Southern New Hampshire University

TAX 655 Milestone One Guidelines and Rubric

You will submit a draft of your recommendation for the business entity that you believe will meet the client's needs, based on your research. You will also select the accounting method that should be used to interpret the business transactions and for tax reporting. You will also summarize the tax law pertaining to the entity selected. This assignment will address Section I, Parts A, B, and C of the critical elements of the final project.

Specifically, the following **critical elements** must be addressed:

I. **Memorandum**
   A. Use logical reasoning based on your tax research to explain why the client should choose your recommended **business entity**. Consider referencing appropriate tax code and regulations.
   B. Defend your business entity recommendation by describing the **accounting method**. Consider the advantages and disadvantages of the business entity based on the following:
      1. Cash basis vs. accrual
      2. The cost to prep the returns
      3. The tax benefits
      4. The limited liability protection
      5. Employee benefits
   C. Interpret the **tax law** pertaining to the type of business recommended and justify your recommendation using details consistent with tax law, code, and regulations.

Guidelines for Submission: Your paper must be submitted as a 1–2-page Microsoft Word document with double spacing, 12-point Times New Roman font, one-inch margins, and at least three sources cited in APA format.

Critical Elements	Proficient (100%)	Needs Improvement (75%)	Not Evident (0%)	Value
Memo: Business Entity	Explains why the recommended entity is the most appropriate choice using logical reasoning	Explains why the recommended entity is the most appropriate choice but details either lack relevance or are cursory	Does not explain why the recommended entity is the most appropriate choice	25
Memo: Accounting Method	Defends the decision to choose the recommended entity by describing the accounting method	Defends the decision to choose the recommended entity but details are inaccurate or cursory	Does not defend the decision to choose the recommended entity	25
Memo: Tax Law	Interprets tax law pertaining to the selected business entity using tax law, code, and regulations as justification	Interprets and justifies tax law pertaining to the selected business entity but details are either inaccurate or irrelevant	Does not interpret and justify tax law pertaining to the selected business entity	25

Articulation of Response	Submission has no major errors related to citations, grammar, spelling, syntax, or organization	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas	25
			Total	**100%**