

ACC 413: LAW FOR THE ACCOUNTANT
UNIVERSITY OF HAWAII – MĀNOA
CRN 85757 📖 SPRING 2025

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Email (preferred): thane.messinger@hawaii.edu; if you have a time-sensitive question or issue, you may also *cc* me at thane@post.harvard.edu.
Class Meetings: Tuesday evenings, 6:00 p.m. to 8:45 p.m., in Bus Ad. Rm D101.
Office Hours: Zoom or office before or after class, Wednesdays and Fridays 9:30 to 10:00 a.m. and noon to 12:30 p.m., or by appointment. I am often in; you are welcome to drop by, though making an appointment is recommended.
Academic Credit: This course may be taken for either undergraduate or graduate credit. We will discuss in class the key difference, and you may and should contact your academic advisor to confirm which is best for you.
Text: Gleim, I. (2025). 2023 Gleim CPA Review REG (Gleim Publ.), FL: Gainesville.

COURSE OBJECTIVES

An intensive study of areas of law of importance to accountants. Particular attention is given to principles of law relating to contracts, sales, commercial paper, secured transactions, property, legal entities, agency, securities, and accountant's legal liability. Pre: BLAW 200 or consent. Three credits.

SPECIAL NOTE: A WEALTH OF MATERIAL

You should take advantage of the many resources available to you at the University. Among these, you should read *The Wall Street Journal* each day, along with at least one weekly/biweekly business magazine such as *Forbes* or *The Economist*. It is fine to read these via online library resources, of course, and to use news aggregators. Consider also professional journals of special use in accounting, such as journals in your area of interest (such as forensic accounting) or industry—or in what you *hope* to do.

Why is this important? How is a CEO or CFO able to (1) walk into any room, and (2) engage in a meaningful conversation with (3) any audience, about (4) any subject, at (5) any level, whether investors or Wall Street financiers—or shop foreman concerned about production issues and Six-Sigma rejection rates (and the cost accountants hassling them for the numbers)?

How can they do this? In part, it is because they have built a wealth of knowledge over a period of years. Reading a business resource for even a few years, and not only will you know “stuff,” you will gain the ability to connect those business, accounting and financial, economic, and general ideas. In other words, the complex relationships among accounting, commercial, regulatory, engineering, and many other factors become plain if you exercise your mind in this way.

You will also start thinking like your boss, which means you have moved one step closer to your next promotion.

The good news is that this can and should be fun. Choose articles of interest *to you*. Choose industries, and seek out information on that industry. It doesn't matter which industry is of interest, only that you *have* an interest!

THE MANY REALMS OF LAW FOR ACCOUNTING

This course will focus in the following, drawing from and going beyond the discussions from BLAW 200:

- Contracts
- Sales (UCC Article 2)
- Commercial Paper (UCC Article 3)
- Secured Transactions (UCC Article 9)
- Bankruptcy
- Debtor/Creditor Relations
- Agency
- Partnerships (Joint Ventures)
- Corporations
- Federal Securities Laws
- Accountant's Professional Responsibilities and Legal Liabilities
- Regulation of Employment and Environment
- Antitrust Laws
- Insurance
- Trusts & Estates
- Civil tax penalties

Whew! Keep in mind that each of these is a full legal area on which we could spend nearly the entire semester—and on which you might focus as you enter practice. Our purpose is *an understanding*; in practice will you truly focus.

We will focus on (1) a survey of numerous topics and (2) a strategic in-depth review of the most important topics, described in the schedule, below. This is a substantial volume of material, to be sure, but...that does not mean it cannot be fun.

This course is envisioned as a boost to your taking of the REG section of the CPA exam. In this, it is not merely preparatory but also one of the best deals available. Please let me know if you would like to tie this course in with taking the REG section; we can custom-design components to maximize its benefits to you.

We will focus primarily on importance and application, not on rote memorization of masses of information (tedious, stressful, and not all that important for your future *accounting* success). Here, you may draw upon those legal points *you* find most interesting, and share and apply those points for all. Focus on what is of greatest interest to you, and the overall learning is greater learning with less individual effort.

