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PREFACE

New to this Edition

INDIVIDUALS

• Complete updating of the chapter material for the provisions in the Tax Cuts and Jobs Act of 2017 affecting individual taxpayers, including an explanation of the new rules and the related implications of the following items:
  • Reduction in marginal tax rates
  • Elimination of personal and dependency exemptions
  • Changes in the deductability of state and local taxes and casualty losses
  • Elimination of miscellaneous itemized deductions
  • Changes to the alternative minimum tax
  • Increase in the child tax credit
• Complete updating of significant court cases and IRS rulings and procedures during 2017 and early 2018
• All tax rate schedules have been updated to reflect the rates and inflation adjustments for 2018
• Whenever new updates become available, they will be accessible via MyLab Accounting
• Updating of the end-of-chapter tax return problems to 2017 (2017 tax forms are included because the 2018 tax forms were not available when this edition went to print), but also including a supplemental explanation for each tax return problem of how the solution will change for the 2018 tax year given the provisions of the Tax Cuts and Jobs Act.

CORPORATIONS

• Complete updating of the chapter material for the provisions in the Tax Cuts and Jobs Act of 2017 affecting corporations and other entities, including an explanation of the new rules and the related implications of the following items:
  • Reduced corporate tax rate
  • Qualified business income deduction
  • New limitations on interest, business losses, and NOLs
  • New rules for the taxation of international transactions
  • The comprehensive corporate tax return, Problem C:3-65, has all new numbers for the 2017 forms
  • The comprehensive partnership tax return, Problem C:9-58, has all new numbers for the 2017 forms
  • The comprehensive S corporation tax return, Problem C:11-62, has all new numbers for the 2017 forms
• All tax rate schedules have been updated to reflect the rates and inflation adjustments for 2018
• Whenever new updates become available, they will be accessible via MyLab Accounting

SOLVING TEACHING AND LEARNING CHALLENGES

The Rupert/Anderson 2019 Series in Federal Taxation is appropriate for use in any first course in federal taxation, and comes in a choice of three volumes:

• Federal Taxation 2019: Individuals
• Federal Taxation 2019: Corporations, Partnerships, Estates & Trusts (the companion book to Individuals)
• Federal Taxation 2019: Comprehensive (14 chapters from Individuals and 15 chapters from Corporations)

** For a customized edition of any of the chapters for these texts, contact your Pearson representative and he or she can create a custom text for you.

• The Individuals volume covers all entities, although the treatment is often briefer than in the Corporations and Comprehensive volumes. The Individuals volume, therefore, is appropriate for colleges and universities that require only one semester of taxation as well as those that require more than one semester of taxation. Further, this volume adapts the suggestions of the Model Tax Curriculum as promulgated by the American Institute of Certified Public Accountants.

• The Corporations, Partnerships, Estates & Trusts and Comprehensive volumes contain three comprehensive tax return problems whose data change with each edition, thereby keeping the problems fresh. Problem C:3-65 contains the comprehensive corporate tax return, Problem C:9-58 contains the comprehensive partnership tax return, and Problem C:11-62 contains the comprehensive S corporation tax return, which is based on the same facts as Problem C:9-58 so that students can compare the returns for these two entities.

• The Corporations, Partnerships, Estates & Trusts and Comprehensive volumes contain sections called Financial Statement Implications, which discuss the implications of Accounting Standards Codification (ASC) 740. The main discussion of accounting for income taxes appears in Chapter C.3. The financial statement implications of other transactions appear in Chapters C.7, C.8, and C.16 (Corporations volume only).
Rupert/Anderson 2019 Series in Federal Taxation has an appropriate blend of technical content of the tax law with a high level of readability for students. It is focused on enabling students to apply tax principles within the chapter to real-life situations using many strong pedagogical aids:

**Real-World Example**
These comments relate the text material to events, cases, and statistics occurring in the tax and business environment. The statistical data presented in some of these comments are taken from the IRS’s Statistics of Income at www.irs.gov.

**Book-to-Tax Accounting Comparison**
These comments compare the tax discussion in the text to the accounting and/or financial statement treatment of this material. Also, the last section of Chapter C:3 discusses the financial statement implications of federal income taxes.

**What Would You Do in This Situation?**
Unique to the Rupert/Anderson series, these boxes place students in a decision-making role. The boxes include many controversies that are as yet unresolved or are currently being considered by the courts. These boxes make extensive use of Ethical Material as they represent choices that may put the practitioner at odds with the client.

**Stop & Think**
These “speed bumps” encourage students to pause and apply what they have just learned. Solutions for each issue are provided in the box.

**Ethical Point**
These comments provide the ethical implications of material discussed in the adjoining text. Apply what they have just learned.

**Tax Strategy Tip**
These comments suggest tax planning ideas related to material in the adjoining text.

**Additional Comment**
These comments provide supplemental information pertaining to the adjacent text.

**MyLab Accounting**

**Reach Every Student with MyLab Accounting**
MyLab is the teaching and learning platform that empowers you to reach every student. By combining trusted author content with digital tools and a flexible platform, MyLab personalizes the learning experience and improves results for each student. Learn more about MyLab Accounting at https://www.pearsonmylabandmastering.com/

**Powerful Homework and Test Manager** Create, import, and manage online homework and media assignments, quizzes, and tests. Create assignments from online questions directly correlated to this and other textbooks. Homework questions include “Help Me Solve This” guided solutions to help students understand and master concepts. You can choose from a wide range of assignment options, including time limits and maximum number of attempts allowed. In addition, you can create your own questions—or copy and edit ours—to customize your students’ learning path.

