

Fall 2020 Topics

The OSU Tax School is dedicated to meeting the tax education needs of CPAs, PAs, EAs, OTRPs and Attorneys. A maximum of 16 hours of CPE/CLÉ is available consisting of two hours of Ethics, three hours of Federal Tax Law Update, 10 hours of Other Federal Tax Law education and one hour of Oklahoma Tax Law update. The following topics highlight much of the subject matter to be covered during the seminar.

- **Ethics** – The chapter discusses important issues to help tax practitioners comply with their ethical obligations as outlined in Circular 230. Topics to be covered include: (1) due diligence for a tax practitioner who helps a self-employed taxpayer claim the earned income credit, who prepares a return for a taxpayer who does not have records to substantiate material participation or who performs valuations of a business; (2) best practices in making and accepting referrals, including referrals from an online referral service; (3) when a tax practitioner can disclose information through the IRS Whistleblower Program; (4) ethical considerations for tax practitioners using online faxing, digital storage and backups, and online portals; and (5) case studies illustrating real-life ethical scenarios.
- **New and Expiring Legislation** – Coverage of the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Families First Coronavirus Response Act plus the tax consequences of foreclosures, repossessions and abandonments. The material explains when cancellation of indebtedness must be included in income and when it can be excluded. Comprehensive examples are provided to explain the reduction in tax attributes that must occur when cancelled debt is excluded from income. This material also explains the bad debt deduction for business and nonbusiness bad debts.
- **Individual Tax Issues** – This material covers several issues tax practitioners encounter when preparing individual income tax returns including deductions for health insurance and other health expenses, casualty losses and gains, determining who can claim credits including the child tax credit, credit for other dependents, education credits and other individual income tax credits and education deductions, credits and exclusions.
- **Trusts and Estates** – Discussion includes estate planning to preserve the increased exemption amount before it expires at the end of 2025, a review of the definition of a gift, use of the annual gift tax exclusion and when it is necessary to file a gift tax return. This chapter also explains how a tax practitioner can identify different types of trusts as well as how those trusts report taxable income to their beneficiaries.
- **Qualified Business Income Deduction Issues** – This chapter discusses select issues related to the section 199A deduction. It explains how to calculate the qualified business income (QBI) deduction and the limitations applying to the deduction. This chapter also explains when trades or businesses can be aggregated, how to net and carryover QBI losses and when a taxpayer can claim the QBI deduction for rental real estate income.
- **Business Issues** – This material presents some of the issues that tax practitioners encounter when they prepare returns for clients who operate a business. Topics include tax issues for a taxpayer engaged in a multi-level marketing business, opportunity zones, bonus depreciation, and new health reimbursement arrangements for small businesses
- **Agricultural and Natural Resource Issues** – This chapter covers emerging topics that affect farmers and ranchers, such as family members working for each other on a farm or ranch, including the reinstated kiddie tax rules, farm or ranch employer-provided meals and lodging, special use valuation, depreciation of farm property and self-employment tax on agricultural activities.
- **Retirement and Investing Issues** – Discussion covers retirement and investment tax planning issues including required minimum distributions and the SECURE Act modification of the required distribution rules, planning for IRA beneficiary designations under the new rules, testamentary charitable remainder trusts, qualified charitable distributions and taxation of common investments such as interest-bearing bank accounts, certificates of deposit and savings bonds.
- **IRS Issues** – Coverage of issues the IRS targets as key issues for practitioners. Topics include cybersecurity, virtual currency, the IRS Withholding Estimator, taxation of the gig economy and IRS information sources.
- **Financial Distress** – This chapter discusses the tax consequences of foreclosures, repossessions and abandonments. It explains when cancellation of indebtedness must be included in income and when it can be excluded. It includes comprehensive examples of the reduction in tax attributes that must occur when cancelled debt is excluded from income. This chapter also explains the bad debt deduction for business and nonbusiness bad debts.
- **Business Entity Issues** – The material reviews new partnership reporting requirements. It discusses the taxation of sections 501(c)(7) social clubs and 501(c)(10) fraternal organizations, including recordkeeping and reporting requirements, eligibility for exemption and income tax issues. This material also includes new rules, regulations and filing requirements for nonprofit entities.
- **S Corporation Tax Issues** – Review of important tax issues for S corporations, including the choice of entity rules and the S corporation election. It explains issues that the IRS has identified in its compliance campaigns, including S corporation distributions, the built-in-gains tax, and S corporation loss limitations. This chapter also includes an explanation of calculating basis and required basis reporting on Schedule E (Form 1040).
- **Rulings and Cases** - This chapter summarizes selected rulings and cases that were issued from September 2019 through August 2020. It gives participants an update on issues that are being addressed by the IRS and the courts.
- **Oklahoma Tax Commission Update** – An Oklahoma Tax Commission staff member will provide a detailed explanation of Oklahoma tax legislation passed during the recent legislative session that apply to the 2020 tax year as well as other important items for tax practitioners.