

What We Learn

US Tax course Syllabus

1. US Tax Framework
 - a. History of US and Worldwide Taxation
 - b. Reasons for taxation
 - c. Tax law sources & Enactment of the Tax Law
2. Administration of tax law
 - a. Internal Revenue Service (IRS)
 - b. Enforcement
 - c. Tax rate structures
3. Types of Entities
 - a. Sole Proprietorship
 - b. Qualified Joint Venture
 - c. Limited Liability Company (LLC)
 - d. Single-member LLC
 - e. Partnerships
 - f. Corporation "C-Corp" (Inc./LTD)
 - g. S Corporation ("S-Corp")
 - h. Trusts
 - i. Estates
 - j. Tax-Exempt Entities
4. Types of Income
 - a. What is and is *not* Income?
 - b. Classification of Income – General or Passive Income
 - c. Informational Reporting of Non-Income
5. Who is Subject to U.S. Tax?
 - a. Tax Residency
 - b. US Residency for Individuals
 - i. Citizenship Test
 - ii. "Green Card Test"
 - iii. Substantial Presence Test (SPT)
 - c. Substantial Presence Exceptions
 - i. Exceptions from Counting Days
 - ii. Exempt Individuals
 - iii. Closer Connection & Tax Treaties
6. US Income of Non-residents
 - a. Foreign Persons

- b. FDAP – Fixed, Determinable, Annual or Periodic Income
 - c. ECI - Effectively Connected Income
- 7. Individual Taxation
 - a. Resident, Nonresident Alien, or Part-Year Resident?
 - b. Taxpayer Identification Numbers (TINs)
 - i. What is an ITIN?
 - ii. Who is eligible?
 - iii. Application process and Acceptance Agents
 - iv. Filing Statuses for 1040NR (NRAs)
 - c. Elections available to resident and non-resident aliens
 - i. Election under IRC 7701(b)(4)
 - ii. Election under IRC 6013(g)
 - iii. Election under IRC 6013(h)
- 8. Filing Statuses for US persons
 - a. Requirements for Dependents
 - b. Determining Filing Status
- 9. Deductions and Credits
 - a. Business & Rental Expenses
 - b. Other “Above the Line” Deductions
 - c. Standard Deduction and Itemized Deductions
 - d. Exemptions and Exclusions
 - e. Foreign Earned Income and Housing Exclusion (FEIE)
 - f. Tax Credits
 - g. Education Credits
 - h. Foreign Tax Credit (FTC)
 - i. Addbacks for MAGI
- 10. Filing Thresholds and Tax Brackets
 - a. Other Reasons to File
 - b. Tax Bracket Structure
 - c. Preferential Tax Rates 85
- 11. Compliance and Timing
 - a. How to File – e-file or Post
 - b. Tax Refunds
 - c. Due Dates
 - d. When and How to Pay
 - e. Penalties & Interest
 - f. Reasonable Cause
 - g. Statute of Limitations – SOLs
- 12. Other Types of Taxes
 - a. Sales and Use tax
 - b. Excise tax

- c. Franchise Tax, State Tax, Local Taxes
- d. Other Federal Taxes
 - i. Payroll (FICA) Taxes
 - ii. Self-employment tax
 - iii. Additional Medicare Tax
 - iv. Net Investment Income Tax (NIIT)
- 13. Exploring Entity Compliance
 - a. Bookkeeping – Conceptual Overview
 - b. Financial Statements
 - i. Explanation of Balance Sheet, Income Statement, etc
 - ii. Financial Statements purpose, and how they are used
 - c. Business Tax Reporting: 1065s and 1120s
- 14. Doing business in the US
 - a. Israeli companies doing business in the US
 - b. US employees
 - i. Employer/Employee relationship
 - ii. Salary, Benefits, and Employer costs
 - iii. Differentiation from contractors
 - c. Sales tax to US customers
 - d. Incorporation process & EIN
 - e. Nexus
 - f. Transfer pricing
 - g. State and Franchise taxes
 - h. Due diligence, dissolution, closing accounts
- 15. US and Israeli Tax Forms
 - a. Employee Compensation
 - i. US Forms W-2
 - ii. Israeli Forms 106
 - iii. Retirement accounts
 - b. Investment Income
 - i. US Forms 1099
 - ii. Israeli Forms 867
 - iii. Wash Sales
 - c. Passthrough Entity Income
 - i. US Schedules K-1
 - ii. What information they report
 - iii. What entities prepare a K-1 and who should receive one
 - iv. State passthrough Income
 - v. Additional K-1 issues to watch out for
 - d. Tax Forms for non-residents
 - i. Forms 1042-S

