



Wolters Kluwer

# Audits of Cash Businesses

## Course Instructions

Author: Eric Green

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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:** May 2024

### Course Description

**Per the IRS Education Provider Standards this course must be COMPLETED by 12/31/2026 to receive credits. NOTE: Go to My Professional Profile in your CCH CPELink account settings to ensure your name, and PTIN number; matches your PTIN card**

When dealing with a cash business the issues surrounding the examination magnify. As of now, the IRS will delve into what was reported, but may have not been reported. This course will review what practitioners need to be considering when preparing for an examination of a cash intensive business.

### Learning Objectives

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

- Identify how the IRS delve's into what was reported or not reported
- Recognize what practitioners need to be considering when preparing for an examination of a cash intensive business
- Identify those industries the IRS views as cash intensive
- Recognize the various techniques utilized by the IRS to identify unreported income
- Identify an item that would be included on the cash received column when using a cash T-analysis

### NASBA Field of Study

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

### Course Level

Basic. Program knowledge level most beneficial to CPAs new to a skill or an attribute. These individuals are often at the staff or entry level in organizations, although such programs may also benefit a seasoned professional with limited exposure to the area.

### Prerequisites

None.

### 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

- **Form W-2:** An Internal Revenue Service tax form used in the United States to report wages paid to employees and the taxes withheld from them.
- **GAO:** Government Accountability Office - A U.S. government department that examines how public money is spent and how well government programs are working.
- **Safe Harbor:** A provision of a statute or a regulation that specifies that certain conduct will be deemed not to violate a given rule.
- **Skimming:** Slang for taking cash "off the top" of the daily receipts of a business (or from any cash transaction involving a third interested party) and officially reporting a lower total.
- **QuickBooks:** An accounting software package developed and marketed by Intuit. QuickBooks products are geared mainly toward small and medium-sized businesses and offer on-premises accounting applications as well as cloud-based versions that accept business payments, manage and pay bills, and payroll functions.
- **Zapper:** A software program that falsifies the electronic records of point-of-sale systems for the purpose of tax evasion.