While our calendar is quite full, we will focus on what is most important, but the reality is that these chapters represent the merest tip of the jurisprudential iceberg. It is quite literally true that books (if not shelves of books) and dozens if not hundreds of cases and thousands of tax regulations have been written about nearly every paragraph in the text. This should illustrate how important is an understanding of legal principles to any accounting professional.

SAYS WHO

Thane practiced corporate law with Kiefer, Oshima, Chun, Fong & Chung in Honolulu, later accepting a position as Court Counsel to the Kosrae Supreme Court. (Kosrae, about 2,000 miles west-southwest of Hawaii, is one of the four states of the Federated States of Micronesia.) He also served as Special Counsel to the Kosrae Constitutional Convention, held for two months in 1995. While in Micronesia, Thane taught two courses, Entrepreneurship and Financial Management, at the College of Micronesia. In addition, he wrote *The Young Lawyer's Jungle Book: A Survival Guide*, a law-practice guide for new attorneys.

Farther back, his family delved into construction (home renovations, mostly) starting when he was 13. Thane learned the joys of plumbing, carpentry, cement mixing, ditch-digging, manure-shoveling, you name it. He was involved in entrepreneurial ventures from the age of 15 on, and later held a number of managerial positions, including one with responsibility for some 225 professionals and 65 staff. In that capacity, he supervised and worked closely with the finance department, responsible for receivables, payables, budgeting, and all other areas of financial importance. He has, more recently, been active in private equity, which draws upon extensive reviews of financial data.

On the academic front, an M.B.A. from Texas State University in San Marcos was followed by a J.D. (Doctor of Jurisprudence) from the University of Texas at Austin, where he served as an editor for the *Texas Law Review*. Somewhere in the midst of these goings-on, he studied at Mansfield College, Oxford University; at Tunghai University (in Taiwan); and at Harvard Law School (somewhere in the Nor'east). In 2007, he earned a third graduate degree, focusing his thesis in governance, from Harvard University.

In addition to the University of Hawai'i at Mānoa's Shidler School of Business (where he also teaches with the Vietnam Executive MBA Program). Thane has taught at University of Texas at Austin, the University of Hawai'i at West O'ahu, the College of Micronesia, and Park University. He is published widely in legal education.

Thane has worked with accountants and finance professionals in a variety of professional, executive, and investor capacities. He conferred with Robert Prentice of the University of Texas at Austin and co-author of Wiley's *CPAexcel* text.

CLASS EXPECTATIONS

This is a course in which ethics and numerous topics within business law are a continued focus in light of the needs of accounting professionals. A variety of instructional methods will be used, including lecture, group discussions, experiential exercises, case discussions, and films or video clips.

You will be expected to have done all readings prior to class: this is essential to getting the most out of class discussions for you and for your colleagues. You are also expected to participate in class discussions. There may also be team exercises, case studies, self-assessments, readings, and other projects.

For confidentiality among your colleagues, recording of any kind is not allowed.

Class attendance is required, and punctuality is important. *The following can affect your final grade:* (1) excessive absences; (2) lack of punctuality or other disruption; (3) a lack of consideration for your classroom colleagues; (4) inattention, including use of technology for other than course content; or (5) lack of teamwork in team project(s).

ACADEMIC DISHONESTY is a serious matter, taken seriously by the academic administration. If you have any questions, please see the Student Code of Conduct in the UH-Manoa website, or contact me.

COURSE REQUIREMENTS

This course seeks an *active engagement*. I encourage you to find ways to make this interesting...to *you*. You may choose topics of greatest interest to you, and you may and should bring your experiences and expertise into the class.

Quizzes. The quizzes are open book, open note. Each quiz is dated: *please refer to the date ranges* below.

I urge you to take the quiz early. This carries multiple benefits, which we will discuss in class. As an encouragement, you will earn extra credit for consistent completion of quizzes on Monday-Tuesday before class.

