CORPORATE TAX
Spring 2020
(Three Credit Hours)

Professor Rachelle H. Perkins

PREREQUISITE: Income Tax

EMAIL: Email me at rholmes6@gmu.edu or use the Blackboard email tool.

OFFICE HOURS: Online office hours are by appointment and we will use WebEx for live meetings.

PROBLEM SESSIONS: Mondays at 6:05pm-7:00pm


OVERVIEW: This course examines the statutory and regulatory provisions upon which the corporate income tax structure is based. Topics covered include corporate formations, distributions, redemptions, and tax-free mergers. The majority of the course is problem-based, with additional focus on policy and practical considerations.

LEARNING OUTCOMES: By the end of the course students should have acquired:
- An understanding of the basic principles of corporate tax law
- The skill of statutory and regulatory analysis, including the close reading of statutes and regulations and the application of those statutes and regulations to various fact patterns
- Proficiency in problem solving.

COURSE STRUCTURE: This is a hybrid online and classroom course. In addition to the online course content delivered via the Blackboard learning management system, we will have weekly in class sessions to review problems and discussion questions. This course is organized into 19 learning modules. Each module builds on concepts from earlier modules, so it is imperative to timely prepare. For each module you should (in order):
1) Complete the assigned module reading
2) Watch the module lecture
3) Complete any assigned module problems
4) Watch the module problem presentation (if applicable)
5) Post an answer to any assigned discussion questions or problems for submission

There may be more than one module assigned for a given week, in which case the above sequence should be used consecutively for each distinct module (i.e. complete steps 1-5 for the first assigned module prior to starting the steps for the next module). Please review the course schedule for weekly module assignments.

SUBMITTED PROBLEM ASSIGNMENTS: There are two problem submission assignments in the course. These assignments are indicated within the module assignments. All answers to assigned problems must be submitted to the designated Blackboard submission folder and are due no later than 11:59 pm EDT on the Friday of the week due. You must complete both problems and late or unsubmitted problems will receive a grade of zero.
DISCUSSION QUESTIONS: For modules that have an assigned discussion question, you are expected to post a substantive comment in response to the question and make at least one substantive response to another classmate’s posting. Initial posts to discussions are due no later than 11:59 pm EDT on Thursday of the week assigned. Responses to classmates are due no later than 11:59 pm EDT on Sunday of the week assigned. By the end of the semester you are required to submit at least 8 discussion questions and responses. That means that you do not have to submit a comment and response for 2 questions (of your choosing). You are, of course, welcome to submit comments for all questions and if you do more than the required 8 your lowest score(s) will be dropped. Late or unsubmitted comments and/or responses will receive a grade of zero.

NETIQUETTE: Netiquette consists of the rules and guidelines for acceptable behavior in electronic communication. Remember, while working in an online course you are in an academic setting and should conduct yourself accordingly.

• Express yourself with proper spelling, grammar, and punctuation.
• Keep your communications as clear, straightforward, and concise as possible.
• Always review your communications before posting.
• Be constructive, courteous, and respectful of diverse opinions.
• Respect the privacy of others. Do not share personal information (e.g., e-mail addresses, phone numbers, etc.) without permission.
• It is fine to disagree with, or critique ideas, but personal / ad hominem attacks are not acceptable.
• Follow copyright laws and cite work appropriately.

INSTRUCTOR EXPECTATIONS
• Students are expected to keep up with the required readings, to watch the required recordings, and to complete the weekly assignments.
• Students are expected to complete the required readings each week prior to reviewing the accompanying lectures and completing the assignments.
• Students are expected to independently complete all activities, assignments, and exams.

GRADING POLICY
This course follows the grading policies outlined in the Academic Regulations: https://www.law.gmu.edu/academics/regulations. Each week you will work on readings and assignments. You will also take a Final Examination.

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<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discussion Questions (8)</td>
<td>50</td>
<td>20%</td>
</tr>
<tr>
<td>Submitted Problems (2) (10 * 5 points each)</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>Final Examination</td>
<td>200</td>
<td>80%</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100%</td>
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FINAL EXAM: The final exam will be a three-hour, in-class exam and will be worth 80% of your grade and. The exam will be open-book. You may use the textbook, the Code and any notes or outlines you have created in the course. You may not use notes or outlines that others have created.
MODULE ASSIGNMENTS: Following are the assignment modules. 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.

