THE UNIVERSITY OF TEXAS AT TYLER
COLLEGE OF BUSINESS AND TECHNOLOGY
FALL 2010

COURSE NUMBER: ACCT 5310-001
CLASS NUMBER: 83509
COURSE TITLE: PROBLEMS IN FEDERAL INCOME TAXATION


COURSE DESCRIPTION: An overview and research of income, deductions, gains, losses, and types of taxable entities. Course addresses the recognition of tax consequences of business transactions.

PREREQUISITE: ACCT 5320 OR EQUIVALENT

CORE VALUES:
● Professional proficiency;
● Technical competence;
● Global awareness;
● Social responsibility; and
● Ethical courage.

COURSE OBJECTIVES:

1. KNOWLEDGE OBJECTIVES OF THIS COURSE INCLUDE:
   a. To understand the process of tax research;
   b. To understand the hierarchy of tax authority;
   c. To perform tax research on specific projects;
   d. To learn how the Service “retroactively” creates law through regulations and pronouncements;
   e. To learn the use and shortcomings of secondary authority; and
   f. To learn and demonstrate tax research and technical writing skills.

2. COMPETENCIES TO BE DEMONSTRATED IN THIS COURSE INCLUDE:
   a. Computer-based skills:
      i. Word processing: Preparing legal memorandum;
ii. Internet search skills: Research federal and state tax authority;

b. Communication skills:
   i. Written:
      1. Report organization: Prepare legal memorandum in appropriate format and analysis;
      2. Referencing: Use of proper reference to tax authority;
   ii. Oral: Standing and communicating technical material to the class;

c. Interpersonal skills: Learn tax authority and usefulness of such authority to enable appropriate research and writing skills, as well as how to summarize the results of such research to the appropriate audience;

d. Problem solving:
   i. Conceptual thinking: Utilize tax authority to analyze issues in taxation and provide advice on the outcome;
   ii. Gathering and analyzing data: Review pages of given facts to determine the relevant facts to solve legal issues;
   iii. Creativity and innovation: Learn proven ways to shortcut the research process and double and triple check your legal conclusion within a time frame that will provide value to future clients;

e. Ethical issues in decision making and behaviors: Discuss certain ethical issues that arise in tax research and how your advice to your clients could result in Circular 230 violations;

f. Personal accountability for achievement:
   i. Meeting deadlines: During the semester, you will perform: (A) twelve research assignments; (B) one client memorandum assignment and (C) a final exam. All projects must be completed on time. In general, no makeup work will be allowed;
   ii. Quality of work performed: The grades on the twelve research assignments will count for one-third of your grade. The client memorandum assignment will count for one-third of your grade. The final will count for one-third of your grade. Your ability to research will be crucial in the twelve research assignments. You ability to research and summarize technical tax material will be crucial in the legal memorandum. Your final grade will primarily test the material learned in the book, in class and handout material.

g. Competence in basic business principles:
   i. Competence in major field and grouping in other major core areas: There is broad coverage of tax authority and how and when to utilize such authority (described in more detail below), as well as some discussion of the audience, legal writing, understanding issues prior to launching into research, summarizing relevant facts and learning how
to apply the facts to the law in a written document and verbal presentation;

ii. Awareness of international as well as domestic implications of business decisions: Touch on topics relating to international taxation and difference in research process, and discuss why the tax system at times encourages offshore investment;

iii. Understanding and appreciation of strategic impact of business decisions: Educate as to the importance of tax concerns in every business decision and how to effectively communicate complex authority to different audiences.

3. OUTCOMES FOR STUDENTS TO SUCCESSFULLY COMPLETE THIS COURSE INCLUDE: Mastery of the above objectives as demonstrated by satisfactory completion of:
   a. Twelve research assignments;
   b. One client memorandum; and
   c. Final exam.

CLASS MEETING: Monday, 6:00 p.m. to 8:40 p.m.

CLASS ROOM: Temporary Classroom Building 00105

TEACHING METHOD: Lecture, review assignments and class discussion.

OFFICE & PHONE NUMBER: BUS 115; (903) 565-5833 (office).