While quizzes (as opposed to a mid-term) might seem an added or even onerous burden, there are several advantages with quizzes: (1) learning in the course is broader and deeper; (2) the benefits of pacing in all areas of professional advancement are profound; (3) the quizzes are relatively bite-sized, both in intensity and point weighting, and reward specific knowledge rather than pedagogical surprise; (4) cramming is relatively ineffective and is a very, *very* bad habit; and (5) these will allow us to eliminate a mid-term exam (or two mid-term exams), so that we can focus on substantive topics and, yes, more fun.

If all quizzes are taken, I will omit the lowest quiz score.

Participation. Healthy in-class participation is encouraged, and rewarded. Please don't feel the need, however, simply to *talk*. Rather, a single insight on occasion will be highly valued; a number of comments, as appropriate, are also rewarded.

As we will discuss in class, however, the point is for us all to share a wide variety of academic points. Be careful not to succumb to the “gunner” mentality of responding to every point. This is not merely for us in the course: this is another bad habit in a professional career. So, a balance of insightful comments and *active* listening (which we will also discuss) is preferable.

The participation grade is a combination of attendance and your *qualitative* contributions and behavior in class.

Individual Project. We will, together, prepare an analysis of a specific legal issue of importance in accounting, which we will discuss and narrow early in the course. I will provide additional information as we narrow these topics. We will, among other things, focus in on topics of interest to you, and share this among your colleagues in class. This is 49% of the research battle. Moreover, we will focus on topics that will draw on knowledge you already have, so that your research will broaden and strengthen that knowledge.

Please note that there are multiple deadlines, specified in the calendar below: (1) a research outline (preliminary and graded); (2) a draft (graded); and (3) the final project. We can discuss in class the benefits of each of these deadlines.

You will present your findings to include any audio-visual tool such as PowerPoint or Prezi. We will discuss formatting, citations, and the like. This is not intended to be stressful, but instead to be helpful to your future professional career. We will also discuss ways to accomplish this with manageable levels of stress.

Graduate Students. For those taking this course for graduate credit, the requirements for the research paper are heightened. Please refer to the supplementary instructions.

Mid-Term Exam(s). None.

Final Exam. A simulated CPA-Regulations practice exam, accessed via the publisher’s site, is used.

Extra Credit. We will discuss multiple options for extra credit.

Mid-Term Exam. Did I mention no mid-term?

FILE-NAME PROTOCOL

Consider creating a logical naming protocol for each paper in each course of your program, saved in folders for each course. That way, you will have an easily-retrieved archive, and a better file name for others. For this course, please use the following naming protocol:

[Your last name and first initial or team name], course, [paper], date

Examples:

SmithA, ACC 413, Extra Credit, 01Jan20xx

Team Humble, ACC 413, Preliminary Draft, 02Feb20xx

CLASSROOM PROTOCOL

Consider the following, for this course and for others:

1. Academic honesty is an assumption.
 - a. We will discuss in Contract Law what happens when, in law, an assumption is negated.
2. If you are a student with a disability, you are encouraged to contact the Kokua Program (956-7511) on the ground floor of the new Student Services Center.
3. This course is designed to maximize your learning with the least wasted effort:

- a. You will have flexibility in a number of ways.
- b. With that flexibility comes additional responsibility: primarily, to use the power well.
4. There is no time when you should be dependent upon an electronic fix.
 - a. The legal and many accounting doctrines we will be discussing were developed prior to artificial light, much less, texting.
 - b. Consider the *knowledge* and *logic* behind each rule, and reconsider the (questionable) value of “the immediate.”
 - c. It is fine (and fun!) to critique a rule, but simply jeering is hardly better.
5. To reiterate:
 - a. If the Pope needs to talk with you, he can leave a message.
 - b. If you’re needed in surgery, please excuse yourself from class to save the patient, and please check with your staff about future scheduling.
 - c. If the President has you on call for contingency global-crisis intervention, please let the White House know you’ll be unavailable during class.
6. Participation is encouraged...and fun.
 - a. “Talking” is not necessary for participation, but attitude is.
 - b. Collegial discussion is encouraged.
 - i. But...use class time to practice formal thinking and speaking.
 - ii. In those courses with written papers, use professors’ perspectives and advice to build a stronger formal command of English.
 - iii. Use that command to succeed.
7. A legal disclaimer: we will discuss many laws, but this is not “legal advice” for a specific issue or problem; we will discuss why that is an important distinction in legal representation.
8. Get ready to be blown away:
 - a. Class time is not “to learn.” [!]
 - b. Class time is *to understand what you have already learned.*
 - c. You should have read the chapter—usually a short set of sections—prior to class. Better still is that plus completing the quiz for that week. Then...done!
 - d. This is essential to take discussions to a collegiate level. Failing this, I reserve the right to accelerate the due dates for the quizzes, due prior to class.

