

Professor Bret Wells

**Law Center
University of Houston**

Corporate Income Taxation

Syllabus

Spring Semester 2015

CORPORATE INCOME TAX

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Professor Wells

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. Required materials for this course:
 - a. Schwarz & Lathrope, "Fundamentals of Corporate Taxation--Cases and Materials," Foundation Press (Eighth Edition, 2012). ISBN: 978-1-60930-068-5. Students are strongly discouraged from trying to use a prior edition (e.g., the 7th edition) for this class.
 - b. Federal Income Tax Code and Regulations Selected Sections 2013-2014 (with accompanying CD-ROM) Author: Martin B. Dickinson Edition: 2013-2014 Edition Year: 2014. ISBN: 978-0-80803-805-4. Publisher: CCH (Commerce Clearing House) Students must have the actual paper copy of this statute book for class discussion.
 - c. Additional supplemental materials will be provided at various times and will be made available on my website at <http://www.law.uh.edu/faculty/bwells>.
3. 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 corporations);
 - 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.

4. Class sessions: This class will meet on Monday & Wednesday at 1:00 p.m. to 2:30 p.m. 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 to be dropped from the course. There are no scheduled make-up classes at this time, but up to two make-up sessions are possible for this course.
5. Class session coverage, focus & discussion. The material to be covered during the anticipated 27 class sessions will be in the order as presented in the attached Reading Assignment sheet. You should be prepared to discuss the reading assignment where we left off in the prior class and then be prepared to discuss the next succeeding reading assignment set forth in the Reading Assignment sheet. 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.
6. Powerpoint Slides. Professor Wells will regularly use Powerpoint slide presentations in class. These slides will be available after completion of the particular chapter at www.law.uh.edu/faculty/bwells.
7. Personal Computers. The permitted use of personal computers in the classroom is **solely** for the purposes of (i) reviewing preparation notes and (ii) taking notes during class. Specifically **excluded** from in-class computer usage is anything beyond these activities, e.g., “surfing the web” and messaging. Nonparticipation due to diversionary uses of your personal computer constitutes an absence from the class. In the event this occurs, you are not eligible to sign the attendance sheet and are subject to appropriate action as the professor may determine in his sole discretion.
8. Grading for the course:
 - a) Final Examination. The grade in this course will be entirely dependent upon the final examination (except note ¶8(b) below). Course materials will be permitted in the examination room but will be limited to: (i) the student's casebook, (ii) the CCH code and regulations volume, (iv) this syllabus, (iv) any course supplemental materials handed-out during class (as provided during the semester), and (v) student prepared outlines. Not permitted in the examination room are commercially prepared materials and outlines (including but not limited to the reading materials referenced in ¶10 below).
 - b) Impact of Class Participation. Class participation is expected in this class.

Significant class participation may positively impact your grade.

9. Questions to professor. Student discussion in the professor's office is welcomed and encouraged. Office hours are Monday through Wednesday from 9:00 a.m. to 11:30 a.m., or as otherwise arranged. Please contact Professor Wells at Room 124 (TU-II), or by telephone at 713-743-2502, or by email at: bwells@central.uh.edu.
10. Corporate Taxation Suggested Additional Reading Materials. A significant body of external resources are available for this course. A partial listing of potential supplemental materials is as follows:
 - a. Bittker & Eustice, "Federal Income Taxation of Corporations and Shareholders," Seventh Edition, Warren, Gorham & Lamont (2000), with supplements.
 - b. Bittker, Emory & Streng, "Federal Income Taxation of Corporations and Shareholders - Forms " Fourth Edition, Warren, Gorham & Lamont (1995, with revised chapters and tri-annual supplements).
 - c. Block, "Corporate Taxation - Examples & Explanations," Aspen Law & Business, Fourth Edition (2010).
 - d. Burke, "Federal Income Taxation of Corporations and Shareholders in a Nutshell," Seventh Edition, West Publishing Co. (2014).
 - e. Kahn, Kahn, Perris & Lehman, "Corporate Income Taxation," Sixth Edition, West (2009).
 - f. Kahn, Kahn & Perris, "Principles of Corporate Taxation," West (2010).
 - g. Lederman, "Understanding Corporate Taxation," Second Edition, LexisNexis (2006).
 - h. Schwarz & Lathrope, "Corporate and Partnership Taxation," Seventh Edition, West Publishing Co. (Black Letter Series) (2012).
 - i. 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/FederalTaxLawResearchGuide>. This guide identifies both printed materials in the UH Law Library and electronic resources (e.g., Checkpoint, Lexis-Nexis, BNA Tax and Accounting Center - Tax Management Portfolios, Westlaw and Tax Analysts Web Service).

