



Blue Sky Corporation: A Corporate Tax Provision Case



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Key Words/Concepts:

- ✓ Accounting for Income Taxes
- ✓ Provision for Income Tax Expense
- ✓ ASC 740 Balance Sheet Approach
- ✓ Tax Footnote Disclosures

Goals:

1. *Provide* a comprehensive, realistic experience of the computational, reporting, and disclosure requirements associated with the year-end tax provision process;
2. *Help* students understand the complex interaction of financial (GAAP) and tax accounting

Holistic Perspective.

This tax case guides students through the process of preparing a **year-end tax provision** and **tax footnote disclosures** for Blue Sky Corporation, a hypothetical publicly traded corporation.

Adaptable. This case is designed and adaptable for use in both **undergraduate** and **graduate tax courses**.

Customizable. Materials are presented in a format that **allows instructors to vary rigor** according to depth of student understanding.

Result & Benefit:

Assigned successfully several semesters in both under-graduate (face-to-face delivery) and graduate (hybrid or online delivery) classes.

Student surveys indicate a substantial improvement in student confidence and knowledge of subject matter

About the Author

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