

10 CPE Hours

CHAPTER 1 - OVERVIEW

Using Tax-Basis Financial Statements for Engagement Profitability

CHAPTER 2 - SCOPE OF TAX-BASIS FINANCIAL STATEMENTS

- New Definition of Special Purpose Framework and Tax-Basis Financial Statements
- Definition of Tax-Basis of Accounting

CHAPTER 3 - ADVANTAGES AND DISADVANTAGES OF TAX-BASIS

- Choosing Between Tax-Basis Accrual and Cash-Basis Financial Statements
- When to Use Tax-Basis Financial Statements
- When Not to Use Tax-Basis Financial Statements
- The Move Toward the Tax-Basis Review Engagement

CHAPTER 4 - KEY DIFFERENCES BETWEEN TAX BASIS AND GAAP

- Deferred M-1 Items (Timing Differences)
- Permanent Differences
- Specific Differences- GAAP vs. Tax
- Revenue GAAP vs. Tax Gross Income- IRC 61
- Expense Differences- GAAP and Tax Basis
- Accounting Changes- Tax-Basis Financial Statements
- Deferred Income Taxes Eliminated in Tax-Basis Financial Statements
- Materiality Differences between GAAP and the IRC

CHAPTER 5 - FINANCIAL STATEMENT FORMATS

Rules for Presenting Tax-Basis Financial Statements

CHAPTER 6 - TAX-BASIS DISCLOSURES

• The Four Disclosures Required for Tax-Basis Financial Statements

CHAPTER 7 - TAX-BASIS REPORTS

- Preparation of Financial Statements Engagement- Tax Basis
- Compilation Engagement Report- Tax Basis
- Review Engagement Report- Tax Basis
- Audit Engagement Report- Tax Basis

CHAPTER 8 - CONVERTING TO TAX-BASIS FINANCIAL STATEMENT

CHAPTER 9 - UNUSUAL PRACTICE ISSUES - TAX-BASIS FINANCIAL STATEMENTS

- Tax-Basis Review Report with a Tax-Basis Departure
- Using the Tax Basis Based on a Method That Differs from the Income Tax
- Return
- Accounting for Carryovers in Tax-Basis Financial Statements
- Presentation of Tax-Basis Financial Statements- Disregarded Entities
- Presenting Insolvency in Tax-Basis Financial Statements
- Involuntary Conversions and Tax Basis
- Reporting on a Tax Return

CHAPTER 10 - OTHER SPECIAL PURPOSE FRAMEWORKS

- Cash-Basis of Accounting
- Preparation Engagement Report- Modified Cash Basis
- Compilation Engagement Report- Modified Cash Basis
- Regulatory Basis and Contractual Basis