world scenarios focusing on specific ethical issues preparers may encounter in their professional activities. The preparer will be asked to analyze the scenario, identify the ethical issue or issues presented and determine an appropriate response.