

CORPORATE TAXATION

SPRING SEMESTER 2019

PROFESSOR WILLIAM STRENG

1. Purpose of this Syllabus. The purpose of the syllabus is provide details concerning the requirements applicable to this course, including (1) the schedule for class sessions, (2) examination policies, (3) attendance requirements, (4) professor availability, and (5) additional matters.

2. Course Objective. This course will involve the comprehensive examination of the federal income taxation 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 in the corporate formation and funding process;
- b) The capital structure of a corporation, including debt and equity;
- c) Distributions from a corporation (e.g., as dividends, stock redemption payments & in partial and complete liquidations);
- d) Special types of corporations (e.g., the S tax option corporation);
- e) Corporate stock and asset sales and acquisitions;
- f) Tax-free corporate reorganizations, mergers and other restructurings.
- g) Tax anti-avoidance rules

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 these 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 Monday & Wednesday at 4PM until 5:15PM. Consistent with University of Houston Law Center policy, a minimum 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," West Academic/Foundation Press (**Ninth Edition, 2016**; ISBN 9781634596022). Students are strongly discouraged from trying to use any prior editions (e.g., the 8th edition) for this class.

b) Professor Streng will use the following federal tax code volume: Wolters-Kluwer/CCH "**2018-2019 Edition** - Federal Income Tax - Code and Regulations - Selected Sections." This volume will be available at the bookstore immediately before the start of the Spring Semester 2019. If desired students can use an alternative Internal Revenue Code volume available to them but it should include the provisions enacted in the Tax Cut and Jobs Act (December 2017).

c) Additional supplemental materials will be provided at various times (& these materials will usually be 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 corporate tax class will be provided for your information. A take-home exam procedure was previously utilized for the Corporate Tax class (when taught by Mr. Streng). Subject to further class discussion and final confirmation, this format is anticipated to be the examination technique for the Spring Semester 2019 class. This would be in lieu of the scheduled three hour examination.

6. Class schedule, discussion and preparation. The material to be covered during the anticipated 27 class sessions will be in the order as presented in the casebook. During the class sessions substantial attention will be devoted to examining the problems as 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 Spring Semester 2019

corporate tax class sessions to facilitate the class discussions. These slides will be posted at the following Internet site:

[www.law.uh.edu/faculty/wstreng/homepage/tax presentations/corporate tax](http://www.law.uh.edu/faculty/wstreng/homepage/tax%20presentations/corporate%20tax)

These 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 Spring Semester 2019 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 available from Professor Streng's website. Specifically excluded from in-class computer usage is anything beyond these usages. Therefore, "surfing the web" and text messaging are not appropriate computer uses during the Corporate Tax class sessions. 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 such appropriate action as the professor may determine in his discretion. Further, you are also encouraged to not use your computer merely to enable you to primarily record the class discussion.

8. Anticipated Learning Outcomes. As a result of active participation (including thorough regular preparation for the class sessions) students in this class should achieve the following results:

- 1) A fundamental understanding of the basic federal corporate income tax rules relevant to corporate and shareholder taxation and tax planning.
- 2) Develop a capacity to read and interpret difficult statutory material, i.e., the U.S. Internal Revenue Code.
- 3) Develop an appreciation for the importance of tax policy and legislative alternatives in the appropriate structuring of a tax system which imposes tax levies on corporate business enterprises.
- 4) Understand that practicing attorneys have a substantial responsibility in enabling their clients to structure and plan transactions to appropriately maximize tax savings.

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5) Understand the ethical responsibilities which are pertinent in advising clients about appropriate corporate and shareholder tax planning.

9. Questions to professor.

Professor Streng can be contacted as follows:

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UHLC Telephone: 713-743-2148

UHLC Email: WStreng@uh.edu

Office hours by appointment with Professor Streng.

Corporate Taxation Suggested Additional Reading Materials

1. Abrams, Doernberg & Leatherman, "Federal Corporate Taxation," Foundation Press, Seventh Edition (2013).
2. Bittker & Eustice, "Federal Income Taxation of Corporations and Shareholders," Seventh Edition, Warren, Gorham & Lamont (2000), with periodic supplements.
3. Bittker, Emory & Streng, "Federal Income Taxation of Corporations and Shareholders - Forms " Fourth Edition, Warren, Gorham & Lamont (1995, with various revised chapters and tri-annual supplements through late 2018).
4. Block, "Corporate Taxation - Examples & Explanations," Wolters Kluwer - Law and Business, Fourth Edition (2010).
5. Burke, "Federal Income Taxation of Corporations and Shareholders in a Nutshell," 7th Edition, West Academic Publishing (2014).
6. Elkins, "Behind the Scenes of Corporate Taxation," West Academic Publishing (2013)
7. Kahn, Kahn, Perris & Lehman, "Corporate Income Taxation," Sixth Edition, West Hornbook Series (2009)
8. Kahn, Kahn & Perris, "Principles of Corporate Taxation," West Concise Hornbook Series (2010).
9. Schwarz & Lathrope, "Black Letter Outline on Taxation," Eighth Edition, West Publishing Co. (Black Letter Series) (2016).

For a current summary of the fundamental federal income tax rules applicable to small businesses see Joint Committee on Taxation (Staff Report), "Present Law and Background Regarding the Federal Income Taxation of Small Businesses," JCX-32-17 (July 11, 2017), as available at the JCT website: www.jct.gov.

See also the UH Law Library Guide to Federal Tax Research (as prepared by Chris Dykes of the UH Law Center 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 available printed materials in the UH Law Library and electronic resources (Thomson Reuters RIAG Checkpoint; Lexis-Nexis; Bloomberg BNA Tax and Accounting Center - Tax Management Portfolios; Westlaw; and Tax Analysts Web Services).

NOTE CONCERNING MANAGING LAW SCHOOL STRESS

Counseling and Psychological Services (CAPS) can help students who are having difficulties managing stress, adjusting to the demands of a professional program, or feeling sad and hopeless. You can reach CAPS (www.uh.edu/caps) by calling 713-743-5454 during and after business hours for routine appointments or if you or someone you know is in crisis. No appointment is necessary for the “Let's Talk” program, a drop-in consultation service at convenient locations and hours around campus.

See http://www.uh.edu/caps/outreach/lets_talk.html