GRADING

100 points total:

Quizzes		30
Participation (discussions, both synchronous and asynchronous)		25
Legal Research Project		
Research Outline (draft)	2	
Research Outline (final)	3	
Draft	5	
Team Collaboration and Evaluation	5	
Final Project and Presentation	10	25
Final Exam (simulated CPA practice exam)		20
Total		<u>100</u>

Extra Credit

Extra-credit assignment (second CPA practice exam)

up to 110

Grades will be determined by percentage:

A+ for *exceptional* work not measured solely by points but almost always at the upper reaches of 99%–100%+

A	=	95–100%	C	=	74–76.9%
A-	=	90–94.9%	C-	=	70–73.9%
B+	=	87–89.9%	D+	=	67–69.9%
B	=	84–86.9%	D	=	64–66.9%
B-	=	80–83.9%	D-	=	60–63.9%
C+	=	77–79.9%	F	=	< 60%

“I” grades are strongly discouraged, for multiple reasons. *The final grade may be adjusted by exceptional work, or by chronic negative issues.*

A motto is useful with regard to the highest grades: “An *A* means *worthy of emulation.*”

This is a useful definition of “A”-quality work, and is if anything truer than a purely quantitative summation. In other words, is the work sufficiently good that it could be an example for others? If you adopt this as your own guide, your career will reach twice its height.

NOTA BENE

I encourage you to print the syllabus for each of your courses. You should read each part of the syllabus—boilerplate as well as content-specifics—and you should refer to the schedule *each week*. This single habit will increase your GPA by at least one-half letter grade, and will decrease your stress by at least 27.75%

Keep the weekly schedule at the top of a folder or binder—or on an electronic device of your choice—and refer to that *at the beginning of each week*, meaning Sunday, for each course. Three minutes will save time, reduce stress, improve grades, and add a minimum of 12.25 years to your life.

Okay, just three of those are true.

Finally, did I happen to mention: no mid-term exam. I did? Excellent.

COURSE SCHEDULE

Week	Date	Day	Discussion	Points
Part I			LAW FOR THE ACCOUNTANT: AN INTRODUCTION	
1	01/14/2025	Tuesday	Administrivia Course Specifics, Approaches, and Tips Ethics & Professional Responsibility in Accounting Practice Introduce Research Project & Online Discussions	
	01/19/2025	Sunday 11:59 p.m.	Quiz 1 (online, due with each set of discussions)	
	01/20/2025	Monday	Martin Luther King, Jr. Day (no classes; no impact)	
	01/21/2025	Tuesday	Multiple registration deadlines; check with advisor/ OSAS if uncertain	
Part II			BUSINESS LAW	
2	01/21/2025	Tuesday	Licensing & Disciplinary Systems Federal Tax Procedures Online Discussions	
	01/26/2025	Sunday 11:59 p.m.	Quiz 2 (online)	
	01/26/2025	Sunday 11:59 p.m.	Research Project Initial submission of preferred topic(s)	
3	01/28/2025	Tuesday	Government Regulation of Business Business Structure Online Discussions	
	02/02/2025	Sunday 11:59 p.m.	Quiz 3 (online)	
	02/02/2025	Sunday 11:59 p.m.	Research Project Confirmation of preferred topic(s)	
4	02/04/2025	Tuesday	Contract Law Online Discussions	
	02/09/2025	Sunday 11:59 p.m.	Quiz 4 (online)	
5	02/11/2025	Tuesday	Agency Law Legal Duties and Responsibilities Online Discussions	
	February 14		Valentine's Day (no impact...but don't forget! = :)	
	02/16/2025	Sunday 11:59 p.m.	Module 5 Quiz (online)	
	02/16/2025	Sunday 11:59 p.m.	Research Project Research Outline Due (draft)	

