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Assignments are in Freeland, Lathrope, Lind & Stephens, *Fundamentals of Federal Income Taxation* (13th Ed. 2004) (“*Fundamentals*”). *Fundamentals* at the beginning of every section of the book references Internal Revenue Code sections and IRS regulations. These sections and regulations are an important part, indeed the most important part of your professional training in tax. Many of the cases that you read have no importance by themselves but are assigned to provide you with an example of the problems with which the code sections deal.

In preparing for class, please make sure that you devote sufficient time to the Code and regulations.

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II. Identification of Income Subject to Taxation

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Chapter 3 The Exclusions of Gifts and Inheritances

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C. Exclusions and Other Tax Benefits Related to the Costs of Higher Education

Problems 1, 2 pp. 235-236

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