

Corporate Taxation

Syllabus -- Fall 2009

George Mason University

School of Law

Course No. 198-001

Tues. and Thurs 8:00-9:15 p.m.

Room 215

Noel P. Brock
Grant Thornton LLP
1900 M St., N.W., Suite 300
Washington, D.C. 20036
(202) 861-4104 (office)
nbrock@gmu.edu

Required Reading:

1. Stephen A. Lind, et al., Fundamentals of Corporate Taxation: Cases and Materials, 7th ed. (Foundation Press 2008) (“Lind”)¹
2. Federal Income Tax: Code and Regulations, Selected Sections, Martin B. Dickinson ed. (CCH 2009-2010).
3. Handouts generally will either be emailed to your George Mason email account or placed in your mailboxes. Some handouts may be distributed in class.

Recommended Reading:

1. Boris A. Bittker and James S. Eustice, Federal Income Taxation of Corporations and Shareholders, 7th ed. (Warren, Gorham & Lamont 2000), along with 2009 Cumulative Supplement (Warren, Gorham & Lamont 2001-2009) (Student Edition) (“Bittker”).

Grades:

Grades will be determined primarily by a final examination given at the end of the Fall Semester. The examination will be 3 hours long. You will be allowed to use a calculator on the exam and it will be open book (*i.e.*, you can use your text, your code and regulations, your notes, any outlines, etc., on the examination). Extra credit will be awarded for class participation. The total amount of credit that can be earned for class participation is half of a letter grade. For instance,

¹ For all reading assignments with respect to Lind, please also read all Code and Regulations cited in Lind at the beginning of each new section. Do all problems in the Lind book covered by the assigned reading and be prepared to discuss your answers, along with the assigned authorities, unless the syllabus indicates that such material will not be covered.

someone who would otherwise get an A for the course would get an A+ and someone who would otherwise get a B+ for the course would get an A-. I may use the student list to call on students beginning with the first person on the list and proceeding in alphabetical order until the end of the list and then starting over with the first person on the list again. Regardless of the system used, each of you will have ample opportunity to participate in class.

Attendance:

Professors are required to notify the Dean if a student misses more than 6 classes. Please speak to me if you ever anticipate missing more than 6 classes.

Class Assignments:²

1. 8/20/09 and 8/25/09 **Administrative Matters and Introduction to Corporate Taxation and Entity Classification and Corporate Capital Structure**

Part I:

Lind, Chapter 1 (exclude the material on AMT, Multiple Corporations, and The S Corporation Alternative on pp. 20-25; also exclude the problem on pp. 24-25)

Handouts (Notice 95-49, Preamble to Proposed Entity Classification Regulations, Preamble to Final Entity Classification Regulations, and Form 8832)

Optional: Bittker, ¶¶ 1.05[1], 1.05[2], 1.07, 1.08, 2.01-2.05 and 2.10.

Part II:

Section 385 of the Code

Lind, Chapter 3 (omit problem 1 on pp.153-154 and all of the material on pp.154-158)

Handout (Notice 94-47 and Rev. Rul. 90-27 (only the first issue))

Optional: Bittker ¶¶ 4.01-4.04 and 4.20-4.22

² Please note that all dates are approximations. At the end of each class, we will let you know what will be covered in the next class. Otherwise, prepare all material for the next scheduled class as listed on this syllabus.

2. 8/27/09 to 9/10/09

Corporate Formations and Transfers to Controlled Corporations

Lind, Chapter 2 (omit the following: parts (d) thru (f) in the problem on p. 112-113, and the problem on pp. 130-131)

Sections 1001(a) to 1001(c) (MEMORIZE THESE SECTIONS AND THINK ABOUT THE RELATIONSHIP OF SECTION 351 TO THEM)

Handouts (Rev. Rul. 70-140)

Optional: Bittker, ¶¶ 3.01-3.13 and 3.18

3. 9/15/09 to 9/22/09

Nonliquidating Distributions

Lind, Chapter 4 (omit problem on p. 169 and Section “F” -- “Anti-Avoidance Limitations on the Dividends Received Deduction” on pp. 187-194).

Optional: Bittker ¶¶ 8.01-8.07 and 8.20-8.23

NO CLASS ON THURSDAY, SEPTEMBER 24, 2009!!

4. 9/29/09 to 10/15/09

Redemptions and Partial Liquidations.

Lind, Chapter 5 (omit pp. 265-287 (including the problem on p. 287) and pp. 300-301)

Optional: Bittker, Chapter 9 (omit ¶ 9.08; skim ¶ 9.09; omit ¶ 9.25)

Note: No Class on Tuesday, October 13 – Fall Recess Monday (Monday classes meet instead of Tuesday classes)

5. 10/20/09 to 10/27/09

Stock Dividends and Section 306 Stock

Lind, Chapter 6 (omit the *Fireoved* case on pp. 323-330)

Optional: Bittker ¶¶ 8.40-8.42 and 8.60-8.66

6. 11/03/09 to 11/05/09 **Complete Liquidations**

Lind, Chapter 7

Optional: Bittker ¶¶ 10.01-10.08 and ¶¶ 10.20-10.24

NO CLASS ON THURSDAY, OCTOBER 29, 2009!!

7. 11/10/09 to 11/17/09 **Acquisitive Reorganizations**

Lind, Chapter 9 (note that pp. 420-437 is mostly, but not entirely, historical since the new Treasury regulations on continuity incorporate most of the teachings of these authorities -- please read this material and be prepared to discuss to what extent they have been incorporated in the new Treasury regulations at § 1.368-1(d) and -1(e), omit "Multi-Step Acquisitions" pp. 463-470, parts (d) through (g) of problem 2 on pp. 471-472, the *Bercy Industries* case on pp. 488-492, all of problem 4 on p. 493-494, and pp. 494-498)

Handout (the merger provision from the Delaware Code and some sample language from an actual merger agreement will be distributed in class)

Optional: Bittker, Chapter 12 (omit ¶¶ 12.30, 12.45, 12.46, 12.62, 12.63, 12.64, 12.66, and 12.67)

8. 11/19/09 to 12/01/09 **Corporate Divisions**

Lind, Chapter 10

Optional: Bittker, Chapter 11 (omit ¶¶ 11.13 and 11.16)

Note: No Class on Thursday, November 26 -- Thanksgiving

A review class will be scheduled at a mutually convenient time if there is sufficient interest.