

# CORPORATE TAXATION

FALL SEMESTER 2012

PROFESSOR WILLIAM STRENG

1. **Purpose of this Syllabus.** The purpose of the syllabus is provide details concerning the requirements applicable to this course, including the schedule for class sessions, examination policies, professor availability, and similar matters.
  
2. **Course Objective.** This course will involve the comprehensive examination of the federal income tax laws applicable to corporations and their shareholders. Topics to be covered will include:
  - a) The formation of corporations and the transfers of assets to controlled corporations;
  - b) The capital structure of a corporation, including debt and equity;
  - c) Distributions from a corporation (e.g., dividends, stock redemptions & liquidations);
  - d) Special types of corporations (e.g., S tax option corporation);
  - e) Corporate stock and asset sales;
  - f) Tax-free corporate reorganizations, mergers and other restructurings.

The objective of this class is to consider both (1) the technical federal income tax rules, and (2) the underlying fundamental tax policy objectives of the federal corporate income tax rules. Where appropriate emphasis is focused on current corporate structuring transactions and related federal tax planning.

3. **Class sessions.** This class will meet on Tuesday & Thursday at 7:30PM (until 8:45PM). Consistent with university policy, a minimum of 80 percent attendance is required for each student. An attendance list will be circulated at each class session. Those individuals not satisfying the attendance requirement will be reported to UH Law Center administrative officials for appropriate action.

4. **Required materials for this course:**

- a) Schwarz & Lathrope, "Fundamentals of Corporate Taxation--Cases and Materials," Foundation Press (Eighth Edition, 2012). Since this book has been published during Summer 2012 no used book market exists for this volume. Students are strongly discouraged from trying to use a prior edition (e.g., the 7<sup>th</sup> edition) for this class.

b) A current volume of the Internal Revenue Code or a “Selected Sections” Code edition containing the corporate income tax provisions. During class sessions specific references will be made by the Professor to the page numbers for various Code provisions as included in the following tax code volume: CCH “2012-2013 Edition - Federal Income Tax - Code and Regulations - Selected Sections.” This volume should be available at the bookstore. Note that this CCH Code and Regulations volume also has a CD-ROM included (in the back pocket) to enable the student to download this entire volume to a computer, if desired.

c) Additional supplemental materials will be provided at various times (& posted to Professor Streng’s website).

**5. Grade and examination.** The grade in this course will be entirely dependent upon an essay format examination. Shortly after the beginning of the semester a copy of the examination in Mr. Streng’s prior (2011) corporate tax class will be provided for your information. A take-home exam was administered for Fall Semester 2011 and, subject to further class discussion, is anticipated to be the examination format for the Fall Semester 2012 class.

**6. Class schedule and discussion.** The material to be covered during the anticipated 28 class sessions will be in the order as presented in the Schwarz & Lathrope casebook, subject to the following: Chapters in this casebook not to be covered during this course will probably be Chapters 12, 13 and 14. Chapter 10 will also quite possibly not be covered. Chapter 15 (concerning “S” (or “tax opton”) corporations) will be covered at the end of the semester during the last two (or more) class sessions.

During the class sessions substantial attention will be devoted to examining the problems presented by the casebook authors in each segment in the casebook. **Students should prepare their own answers to these problems in preparation for the discussions during the class sessions.**

Powerpoint slide presentations will be used during the Fall Semester 2012 corporate tax class sessions to facilitate the class sessions. These slides will be posted at the

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following Internet site:

**[www.law.uh.edu/faculty/wstreng/homepage/tax presentations](http://www.law.uh.edu/faculty/wstreng/homepage/tax_presentations)**

Students should note that presently posted at this website are powerpoint slides based on the prior Lind, et.al. casebook, Seventh Edition, as used in prior Corporate Tax classes. These currently posted slides will be replaced (with modifications) during the Fall Semester 2012 as the class proceeds through the class sessions. As modified, the replacement slides will be posted to this website promptly after their revision and the completion of the relevant discussion of a particular chapter during class sessions. The revised slides will not be posted prior to that time.

**7. Use of Personal Computers.** The permitted use of personal computers in the classroom is **solely** for the purposes of (i) reviewing class preparation notes and taking notes during class, and (ii) for viewing the Corporate Taxation Powerpoint slides. Specifically excluded from in-class computer usage is anything beyond these usages, e.g., “surfing the web” and text messaging are not appropriate uses. Your nonparticipation in the classroom discussion which is attributable to your diversionary uses of the personal computer during the class session means that you are absent from the class. You are then not eligible to be counted as present on the attendance sheet and are subject to appropriate action as the professor may determine in his discretion. Further, you are also encouraged not to use your computer merely to enable you to primarily record the class discussion.

**8. Questions to professor.** Professor Streng can be contacted as follows:

Room 226, Bates Law Building (TU-I)

UHLC Telephone: 713-743-2148

UHLC Email: WStreng@uh.edu

Office hours: Wednesday and Thursday, 10:30AM to 12 noon, or by appointment.

## **Corporate Taxation Suggested Additional Reading Materials**

1. Bittker & Eustice, "Federal Income Taxation of Corporations and Shareholders," Seventh Edition, Warren, Gorham & Lamont (2000), with supplements.
2. Bittker, Emory & Streng, "Federal Income Taxation of Corporations and Shareholders - Forms " Fourth Edition, Warren, Gorham & Lamont (1995, with revised chapters and tri-annual supplements).
3. Block, "Corporate Taxation - Examples & Explanations," Aspen Law & Business, Fourth Edition (2010).
4. Burke, "Federal Income Taxation of Corporations and Shareholders in a Nutshell," Fifth Edition, West Publishing Co. (2003).
5. Kahn, Kahn, Perris & Lehman, "Corporate Income Taxation," Sixth Edition, West (2009)
6. Kahn, Kahn & Perris, "Principles of Corporate Taxation," West (2010).
7. Lederman, "Understanding Corporate Taxation," Second Edition, LexisNexis (2006).
8. Schwarz & Lathrope, "Corporate and Partnership Taxation," Sixth Edition, West Publishing Co. (Black Letter Series) (2008).

See also the UH Law Library Guide to Federal Tax Research (as prepared by Chris Dykes of the UH Law Library staff) which is located at the following website:

**[http://www.law.uh.edu/libraries/ResearchResources/LegalResearchGuides/Federal Tax Law Research Guide](http://www.law.uh.edu/libraries/ResearchResources/LegalResearchGuides/FederalTaxLawResearchGuide)**

This guide identifies both printed materials in the UH Law Library and electronic resources (Checkpoint, Lexis-Nexis, BNA Tax and Accounting Center - Tax Management Portfolios, Westlaw and Tax Analysts Web Services).