

COURSE SYLLABUS

A70621 – TAXATION OF CORPORATIONS AND SHAREHOLDERS

Professor James L. Wittenbach
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University of Notre Dame
Spring Semester – 2022

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Office Hours: Monday and Wednesday from 2:00 – 4:00 p.m.
Other hours by appointment.

<u>Grading Structure:</u>	Exam #1 Wednesday 2/16 (open book)	150
	Exam #2 Monday 3/28 (open book)	150
	Final Exam (open book)	150
	Homework (see below)	69
	Reg. corp. tax return (due 2/9); see p. 2	20
	S Corp. tax return (due 4/25); see p. 2	20
	Tax Research problem; see p. 2	20
	Comprehensive problem (see p. 3)	20
	Professionalism/attendance	<u>10</u>
	Total Points for Course	609

At the conclusion of the semester all points are totaled and your entire work performance is evaluated.

Homework Problems: (69 points) Please hand-in your solutions to the assigned (i.e., underlined) homework problems from the P&K textbook no later than 5 PM on the date they are due. Refer to page 4 for dates. Each homework assignment will be worth 3 points (69 points in total). Solutions to homework problems should be worked independently.

Required Texts:

1. Corporate, Partnership, Estate & Gift Taxation, 2022 Edition, Pratt & Kulsrud, Taxation Series, Van-Griner.
2. Course Packet – Lecture Outline

Optional Text:

3. *A Study Guide to Accompany Corporate, Partnership, Estate and Gift Taxation 2022* is available online at www.prattkulsrud.com. Written by one of the contributing authors, Steve Thompson, the Study Guide provides in-depth chapter reviews, study exercises, and true-false/multiple choice questions. These materials may be used in students' initial study of the chapter content and also in their review. The Study Guide is only available online.

Course Description: This course is concerned with an inquiry into the concepts and principles that relate to the federal income taxation of corporations. It is also concerned with the taxability of transactions between shareholders and their corporations.

Course Objectives:

1. To enable the students to learn the fundamental concepts of the federal income taxation of corporations.
2. To enable students to learn the fundamental concepts of the federal income taxation of corporate-shareholder transactions.
3. To apply the fundamentals learned in (1) and (2) to problem situations likely to be encountered in tax practice.

Topics covered:

Chapter 1: Income Taxation of Corporations
 Chapter 2: Corporate Formation and Capital Structure
 Chapter 3: Corporate Distributions: Cash, Property and Stock Dividends
 Chapter 4: Corporate Distributions: Stock Redemptions and Partial Liquidations
 Chapter 5: Complete Liquidations
 Chapter 7: Corporate Reorganizations
 Chapter 11: S Corporations: General Rules
 Chapter 12: S Corporations

Tax Research Problem (20 points):

Teams 1 – 5	Problem 2-51	Due Date 3/16
Teams 6 – 10	Problem 2-52	Due Date 3/16

In preparing your team's solution to the tax research problem, please organize your write-up as follows:

- Facts
- Issue(s)
- Conclusion
- Analysis*

*The analysis is where you provide support for your conclusion. This is where you will cite primary authority (i.e., IRC, regulations, court cases, and IRS rulings).

NOTE: Tax research problems will be completed in teams of two. Utilize the knowledge you acquired in the Tax Research course concerning internet tax service (i.e., RIA Checkpoint and CCH Answerconnect) to prepare your team's solutions.

Solutions to tax research problems must be handed-in by 5 p.m. on the due date. Late solutions receive half credit.

Tax Return Projects (40 points):

To facilitate mastery of technical material, two tax return projects will be completed: a corporate tax return case and an S corporation tax return case.

Each tax return must be completed by a team of two students and handed-in by 5 PM on the due date. Late tax returns receive half-credit.

Professionalism/Attendance: (10 points)

Due to the rigorous nature of the subject matter and the heavy workload that has been assigned, it is imperative that the student attend class regularly in order to comprehend the material, avoid falling behind, and to perform adequately on the examinations.

The course is organized around two 75-minute sessions per week. The instructor expects your active involvement in the learning process. Regular attendance and class participation are included in the final grade at the discretion of the instructor. A total of 10 points are available for professionalism and attendance. If you miss more than three classes, you will receive zero points. Excused absences based on University policies do not count as a missed class. Appropriate documentation must be provided for excused absences.

Comprehensive Problem (20 points):

Problem 5-29, page 5-32 in textbook. To be completed in teams of two. Due date: Wednesday, April 6. Please hand-in your team's solution to me by 5 PM on the due date. Late solution receives half-credit.

Inclusiveness

The University of Notre Dame is committed to social justice. I share that commitment and strive to maintain a positive learning environment based on open communication, mutual respect, and non-discrimination. In this class we will not discriminate on the basis of race, sex, age, economic class, disability, veteran status, religion, sexual orientation, color or national origin. Any suggestions as to how to further such a positive and open environment will be appreciated and given serious consideration.

