DePaul MST Program
Course Syllabus
ACC 570 - State and Local Tax
Class #1
I. INSTRUCTOR

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II. COURSE OBJECTIVE: To provide you with an understanding of the principles of multistate taxation and the interplay with federal constitutional limitations. The course will provide you with an understanding of the various state and local taxes that impact individuals and businesses.
III. GRADING POLICIES: Grades will be composed of the following:
Final - 90%
Participation/Home Work/Misc – 10%
Course Syllabus - ACC 570 - State and Local Tax

Week 1

• **Introduction to State & Local Taxation**
  – Importance of State & Local Tax
  – Types of State and Local Taxes
  – Sources of Law
  – SALT Planning Techniques
  – SALT Research / Constant Changing SALT Environment
  – SALT Organizations
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Week 2

• **Nexus**
  – Introduction
  – Income Tax vs. Sales Tax Nexus
  – Federal Limitations
  – PL 86-272
  – State Limitations
  – Case Law
Week 3

- **Corporate Income/Franchise Tax**
  - Introduction
  - Multistate Tax Compact and UDIPTA
  - Tax Rates and Calculation of Taxable Income
  - Addition Modifications
  - Subtraction Modifications
  - Net Operating Losses
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Week 4

• **Corporate Income/Franchise Tax**
  – Overview of Group Filing Options
  – Consolidated Returns
  – Combined Unitary Reporting
    • Definition of unitary
  – Separate Return States
    • Provisions that limit related party planning structures
Course Syllabus - ACC 570 - State and Local Tax

Week 5

• **Apportionment**
  – Introduction
  – Apportionment Formulas
  – Apportionment for certain industries
  – Allocation of nonbusiness income
  – Property factor
    • Basis and Valuation: Cost, Net Book Value
    • Rental Assets
    • Inventory
    • Mobile Property
Week 5

• **Apportionment**
  – Payroll factor
    • Amounts included in factor
    • Employees vs. independent contractor
    • Corporate officers
  – Sales Factor
    • Introduction
    • Sales of Tangible Personal Property
    • Throwback Rules
    • Throwout Rules
    • Sales of Services
Week 6

- **Pass-through Entities and Individuals**
  - Introduction
  - Taxation of S-corporations, partnerships and LLC's
  - Taxation of resident and nonresident individuals
Course Syllabus - ACC 570 - State and Local Tax

Week 7

• Pass-through Entities and Individuals (cont.)
• Credits and Incentives
  – Introduction
  – Statutory Credits
    • Investment, Jobs and Research
    • Enterprise Zones
  – Discretionary Credits/Incentives
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Week 8

• Sales/Use Tax
  – Introduction
  – Nexus
  – Tax Base and Rates
    • Rates
    • Items subject to tax
    • Transaction subject to tax
    • Exemptions
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Week 8

• Sales/Use Tax
  – Administration
    • Required Filings
    • Disregarded Entities (SMLLC, QSSS)
Course Syllabus - ACC 570 - State and Local Tax

Week 9

- Property Tax / Unemployment Taxes / Unclaimed Property
  - Introduction
  - Tax Base and Rates
Week 10

- Reserved for areas not covered during course
- Review prior 9 weeks in preparation for final
Course Syllabus - ACC 570 - State and Local Tax

Week 11

• Final Exam