Chapters

New Legislation
This chapter covers tax legislation that was enacted late in 2013 and in 2014. It is organized by subject matter to help participants quickly find topics of interest and includes:

- A brief summary of each provision
- Cross-references to other chapters to help participants find further information on some of the topics
- A table of effective dates to help participants keep track of when provisions expire

Affordable Care Act
This chapter covers the Affordable Care Act mandates for health insurance in two sections. One section covers the individual mandate and another covers the mandate for employers. The chapter covers the tax practitioner’s role in implementing these mandates.

Net Investment Income Tax
This chapter explains and illustrates the net investment income tax (NIIT) rules, including reporting net investment income to and from Schedules K-1.

Individual Taxpayer Issues
This chapter covers several issues tax practitioners encounter when preparing individual income tax returns, including:

- Tax issues for parents of disabled children
- Hobbies
- Dealing with identity theft
- Portability of the estate tax exemption equivalent

Business Issues
This chapter discusses some of the issues tax practitioners encounter when they prepare returns for clients who operate a business. Topics include:

- Uniform capitalization rules under I.R.C. § 263A
- Per diem rules
- Automobiles
- Amending and making late elections
- Startup expenses
- Correcting depreciation errors
- Method of accounting
Agricultural and Natural Resources Issues
This chapter covers topics that affect farmers, including:
- Allocating crop insurance payment between crop loss and revenue loss
- Christmas trees
- Water issues
- Ethanol credits and carryforwards
- Material participation
- Lease v. purchase of farm assets

Business Entities
This chapter compares the choices of treating a single member LLC as a disregarded entity or as an S corporation. Issues include making the S election, the need for adequate compensation, gifting shares to family members, and terminating the S election.

IRS Issues
This chapter covers issues the IRS targets as key issues for practitioners. Topics include employment tax issues, audit reconsideration, and collection issues.

Ethics
This chapter discusses what tax practitioners can and should do, in light of the Circular 230 rules that tell practitioners what they cannot do.

Tax Practice
This chapter covers some practice issues encountered by tax preparers. Topics are expected to include:
- Working with incomplete records
- Pros and cons of extending the statute of limitations
- What triggers an audit
- Power of attorney issues
- Reporting tax practitioner misconduct

Retirement
This chapter covers common retirement tax issues including:
- myRA accounts
- Inherited IRAs
- IRA rollover tax law changes
- Taxable social security benefits
- One-participant 401(k) plans

Form 4797
This chapter explains and illustrates the use of Form 4797 for reporting certain property transactions. Topics include:
- I.R.C. § 1231 treatment
- Casualty gains and losses
• Depreciation recapture
• Installment sales
• Recapture of IRC § 179 deductions

**Repair and Capitalization Regulations**
This chapter explains how the repair and capitalization regulations affect small and large businesses differently. Topics include:
- When Form 3115 is not required for changes made by a small business
- Why does “unit of property” matter?
- Rental property

**Fiduciary Tax Issues**
This chapter illustrates the income tax rules for estates with an example of a simple estate. It covers issues such as income distribution, income in respect of a decedent, and basis of assets.

**Foreign Tax Issues**
This chapter covers issues for taxpayers with foreign income or foreign accounts, including the foreign tax credit and filing requirements for U.S. citizens living abroad.

**Rulings and Cases**
This chapter summarizes selected rulings and cases that were issued from September 2013 through August 2014 to give participants an update on issues that are being addressed by the IRS and the courts. The rulings and cases are organized under topic headings that match the titles of other chapters. The introduction explains the hierarchy of authority among legislation, cases, and IRS documents.

**Tax Rates and Useful Tables**
This chapter reports the tax rates, deduction limits, credit limits, and income thresholds and limits that change each year. It includes information for 2013, 2014, and 2015 to the extent that information is available.