

Cost Capitalization A-Z (CCAZ)

Course Overview

Cost capitalization has undergone major changes in recent years and impacts every client in a CPA's practice and every industry accountant. This course explores the new repair regulations (effective Jan. 1, 2014), which include several taxpayer friendly safe harbors. These regulations cover the handling of materials and supplies, de minimis expensing and repairs versus improvements. Learn how to implement these rules by filing new annual elections or applying accounting method changes using Form 3115. Plus, investigate issues related to the computation of the IRC 263A adjustment required for all businesses with inventory. Following this course, you'll be the office expert on this complex and critical area of the law.

Objectives

- Identify new repair regulations.
- Recognize new exceptions that govern materials and supplies and de minimis expensing.
- Determine the difference between capitalized costs and deductible repairs.
- Identify the intricacies of an IRC 263A (inventory cost capitalization) computations and adjustment.
- Recall how inventory cost capitalization rules interact with new repair regulations.
- Identify how new repair regulations will be applied on the California income tax return.
- Determine when the change is made by an election versus a change of accounting method.

Major Topics

- New repair regulations issued by IRS under IRC 263, IRC 162 and IRC 168
- Review and update of regulations on inventory cost capitalization under IRC 263A

Field of Interest Code: Taxes

CPE Hours: 8.00 | **CTEC-Fed:** 8.00 | **IRS-TX:** 8.00 | **MCLE:** 6.50

Level: Intermediate

Designed for:

CPAs and corporate accountants responsible for inventory and fixed asset accounting in specialized industries.

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