**Deliver Trusted Content**
You deserve teaching materials that meet your own high standards for your course. That’s why we partner with highly respected authors to develop interactive content and course-specific resources that you can trust — and that keep your students engaged.

**Dynamic Study Modules** Dynamic Study Modules help students study effectively on their own by continuously assessing their activity and performance in real time. Here’s how it works: students complete a set of questions with a unique answer format that also asks them to indicate their confidence level. Questions repeat until the student can answer them all correctly and confidently. Once completed, Dynamic Study Modules explain the concept using materials from the text. These are available as graded assignments prior to class, and accessible on smartphones, tablets, and computers. Instructors can now remove questions from Dynamic Study Modules to better fit their course. Available for select titles.

**Empower Each Learner**
Each student learns at a different pace. Personalized learning pinpoints the precise areas where each student needs practice, giving all students the support they need — when and where they need it — to be successful.

**Study Plan** The Study Plan acts as a tutor, providing personalized recommendations for each of your students based on his or her ability to master the learning objectives in your course. This allows students to focus their study time by pinpointing the precise areas they need to review, and allowing them to use customized practice and learning aids—such as videos, eText, tutorials, and more—to get them back on track. Using the report available in the Gradebook, you can then tailor course lectures to prioritize the content where students need the most support—offering you better insight into classroom and individual performance.
**Instructor Teaching Resources**

This program comes with the following teaching resources.

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<th>Supplements available to instructors at <a href="http://www.pearsonhighered.com/pearsontax">www.pearsonhighered.com/pearsontax</a></th>
<th>Features of the Supplement</th>
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<tr>
<td><strong>Instructor’s Resource Manual</strong>&lt;br&gt;authored by Mitchell Franklin from LeMoyne College and Joshua Coyne from University of Memphis</td>
<td>- Sample syllabi&lt;br&gt;- Instructor outlines&lt;br&gt;- Information regarding problem areas for students&lt;br&gt;- Solutions to the tax form/tax return preparation problems</td>
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<tr>
<td><strong>Instructor’s Solutions Manual</strong>&lt;br&gt;authored by Kenneth Anderson from University of Tennessee and Timothy Rupert from Northeastern University</td>
<td>- Solutions to discussion questions&lt;br&gt;- Solutions to problems&lt;br&gt;- Solutions to comprehensive and tax strategy problems</td>
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<td><strong>Test Bank</strong>&lt;br&gt;authored by Anthony Masino from East Tennessee State University and Ann Burstein Cohen from SUNY at Buffalo</td>
<td>Over 3,500 multiple-choice, true/false, short-answer, essays, and worked problems.&lt;br&gt;- Type (Multiple-choice, true/false, short-answer, essay)&lt;br&gt;- Page references to where content is found in the text</td>
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<td><strong>Computerized TestGen</strong></td>
<td>TestGen allows instructors to:&lt;br&gt;- Customize, save, and generate classroom tests&lt;br&gt;- Edit, add, or delete questions from the Test Item Files&lt;br&gt;- Analyze test results&lt;br&gt;- Organize a database of tests and student results.</td>
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<td><strong>PowerPoint Presentations</strong>&lt;br&gt;authored by Allison McLeod from University of North Texas</td>
<td>Slides include key graphs, tables, and equations in the textbook. PowerPoints meet accessibility standards for students with disabilities. Features include, but not limited to:&lt;br&gt;- Keyboard and Screen Reader access&lt;br&gt;- Alternative text for images&lt;br&gt;- High color contrast between background and foreground colors</td>
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<tr>
<td><strong>Multistate Tax Chapter</strong>&lt;br&gt;authored by Michael Schadewald from University of Florida</td>
<td>An entire chapter, complete with problems (and solutions) dedicated to multistate tax practices.</td>
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<td><strong>TaxAct 2017 Professional Software</strong></td>
<td>Available online with Individuals, Corporations, and Comprehensive Texts—please contact your Pearson representative for assistance with the registration process. This user-friendly tax preparation program includes more than 80 tax forms, schedules, and worksheets. TaxAct calculates returns and alerts the user to possible errors or entries. Consists of Forms 990, 1040, 1041, 1065, 1120 and 1120S.</td>
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Acknowledgments

Our policy is to provide annual editions and to prepare timely updated supplements when major tax revisions occur. We are most appreciative of the suggestions made by outside reviewers because these extensive review procedures have been valuable to the authors and editors during the revision process.

We also are grateful to the various graduate assistants, doctoral students, and colleagues who have reviewed the text and supplementary materials and checked solutions to maintain a high level of technical accuracy. In particular, we would like to acknowledge the following colleagues who assisted in the preparation of supplemental materials for this text:

- Ann Burstein Cohen, SUNY at Buffalo
- Joshua G. Coyne, University of Memphis
- Kate Demarest, Carroll Community College
- Allison McLeod, University of North Texas
- Mitchell Franklin, LeMoyne College
- Anthony Masino, East Tennessee State University

In addition, we want to thank Myron S. Scholes, Mark A. Wolfson, Merle M. Erickson, M. L. Hanlon, Edward L. Maydew, and Terry J. Shevlin for allowing us to use the model discussed in their text, Taxes and Business Strategy: A Planning Approach, as the basis for material in Chapter 1:18.

Please send any comments to Kenneth E. Anderson or Timothy J. Rupert.