These supplemental materials may be beneficial for you in your preparation for this course. However, as indicated in ¶8(b), the supplemental materials indicated above and any other outside commercially prepared materials are not permitted to be taken into the final examination

Corporate Tax Reading Assignment

Class Date		Topic	Reading Material
Monday, January 19, 2015		No Class (Martin Luther King Holiday)	
1	Wednesday, January 21, 2015	Chapter 1 (Overview) and Chapter 2 (§351 Introduction)	Schwarz (pp. 1-67; be prepared to discuss <u>Bollinger</u> , requirements of §351, and <u>Intermountain Lumber</u>).
2	Monday, January 26, 2015	Chapter 2 (§351 Issues)	Schwarz (pp. 67-99)
3	Wednesday, January 28, 2015	Chapter 2 (Final Thoughts)	Schwarz (pp. 99-114)
4	Monday, February 2, 2015	Chapter 3 (Capital Structure)	Schwarz (pp. 115-147)
5	Wednesday, February 4, 2015	Chapter 4 (Nonliquidating Distributions-- Part I)	Schwarz (pp. 148-168)
6	Monday, February 9, 2015	Chapter 4 (Nonliquidating Distributions-- Part II)	Schwarz (pp. 169-193)
7	Wednesday, February 11, 2015	Chapter 5 (Redemptions and Partial Liquidations-- Part I)	Schwarz (pp. 194-223)
8	Monday, February 16, 2015	Chapter 5 (Redemptions and Partial Liquidations-- Part II)	Schwarz (pp. 223-248)
9	Wednesday, February 18, 2015	Extra Day to Finish Through page 248	Schwarz (pp. 223-248)
10	Monday, February 23, 2015	Chapter 5 (Redemptions and Partial Liquidations-- Part III)	Schwarz (pp. 249-274)
11	Wednesday, February 25, 2015	Chapter 5 (Final Thoughts) & Chapter 6 (Stock Dividends)	Schwarz (pp. 274-304)
12	Monday, March 2, 2015	Chapter 6 (§306 Stock)	Schwarz (pp. 304-317)
13	Wednesday, March 4, 2015	Chapter 6-- Wrap Up	
14	Monday, March 9, 2015	Chapter 7 (Complete Liquidations)	Schwarz (pp. 318-336)
15	Wednesday, March 11, 2015	Chapter 7 (Complete Liquidations)	Schwarz (pp. 336-348)
Monday, March 16, 2015		Spring Break	
Wednesday, March 18, 2015		Spring Break	
16	Monday, March 23, 2015	Chapter 8 (Taxable Acquisitions-- Part I)	Schwarz (pp. 349-372)
17	Wednesday, March 25, 2015	Chapter 8 (Taxable Acquisitions-- Part II)	Schwarz (pp. 372-391)
18	Monday, March 30, 2015	Chapter 9 (Acquisitive Reorganizations: Judicial Requirements and B Reorganizations)	Schwarz (pp. 392-419)
19	Wednesday, April 1, 2015	Chapter 9 (C Reorganizations and Triangular Reorganizations)	Schwarz (pp. 419-454)
20	Monday, April 6, 2015	Chapter 9 Wrap Up	
21	Wednesday, April 8, 2015	Chapter 10 (§355 Divisions-- Part I)	Schwarz (pp. 455-494)
22	Monday, April 13, 2015	Chapter 10 (§355 Divisions-- Part II)	Schwarz (pp. 494-517)
23	Wednesday, April 15, 2015	Chapter 11 (Nondivisive & Nonacquisitive Reorganizations)	Schwarz (pp. 518-551)
24	Monday, April 20, 2015	Chapter 11 (Nondivisive & Nonacquisitive Reorganizations)	Schwarz (pp. 518-551)
25	Wednesday, April 22, 2015	Chapter 12 (Carryover of Tax Attributes)	Schwarz (pp. 552-587); Work Problems on p.580-581 and on p.585-586
26	Monday, April 27, 2015	Chapter 15 (S Corporations-- Part 1)	p. 662-713
27	Wednesday, April 29, 2015	REVIEW SESSION	No Reading
Friday, May 8, 2015		Exam (2 p.m. - 5:00 p.m.)	TBD