16. Comparison of US and Israel tax
 - a. Citizenship- based vs. Residency-based taxation
 - b. Working Independently (Self-employment)
 - c. Rental Income
 - d. Pension distributions
 - e. Social Security (SS) Retirement Pay
 - f. Unemployment Benefits
 - g. Gifts and Estate Tax
17. Informational Reports
 - a. FinCEN Form 114 - Report of Foreign Bank and Financial Accounts (FBAR)
 - b. Form 8938 - Statement of Specified Foreign Financial Assets
 - c. Recent court cases affecting enforcement
18. Rent and Depreciation
 - a. US rental income of NRAs
 - b. Depreciation – Recovery Period
 - c. Depreciation – Depreciation Methods
 - d. Passive Loss rules
 - e. QBI Deduction – IRC 199A
 - f. Sale of Principal Residence (IRC 121)
 - g. Other Real Estate Transactions
19. Form 5471 Reporting Certain Foreign Corporations
 - a. Definitions
 - i. CFC – Controlled foreign corporation
 - ii. SFC – Specified foreign corporation
 - iii. U.S. shareholder
 - iv. U.S. person
 - b. Categories
 - i. Determining which categories apply
 - ii. Who must file
 - c. Global Intangible Low-Taxed Income (GILTI)
20. Compliance and correcting non-compliance
 - a. Willful vs. Non-willful conduct
 - b. Streamlined Filing Compliance Procedures
 - i. Streamlined Foreign Offshore Procedures
 - ii. Streamlined Domestic Offshore Procedures
 - c. IRS Criminal Investigation Voluntary Disclosure Practice (VDP)
 - d. Delinquent FBAR submission procedures
 - e. Delinquent International Information Return Submission Procedures
 - f. Quiet disclosure
21. Ethics & IRS Correspondence
 - a. Key ethical principles

- b. Exploring ethical dilemmas
 - c. Accessing taxpayer information for the IRS
 - i. Power of Attorney Form 2848
 - ii. Tax Information Authorization Form 8821
 - iii. Third Party Designee and Oral Disclosure
 - d. IRS Transcripts
 - i. Types of transcripts
 - ii. Accessing and reading transcripts
 - iii. Examples of “Preparers Gone Wild” – Comparing the tax return and client story with the transcripts
 - e. Types of IRS letters and responses
22. Tax Treaties
- a. Reciprocity Agreements
 - b. Purposes of Tax Treaties
 - c. How to approach treaties
 - d. Savings Clause and Exceptions
 - e. What’s in the US-Israel Tax Treaty
 - f. Form 8833 Disclosure
23. Employee Equity Incentive Plans
- a. How to Identify types of plans and how they work
 - i. Non-qualified Stock Options (NQSO)
 - ii. Incentive Stock Options (ISO)
 - iii. Restricted Stock Units (RSU)
 - iv. Employee Stock Purchase Plan (ESPP)
 - b. Comparison of US and Israel Taxation
 - c. Timelines for taxation
 - d. Challenges and strategies
24. Industry Practicalities
- a. Certifications and responsibilities
 - i. Certified Public Accountant (CPA)
 - ii. Enrolled Agent (EA)
 - iii. Annual Filing Season Program (AFSP) Record of Completion
 - iv. Attorney
 - b. Preparer Tax Identification Numbers (PTIN)
 - c. What to expect in the US tax industry in Israel
 - d. Tips for applying to jobs and job-placement assistance

Course curriculum is also available at
<https://www.studyustax.com/syllabus>