

CORPORATE TAX
Professor Holmes
Spring 2009

CLASS SCHEDULE: Tuesdays and Thursdays, 8:00 pm to 9:15 pm in Room 224

OFFICE: Room 305

OFFICE HOURS: By appointment

EMAIL: rholmes6@gmu.edu

REQUIRED TEXTS: FUNDAMENTALS OF CORPORATE TAXATION by Lind, Schwarz, Lathrope & Rosenberg (7th ed. 2008) (the “Casebook”) and CORPORATE AND PARTNERSHIP INCOME TAX CODE AND REGULATIONS, Selected Sections Stark & Klein (2008-09 ed.) (“Code” and “Regulations”). If you already have another current version of the Code and Regulations, you may use that instead. In any event, please bring both the Casebook and Code to all classes as they will be referred to frequently.

CLASSROOM PARTICIPATION: Each class builds on concepts from earlier classes, so it is important to prepare for, and attend, each class. Your grade will reflect class participation. Starting with the second class, I will call on students in alphabetical order in accordance with last names. If you know you will be absent or are unable to prepare (*e.g.* due to an illness or religious observance), you should email me *prior to the class* and be prepared to be on call during the next class (*e.g.* if you are due to be on call for Tuesday’s class, but miss Tuesday’s class due to illness, you will be on call for Thursday’s class). If a student is absent or unprepared on a day he or she is scheduled to be on call and fails to notify me beforehand, his or her final grade may be lowered. A student’s grade may also be lowered for excessive absences or poor classroom participation. I also reserve the right to raise grades based on exceptional class participation.

TWEN: It is mandatory that you register for the class TWEN page. All class slides, handouts and announcements will be distributed or posted through TWEN.

EXAM: The final exam will be on Monday, May 11 at 6:00 pm.

CLASS ASSIGNMENTS: Following is the tentative schedule of assignments. Adjustments may be made as necessary during the course of the semester. Readings are from the Casebook. The Casebook lists the relevant Code and Regulation sections on which you should focus at the beginning of each section. You should complete all assigned readings from the Casebook and review the corresponding Code and Regulation sections before each class. Where assigned, also be prepared to discuss the problems in the Casebook.

Assignment 1: Introduction

Reading: Chapter 1 A, B.1 and 4, C.1 and 2.a

Problems: None

Assignment 2: Formation of a Corporation - Introduction to §351

Reading: Chapter 2 A and B

Problems: Pages 64 (ignore consequences to E) and 73-74 (skip 2(e))

Assignment 3: Formation of a Corporation - Treatment of Boot

Reading: Chapter 2 C

Problems: Page 83 (part (a) only)

Assignment 4: Formation of a Corporation - Assumption of Liabilities

Reading: Chapter 2 D, E.3

Problems: Page 102

Assignment 5: Debt v. Equity

Reading: Chapter 3 A, B, C

Problems: Pages 153-54

Assignment 6: Distributions of Cash and Earnings & Profits

Reading: Chapter 4 A, B, C

Problems: Pages 169 and 173

Assignment 7: Distributions of Property and Constructive Distributions

Reading: Chapter 4 D.1 and 2, E

Problems: Pages 177-78 (skip (e))

Assignment 8: Dividends Received Deduction and Extraordinary Dividends

Reading: Chapter 4 F.1, 2 and 3

Problems: Page 193 (skip (e) and (f))

Assignment 9: Bootstrap Sales

Reading: Chapter 4 G

Problems: Page 207

Assignment 10: Stock Redemptions and Partial Liquidations

Reading: Chapter 5 A, B, C, D, E, F.1

Problems: Pages 213, 217-18, 235 (skip (2) and (3)), 249, 253-54, 265

Assignment 11: Redemptions through Related Corporations

Reading: Chapter 5 G

Problems: Pages 299-300

Assignment 12: Stock Dividends

Reading: Chapter 6 A, B, C

Problems: Pages 313 (skip (2)), 330-31

Assignment 13: Corporate Liquidations

Reading: Chapter 7 A, B, C

Problems: Pages 336-37 (skip (c)-(e)), 349-50 (skip (f), (g)), 361-62

Assignment 14: Taxable Acquisitions

Reading: Chapter 8 A, B.1, C

Problems: None

Assignment 15: Tax-Free Asset Reorganizations (Types "A" & "C")

Reading: Chapter 9 A, B.1, B.3

Problems: Pages 438-39, 459 (skip (2))

Assignment 16: Tax-Free Stock Reorganizations (Type "B")

Reading: Chapter 9 B.2

Problems: Pages 454-56

Assignment 17: Triangular Asset and Stock Reorganizations

Reading: Chapter 9 B.4

Problems: Page 471 ((1) only)

Assignment 18: Shareholder and Corporate Consequences of Reorganizations

Reading: Chapter 9 C

Problems: Pages 477-78, 483-84 (skip (2))

Assignment 19: Corporate Divisions

Reading: Chapter 10 A, B

Problems: Handout