



Wolters Kluwer

1040 Preparation and Planning 8: Adjustments to Gross Income (2024) Course Instructions

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Instructions to Participants

To assist the participant with navigating the learning process through to successful completion, this course has been produced with the following elements:

Overview of Topics / Table of Contents: In this electronic format you'll find a slide menu on the left side of the screen. This serves as your overview of topics for the program. You may navigate to any topic by clicking on the slide name.

Definition of Key Terms / Glossary: You'll find key terms defined for this program in the course information on the following page(s).

Index / Key Word Search: You can find information quickly in the PDF materials (slide handout plus any additional handouts) by using the search function built into your Adobe Reader.

Review Questions: Questions that test your understanding of the material are placed throughout the course. You'll see explanatory feedback pop up for each incorrect answer, and reinforcement feedback for the correct answer for every review question.

Final Exam: The final exam measures if you have gained the knowledge, skills, or abilities outlined in the learning objectives. You may submit your final exam at the end of the course. Exams are graded instantly. A minimum score of 70% is required to receive the certificate of completion. **You have one year from date of purchase to complete the course.**

Course Evaluation: Once you have successfully passed your online exam, please complete our online course evaluation. Your feedback helps Wolters Kluwer maintain its high quality standards!

About This Course

This section provides information that is important for understanding the course, such as course level and prerequisites. Please consider this information when filling out your evaluation after completing the course.

Publication Date: September 2023

Course Description

This two-hour CPE course, the eighth in the series, examines adjustments to gross income, including deductions that don't require itemizing; HSAs; IRA deductions; tax treatment of alimony, child support, and property settlements; and how to arrive at adjusted gross income.

Tax developments reflected in this course, including the Consolidated Appropriations Act, 2023 (including SECURE Act 2.0), the Inflation Reduction Act of 2022, and other tax legislation, IRS pronouncements, and court decision, are extensive. They impact 2023 tax year returns that will be filed during the 2024 filing season and refund opportunities for earlier years; as well as point the way to strategic planning in 2024 and beyond. This course brings the tax preparer "up-to-speed" in preparing 2023 tax returns for the 2024 filing season.

Learning Objectives

Upon successful completion of this course, participants should be able to:

- List deductions that can be claimed without itemizing
- Determine eligibility for a health savings account
- Identify IRA deductions
- Describe the difference in tax treatment between alimony for pre-2019 and post 2018 divorces, as well as child support and property settlements
- Identify how to calculate how to arrive at adjusted gross income
- Identify the deduction that is subtracted in the adjusted gross income section
- Identify up to what amount teachers and other educators can deduct of their out-of-pocket costs in 2023 for classroom materials as an above-the-line deduction
- Identify the schedule of Form 1040 and 1040-SR used to self-employment tax

NASBA Field of Study

Taxes. Some state boards may count credits under different categories—check with your state board for more information.

Course Level

Intermediate. Program knowledge level that builds on a basic program, most appropriate for CPAs with detailed knowledge in an area. Such persons are often at a mid-level within the organization, with operational and/or supervisory responsibilities.

Prerequisites

Understanding of the form 1040

Advance Preparation

None.

Course Expiration

AICPA and NASBA Standards require all Self-Study courses to be completed and the final exam submitted within 1 year from the date of purchase as shown on your invoice. No extensions are allowed under AICPA/NASBA rules.

Key Terms

- **Adjusted Gross Income:** Gross income minus adjustments to income.
- **Alimony:** Financial support that a person is ordered by a court to give to their spouse during separation or following divorce.
- **HSA:** (Health Savings Account) - A type of savings account designed to pay for out-of-pocket medical expenses.
- **Roth IRA:** An individual retirement account under United States law that is generally not taxed upon distribution, provided certain conditions are met.
- **SEP IRA:** A variation of the Individual Retirement Account used in the United States which is adopted by business owners to provide retirement benefits for themselves and their employees.
- **Small Employers:** A company having 100 or fewer eligible employees who received at least \$5,000 of compensation during the preceding year.