



Wolters Kluwer

1120 Introduction: C Corporations

Course Instructions

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Instructions to Participants

To assist the participant with navigating the learning process through to successful completion, this course has been produced with the following elements:

Overview of Topics / Table of Contents: In this electronic format you'll find a slide menu on the left side of the screen. This serves as your overview of topics for the program. You may navigate to any topic by clicking on the slide name.

Definition of Key Terms / Glossary: You'll find key terms defined for this program in the course information on the following page(s).

Index / Key Word Search: You can find information quickly in the PDF materials (slide handout plus any additional handouts) by using the search function built into your Adobe Reader.

Review Questions: Questions that test your understanding of the material are placed throughout the course. You'll see explanatory feedback pop up for each incorrect answer, and reinforcement feedback for the correct answer for every review question.

Final Exam: The final exam measures if you have gained the knowledge, skills, or abilities outlined in the learning objectives. You may submit your final exam at the end of the course. Exams are graded instantly. A minimum score of 70% is required to receive the certificate of completion. **You have one year from date of purchase to complete the course.**

Course Evaluation: Once you have successfully passed your online exam, please complete our online course evaluation. Your feedback helps Wolters Kluwer maintain its high quality standards!

About This Course

This section provides information that is important for understanding the course, such as course level and prerequisites. Please consider this information when filling out your evaluation after completing the course.

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Course Description

Join expert, Dennis Mowrey, for an introduction course to preparing and understanding C Corporations. Dennis will provide all the necessary tools from showing how to create a Corporation and then move into a discussion of shareholders, issuing stock and start-up/organizational expenses. We will explain the differences between C-Corps versus S-Corps and LLC's and how they are all taxed, spending time talking about how corporation taxes work.

One of the big items that is always asked about is why should I set up as a C-Corp and we will go through the advantages and disadvantages of this type of structure. After that we will go through the forms associated with filing Form 1120 and related schedules for C-Corporations. The last part of the class will focus on E&P Calculations and how payments are distributed to Shareholders.

Learning Objectives

Upon successful completion of this course, participants should be able to:

- Recognize the basics in preparing and understanding C Corporations
- Identify how to utilize the necessary tools
- Differentiate between C-Corps versus S-Corps and LLC's and how they are all taxed, spending time talking about how corporation taxes work
- Recognize the advantages and disadvantages of C-Corps
- Describe true statements regarding Form 1120 deductions
- Identify how the Tax Cuts and Jobs Act affected C Corporations
- Recognize the federal tax rate

NASBA Field of Study

Taxes. Some state boards may count credits under different categories—check with your state board for more information.

Course Level

Basic. Program knowledge level most beneficial to CPAs new to a skill or an attribute. These individuals are often at the staff or entry level in organizations, although such programs may also benefit a seasoned professional with limited exposure to the area.

Prerequisites

None.

Advance Preparation

None.

Course Expiration

AICPA and NASBA Standards require all Self-Study courses to be completed and the final exam submitted within 1 year from the date of purchase as shown on your invoice. No extensions are allowed under AICPA/NASBA rules.

Key Terms

- **AMT:** The alternative minimum tax is a tax imposed in addition to the regular income tax for certain individuals, estates, and trusts. The TCJA repealed the AMT for corporations beginning in 2018.
- **Bonus depreciation:** A tax incentive that allows a business to immediately deduct a larger percentage of the cost of eligible assets, rather than write them off over the useful life of the asset.
- **C Corporation:** A corporation in which the owners (shareholders) are separate from the entity and are subject to income tax.
- **Like-kind exchange:** When you exchange real property used for business or held as an investment solely for other business or investment property that is the same type or “like-kind”.
- **Pass-through entity:** A business entity whose income is taxed at the owner’s personal income tax level rather than as business income for federal (and most state) purposes.
- **Tax Cuts and Jobs Act:** Passed in 2017, made significant changes to individual and corporate taxation. Some of the changes reduced the corporate tax to 21%, changed the rules to expensing depreciable assets, created limits on expensing meals, entertainment, and interest, and changed the rules for net operating losses.