

UNIVERSITY OF HOUSTON LAW CENTER

BANKRUPTCY TAX

Professor Paul H. Asofsky

2013 Fall Syllabus

- Class 1.** Overview of Course; Intersection of Tax and Bankruptcy
- Class 2.** Trust fund taxes: Prefiling considerations
- Class 3.** Individual Bankruptcy; Distinction Among Chapters 7, 11, and 13; Discharge of Individual Tax Debts
- Class 4.** Finish discussion of discharge of individual tax debts if necessary; Corporate Bankruptcy; Debtor's Income and Deductions
- Class 5.** Priority of Tax Debts, Interest and Penalties; Payment of Taxes During Bankruptcy
- Class 6.** Federal Income Tax Consequences of Debt Modification; Determination of Issue Price
- Class 7.** Income From Cancellation of Debt ("COD"); Definitional Aspects
- Class 8.** COD, continued: Purchase Price Reduction; Contested Liabilities, Net Increase in Assets Required; Bankruptcy and Insolvency
- Class 9.** Attribute Reduction for Bankrupt and Insolvent Debtors
- Class 10.** Bankruptcy Reorganization Structures—G Reorganizations, Recapitalizations, Basis Step Up Transactions
- Class 11.** Section 382 - Overview and Policy Considerations; Ownership Change Defined
- Class 12.** Section 382 - Annual Limitation on use of NOLs; Section 382(l)(6) Bankruptcy Relief
- Class 13.** Plan and Disclosure Statement; Deferred Payment of Priority Taxes
- Class 14.** Section 382(l)(5) Bankruptcy Relief; Stock and/or Claims Trading Orders; Comparison of Sections 382(l)(5) and 382(l)(6)

Students will be expected to acquire (1) Thompson West, Bankruptcy Code, Rules and Official Forms, 2013 Law Student Edition and (2) Bureau of National Affairs Tax Management Portfolio

#790, Corporate Bankruptcy. I will assume that each student already has a relatively recent edition of the Internal Revenue Code and the Income Tax Regulations. To the extent that there have been legislation enacted or regulations promulgated since December 31, 2011 that are the subject of an assignment, the updated material will be supplied.

Concepts will be developed through class interaction. Attendance in class and preparation are essential. Participation in discussion is expected, but there will be no credit or demerit for quality of class participation or lack thereof.

The final exam will be three hours. One half will consist of multiple choice questions and one-half will be an essay or a series of questions requiring the student to write something.

There are no prerequisites for this course other than basic Federal income tax. However, students not having taken corporate tax or who are not taking it simultaneously may need to put in some extra effort. You need not have taken a bankruptcy course. I will try to give you the Bankruptcy Code learning that you need in order to appreciate the interplay of the two disciplines.

Paul H. Asofsky