	02/17/2025 February 12 February 22	Monday	Presidents' Day (no classes; no impact in ACC 413) Abraham Lincoln's birthday (no longer celebrated) George Washington's birthday (no longer celebrated)
6	02/18/2025	Tuesday	Debtor-Creditor Relationships UCC Art. 9 Secured Transactions Online Discussions
	02/23/2025	Sunday 11:59 p.m.	Module 6 Quiz (online)
Part III			FEDERAL TAXATION
7	02/25/2025	Tuesday	Basis of Assets Cost Recovery Online Discussions
	03/02/2025	Sunday 11:59 p.m.	Module 7 Quiz (online)
	03/02/2025	Sunday 11:59 p.m.	Research Project Research Outline Due (final)
8	03/04/2025	Tuesday	Gross Income Exclusions Confirm for Individual Discussions, Research Project No Online Discussions
	03/09/2025	Sunday 11:59 p.m.	Module 8 Quiz (online)
9	03/11/2025	Tuesday	General Business Earnings Employment Taxes
	03/30/2025	Sunday 11:59 p.m.	Module 9 Quiz (online)
	Mon 03/17/2025 – Fri 03/21/2025		Spring Break! [Cheering?!]
10	03/25/2025	Tuesday	Individual Discussions, Research Project (Zoom, by appointment) No online discussions this week No quiz this week
	Mon 03/26/2022		Kuhio Day (no classes; no impact in online week)
	03/30/2025	Sunday 11:59 p.m.	Research Project Research Project Due (draft)
11	04/01/2025	Tuesday	Federal Taxation of Individuals Online Discussions
	04/06/2025	Sunday 11:59 p.m.	Module 11 Quiz (online)

12	04/08/2025	Tuesday	C Corporations Online Discussions
	04/13/2025	Sunday 11:59 p.m.	Module 12 Quiz (online)
13	04/15/2025	Tuesday	Flow-Through Entities & Book-to-Tax Differences Online Discussions
	04/27/2025	Sunday 11:59 p.m.	Module 13 Quiz (online) No online discussions this week No quiz this week
	Fri 04/18/2025		Good Friday (no classes; no impact in ACC 413)
14	04/22/2025	Tuesday	Individual Discussions, Research Project (by appointment, optional) Presentations (initial)
			No online discussions this week No quiz this week
	04/21/2025	Sunday 11:59 p.m.	Research Project Research Project Due (final)
	04/21/2025	Sunday 11:59 p.m.	Extra-credit assignment(s) due for full credit 50% credit thereafter
15	04/29/2025	Tuesday	Ethics and the Role of the Accountant Presentations (continued)
15	05/06/2025	Tuesday	Concluding Discussions Presentations (concluding)
	05/01/2025	Wednesday 11:59 p.m.	Research Project Team Evaluation Due (see <i>Resources</i>)
	05/01/2025	Wednesday 11:59 p.m.	All Deliverables Due
	05/02/2025– 05/03/2025		Study Days (no classes) Consider practice exam for extra credit <i>and</i> study
	05/07/2025– 05/16/2025		Practice exam for up to 10 pts extra credit <i>and</i> study

FINAL EXAM

Mon 05/12/2025 – **Fri** 05/16/2025 **Hard deadline for final exam and *all* deliverables:**
Friday 05/16/2025, at 11:59 p.m. HST

Note: Changes may be made in the course content and/or schedule to facilitate learning, with best efforts to enhance the learning outcome.