Academic Code of Honor

“As a member of the Notre Dame community, I acknowledge that it is my responsibility to learn and abide by principles of intellectual honesty and academic integrity, and therefore, I will not participate in or tolerate academic dishonesty.”

Expectations with regard to Academic Integrity follow:

Students will not give or receive aid on **exams**. This includes, but is not limited to, viewing the exams of others, sharing answers with others, and use of cell phones. It also includes discussing the exam in order to help those who are taking it later.

For **case assignments involving groups**, groups must work **completely independently** of other individuals, or groups. Each member of a group has an obligation to ensure that the workload is shared by all members for each assignment.

The honor code requires that a student, with knowledge of the above violations, report such occurrences. If a perceived honor code violation occurs, the procedures outlined in the Student Guide to the Academic Codes of Honor, <http://honorcode.nd.edu/>, will be followed.

Support for Student Mental Health at Notre Dame

Care and Wellness Consultants provide support and resources to students who are experiencing stressful or difficult situations that may be interfering with academic progress. Through Care and Wellness Consultants, students can be referred to The University Counseling Center (for cost-free and confidential psychological and psychiatric services from licensed professionals), University Health Services (which provides primary care, psychiatric services, case management, and a pharmacy), and The McDonald Center for Student Well Being (for problems with sleep, stress, and substance use.) Visit care.nd.edu.

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P & K = Pratt & Kulsrud

Date	Chapter	Problems (P & K Book)
1/10	INTRODUCTION P & K: Ch. 1, pgs. 1-1 to 1-18	NONE
1/12	P & K: Ch. 1, pgs. 1-19 to 1-31	1- <u>10</u> , 12, 13
1/17	Martin Luther King Day – no class	
1/19	P & K: Ch. 1, pgs. 1-32 to 1-48	1-14, 15, <u>16</u>
1/24	P & K: Ch. 2, pgs. 2-1 to 2-8	1-11, 17, 18, <u>21</u> , 22
1/26	P & K: Ch. 2, pgs. 2-9 to 2-21	2- <u>26</u> , 28, 29
1/31	P & K: Ch. 2, pgs. 2-22 to 2-39	2- <u>30</u> , 31, 34, 35
2/2	P & K: Ch. 3, pgs. 3-1 to 3-13	2- <u>41</u> , 44
2/7	P & K: Ch. 3, pgs. 3-14 to 3-22	3- <u>13</u> , 16, 17
2/9	P & K: Ch. 3, pgs. 3-23 to 3-32 Corporate Return Due —Problem 1-30, p. 1-54 to 1-55	3-19, <u>22</u> , 28
2/14	P & K: Ch. 4, pgs. 4-1 to 4-6	3- <u>23</u> , 24, 25
2/16	P & K: Ch. 4, pgs. 4-7 to 4-15 MAKE-UP CLASS	4-11, 13, <u>14</u>
2/16	EXAM #1, Chs. 1, 2 & 3	8:00-10:00 PM
2/21	P & K: Ch. 4, pgs. 4-16 to 4-19	4-12, <u>15</u> , 17, 20
2/23 to 3/13	NO CLASSES (to accommodate MBA module system) and MIDSEMESTER BREAK	
3/14	P & K: Ch. 4, pgs. 4-29 to 4-31; Ch. 5, pgs. 5-1 to 5-7	4- <u>21</u> , 22
3/16	P & K: Ch. 5, pgs. 5-7 to 5-16	4- <u>24</u> , 28
3/21	P & K: Ch. 5, pgs. 5-16 to 5-25	5-11, 5-13, <u>18</u> , 21
3/23	P&K: Ch. 11, pgs. 11-1 to 11-20	5-14, 20, 25, <u>26</u>
3/28	EXAM #2, Chs. 4 & 5	8:00-10:00 pm
3/30	P & K: Ch. 11, pgs. 11-21 to 11-26	11-28, <u>29</u>
4/4	P & K: Ch. 11, pgs. 11-27 to 11-51	11-24- <u>25</u> , 26
4/6	P & K: Ch. 12, pgs. 12-1 to 12-21	11-27, 32, <u>37</u>
4/11	P & K: Ch. 12, pgs. 12-29 to 12-32	12- <u>14</u> , 19, 28
4/13	P & K: Ch. 7, pgs. 7-1 to 7-6	12- <u>25</u> ; 7-23
4/15 to 4/18	Easter Holiday	
4/20	P & K: Ch. 7, pgs. 7-7 to 7-20	7- <u>25</u> , 26, 27
4/25	P & K: Ch. 7, pgs. 7-21 to 7-39 S. Corp. Tax Return Due —Problem 11-43, p. 11-60 to 11-61	7-29, 7- <u>31</u> , 40, 41
4/27	P & K: Ch. 7, pgs. 7-39 to 7-47	7- <u>42</u>
5/2	FINAL EXAMINATION Chs. 7, 11 & 12	11:30 am – 1:30 pm

Remember:

“Two things remain constant (1) you will get older every day and (2) you will get taxed all along the way.”