

EXEMPT ORGANIZATIONS
University of Houston Law Center
Spring 2018
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SYLLABUS*

Week 1 **Chapter 1: Overview of the Nonprofit Sector – Introduction**
 Text: pp. 3-39 (skim)

Chapter 2: Formation and Dissolution
 Text: pp. 43-107

Week 2 **Chapter 3: Operation and Governance**
 Text: pp. 109-172
 pp. 181-217

Week 3 **Chapter 5: Tax Exemption: Public Benefit Organizations**

 Section B. Rational For Exemption
 Text: pp. 274-289

 Section C. Affirmative Requirements for Exemption

 1. Organizational and Operational Tests
 Text: pp. 291-293

 4. Public Policy Limitation
 Text: pp. 344-371

 3. Meaning and Scope of Charity

 a. Introduction
 Text: pp. 296-299

 b. Hospitals and Other Health Care Organizations
 Text: pp. 299-320

 c. Public Interest Law Firms
 Text: pp. 320-326

 d. Community Development & Low Income Housing
 Text: pp. 326-333

 e. Protection of the Environment

Text: pp. 333-337

f. Disaster Relief

Text pp. 337-342

Week 4

- 5. Educational Organizations
Text: pp. 371-387
 - 6. Religious Organizations
Text: pp. 387-403
 - 7. Other Charitable Purposes
Text: pp. 403-411
 - 8. State and Local Tax Exemption
Text: pp. 411-416
pp. 290-291
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Week 5

- Section D. Inurement, Private Benefit and Intermediate Sanctions
 - 1. Inurement and Private Benefit
Text: pp. 416-432
 - 3. Intermediate Sanctions
Text: pp. 432-445
 - Section E. Limitations on Lobbying and Political Activities
Text: pp. 445-494
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Week 6

Chapter 7: Private Foundations

- Sections A & B. The Universe of Private Foundations
Text: pp. 649-679
 - Section C. Avoiding Private Foundation Status (Public Charities and Hybrids)
Text: pp. 682-703
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Week 7

- 1. The Disqualified Person Rules
Text: pp. 680-682
- Section D. Private Foundation Excise Taxes
 - 1. Tax on Net Investment Income
Text: pp. 705-708

- 2. Self-Dealing
Text: pp. 708-720
 - 3. Charitable Distribution Requirements
Text: pp. 720-727
 - 4. Excess Business Holdings
Text: pp. 727-731
 - 5. Jeopardy Investments
Text: pp. 731-733
 - 6. Taxable Expenditures
Text: pp. 733-743
 - Section E. Procedural Issues and Termination of Private Foundation Status
Text: pp. 743-744
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Week 8

Chapter 9: Mutual Benefit and Other NonCharitable Organizations

- Section A. Introduction
Text: pp. 835-845
 - Section B. Social Welfare Organizations
Text: pp. 845-846
 - Section C. Labor, Agricultural and Horticultural Organizations
Text: pp. 846-851
 - Section D. Trade Associations and Other Business Leagues
Text: pp. 851-865
 - Section E. Social Clubs and Fraternal Organizations
Text: pp. 865-880
 - Section F. Other Mutual Benefit Organizations
Text: pp. 881-883
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Week 9

(Chapter 5) Procedural Issues

- Text: pp. 293-296
pp. 506-525, Chapter 7, pp. 704
 - Forms 1023 and 1024
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Week 10

Chapter 6: Unrelated Business Income Tax

- Section A. Introduction
Text: pp. 527-530
- Section C. The Unrelated Business Income Tax
Text: pp. 549-560
- Section D. Nature of an Unrelated Trade or Business
Text: pp. 560-587
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Week 11

- Section E. Exclusions from Unrelated Business Taxable Income
Text: pp. 588-594
- Section F. Computation and Planning Issues
Text: pp. 594-604
- Section G. Unrelated Debt-Financed Income
Text: pp. 604-615
- Section H. Complex Structures and Other Special Problems
Text: pp. 616-648
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Week 12

Chapter 8: Charitable Contributions

- Section A. Introduction
Text: pp. 745-766 (skim)
- Section B. Basic Principles
Text: pp. 766-801
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Week 13

- Section C. Noncash Contributions
Text: pp. 801-823
- Section D. Planned Giving Techniques
Text: pp. 823-831

* Read Internal Revenue Code and Treasury Regulations where noted in Text.
Read materials in supplement for assigned pages (and where specifically listed).
Skim/review problems (may or may not be discussed).