Week 1 (1/16-1/26):

Module 1: Introduction
Reading: Chapter 1 A, B, C, D.1, E.1 and 2.a, F
Problems: None
Discussion Question: None

Module 2: Formation of a Corporation - Introduction to §351
Reading: Chapter 2 A
Problems: Pages 59 (a) – (c) (ignore consequences to E)
Discussion Question: Pages 59 – 60, Problem (d)

Week 2 (1/27-2/2):

Module 3: Formation of a Corporation - Requirements for §351
Reading: Chapter 2 B
Problems: Page 66 (a) – (d); Pages 69 – 70 (a) – (d)
Discussion Question: Posted Question

Module 4: Formation of a Corporation - Treatment of Boot
Reading: Chapter 2 C.1
Problems: Page 79 (part (a) only; ignore consequences to C)
Discussion Question: None

Week 3 (2/3-2/9):

Module 5: Formation of a Corporation - Assumption of Liabilities
Reading: Chapter 2 D, F.2
Problems: Page 98, Problem 1(a)-(d) and Problem 2
Discussion Question: Page 98, Problem 1(e)

Module 6: Debt v. Equity
Reading: Chapter 3 A, B
Problems: Pages 147-8, Problem 1
Discussion Question: Page 148, Problem 2

Week 4 (2/10-2/16):

Module 7: Distributions of Cash and Earnings & Profits
Reading: Chapter 4 A, B, C
Problems: Skip Page 163; Do Page 168 (a) – (c)
Problem for Submission: Page 168, Problem (d)
Module 8: Distributions of Property and Constructive Distributions
Reading: Chapter 4 D and E (intro only; skip Nicholls and notes) and Posted Handout
Problems: Page 173 (a) – (d)
Handout: Rev. Rul. 69-630
Discussion Question: None

Week 5 (2/17-2/23):

Module 9: Dividends Received Deduction and Extraordinary Dividends
Reading: Chapter 4 F.1, 2 and 3
Problems: Page 187
Discussion Question: None

Module 10: Bootstrap Sales
Reading: Chapter 4 G
Problems: Page 200
Discussion Question: Posted Question

Week 6 (2/24-3/1):

Module 11: Stock Redemptions
Reading: Chapter 5 A, B, C
Problems: Pages 206, 211, 228 (skip (2) and (3)), 243-4, Problems (1) – (2)
Discussion Question: Page 244, Problem 3

Week 7 (3/2-3/8):

Module 12: Partial Liquidations & Consequences to Distributing Corporations
Reading: Chapter 5 D, E, F.1
Problems: Pages 248-9
Discussion Question: Page 256, Problem

Week 8 (3/16-3/22):

Module 13: Redemptions through Related Corporations
Reading: Chapter 5 G
Problems: Pages 293, Problems 2(a) – (b)
Problem for Submission: Page 292, Problem 1

Week 9 (3/23-3/29):

Module 14: Stock Dividends
Reading: Chapter 6 A, B, C
Problems: Pages 310 (skip (2)), 323-4, Problem 1(skip (f))
Discussion Question: Page 324, Problem 2
Week 10 (3/30-4/5):

Module 15: Corporate Liquidations
Reading: Chapter 7 A, B (skip Court Holding & Cumberland), C (skip Riggs case)
Problems: Pages 329-30 (skip (c)-(e)), 342-3 (skip 2), 354-5 1(a) - (c)
Discussion Question: Page 355, Problem 1(d)

Module 16: Taxable Acquisitions
Reading: Chapter 8 A, B.1, C.1, D
Problems: None
Discussion Question: None

Week 11 (4/6-4/12):

Module 17: Tax-Free Stock and Asset Reorganizations (“A”, “B” & “C”)
Reading: Chapter 9 A, B.1 (skip p.408-11 Bentsen), B.2, B.3
Problems: Pages 433-4, Set #1 (problems 1(a)-(e)); Set #2 (problems 1(f)-(i))
Discussion Question: None

Week 12 (4/13-4/19):

Module 18: Triangular Asset and Stock Reorganizations
Reading: Chapter 9 B.4
Problems: Page 434, Problem 2 (skip (d))
Discussion Question: Page 434, Problem 3

Week 13 (4/20-23):

Module 19: Shareholder and Corporate Consequences of Reorganizations
Reading: Chapter 9 C
Problems: Pages 446-7 (a) - (b)
Discussion Question: None

Exam Review