ACC118

Forensic Accounting in Matrimonial Divorce Engagements - 8 Hours

**Objectives**

This book is intended to be a clear, concise, and informative reference to forensic accounting as a critical component within the process of matrimonial dissolution. In that it is likely that topics covered herein will be central components of some number of important impending engagements, this book is an essential part of every practitioner’s library. Moreover, beyond the usefulness of the broad array of relevant topics, it is hoped that this book inspires a mindset which is sharpened to the focus of the realities and passions inherent in marital dispute engagements.

**Course Outline**

**Chapter 1 - Fraud in Divorce**

After completing Chapter 1, you should comprehend the following:

- Basic Concepts - Fraud
- Financial Fraud in a Divorce - General
- Fraud Examination - General
- Conducting the Fraud Examination as Part of the Forensic Accounting Assignment
- Concluding the Fraud Examination

**Chapter 2 - Prenuptial Agreements: An Effective Tax and Financial Planning Tool**

After completing Chapter 2, you should comprehend the following:

- Description of a Prenuptial Agreement
- Advantages of Prenuptial Agreements
- Tax Consequences
Chapter 3 - Tax Issues Surrounding Children in Divorce

After completing Chapter 3, you should comprehend the following:

- Definition of Qualifying Child
- Dependency Exemption
- Head of Household Filing Status
- Medical Expense Deductions
- Child Tax Credit
- Dependent Care Credit
- Earned Income Credit
- Credits and Deductions for Higher Education Expenses

The Separation Anxiety of Marital Assets:

Chapter 4 - Preparation of the Marital Balance Sheet

After completing Chapter 4, you should comprehend the following:

- Case Analysis
- Supporting Documents

Chapter 5 - Strengths and Weaknesses of the Excess Earnings Business Valuation Method

After completing Chapter 5, you should comprehend the following:

- Valuation Methods -
- Capitalization of Income using a Build-up
- Discounting of Future Cash Flow
- The Market Approach
- The Excess Earnings Method

Chapter 6 - On the Fringe: Analyzing Perquisites

After completing Chapter 6, you should comprehend the following:

- Perquisites
- Taxable or Non-Taxable?

Chapter 7 - Judicial Decisions on Qualification and Entitlement to Relief from 'Joint and Several Liability'

After completing Chapter 7, you should comprehend the following:
• Relief from 'Joint and Several' Liability
• Form of Relief
• Tax Court Review and Jurisdiction
• Overview of Judicial Decisions

Chapter 8 - Retirement Planning for Divorce

After completing Chapter 8, you should comprehend the following:

• Defined Contribution Plan
• Defined Benefit Pension Plan
• Non-Qualified Plans
• Division of Retirement Plan Benefits
• Tax Considerations
• Valuation of Retirement Benefits
• Retirement Account Rollovers

Chapter 9 - Analysis of the Active and Passive Appreciation of Closely Held Businesses

After completing Chapter 9, you should comprehend the following:

• Methods used to Allocate Active and Passive Appreciation
• The Logical Argument
• The Inflation Argument
• Rate and Flow Method
• Econometric Method

Chapter 10 - Divorce Related Payments – the Alimony Recapture Trap

After completing Chapter 10, you should comprehend the following:

• Divorce-Related Payments
• Alimony Recapture
• Planning for Alimony and Other Payments

Chapter 11 - Financial Planning and Divorce

After completing Chapter 11, you should comprehend the following:

• Risk Tolerance
• Asset Allocation
• Retirement Plans
• Real Estate
• Life Insurance
• Coordination of Advice
• Long-Term Care Insurance
• Health Insurance
• Budgeting
• Estate Planning