EMAIL ADDRESS: rgardner@uttyler.edu or rgardner@tyler.net

OFFICE HOURS: Monday 3:30 p.m. to 5:30 p.m.; Tuesday 8:30 a.m. to 10:30 a.m.; Thursday 8:30 a.m. to 10:30 a.m.; or By appointment.

TOPICS COVERED:
1. Internal Revenue Code 6.25 hours
2. Treasury Regulations 6.25 hours
3. IRS Rulings & Memor. 6.25 hours
4. Case Law 6.25 hours
5. Books/Articles/Online 6.25 hours
6. Legislative History 6.25 hours
7. Substantial Authority 2.5 hours

READING ASSIGNMENTS AND COURSE SCHEDULE: The goal is for each student to read the chapter prior to class and understand the subject matter. Thereafter, the students will be
performing research on topics covered in the reading material. The following is subject to change based on the Professor’s guidance.

AUGUST:

Mon. 30: Introduction & Syllabus

Internal Revenue Code:
Richmond, pp. 11 to 24;
Farley P. Katz, “The Infernal Revenue Code” 50 Tax Lawyer 617

SEPTEMBER:

Mon.  6: Happy Labor Day;

Mon. 13: Internal Revenue Code:
Richmond, pp. 53-96
Assignment No. 1 due

Mon. 20: Treasury Regulations:
Richmond, pp. 159-203
Assignment No. 2 due

Mon. 27: Treasury Regulations:
Read: Handouts
Assignment No. 3 due

OCTOBER:

Mon.  4: IRS Rulings, Memoranda, and Other Publications:
Richmond, pp 203-244, 388-394
Assignment No. 4 due

Mon. 11: IRS Rulings, Memoranda, and Other Publications:
Assignment No. 5 due

Mon. 18: Case Law:
Richmond, pp. 250-273, 395;
Handouts
Assignment No. 6 due

Mon. 25: Case Law:
Richmond, pp. 274-288
Bluebook and tax cite;
Assignment No. 7 due
Fri. 29: LAST DAY TO DROP CLASS.

NOVEMBER:

Mon. 1: Professional Commentary – Books and Articles:
Richmond, pp. 290-314; 316-337
Assignment No. 8 due

Mon. 8: Professional Commentary – Online:
Richmond, 362-387
Assignment No. 9 due

Mon. 15: Legislative History:
Richmond, pp. 96-131
Assignment No. 10 due

Mon. 22: Legislative History:
ISA Lang “Researching Tax Legislative History”
Assignment No. 11 due

Mon. 29: Substantial Authority:
Richmond, pp. 6-10
Assignment No. 12 due
Client Memorandum Handout

DECEMBER:

Mon. 6: Turn in Client Memorandum
Review for Final Exam

Mon. 13: FINAL EXAM 6:00 p.m. – 8:00 p.m.

STUDENT EVALUATION: Your course grade will be based on twelve assignments, one client memorandum and one final exam and broken down as follows:

1. Twelve Assignments (5 points each) 60
2. Client Memorandum: 60
3. Final Exam: 60
   Total Points Possible: 180

   1. Twelve Assignments. It is proven fact that you cannot learn how to do tax research, without actually researching. Therefore, you will have twelve assignments throughout the course that will provide you the opportunity to learn, and I will grade them accordingly. Effort, thought and a strong attempt to find the answer will provide you with credit, whereas simply lucking into an answer will provide you little credit. I want to see your thought process,
search techniques and how you obtained your answer. The answer is important, but the goal here is to teach the process, so use it to your advantage.

2. **Client Memorandum:** Where the twelve research assignments are driven at process and learning tax research, the client memorandum is driven at precise statement of: (a) relevant facts; (b) issue(s) presented; (c) rule(s) at issue; (d) application of the facts to the rules; and (e) conclusion. Please note the audience – a client memorandum. Preparing a file memorandum for a tax partner or to summarize your research is completely different than preparing a client memorandum to a business person. These differences will be discussed throughout the class. This memorandum is your opportunity to portray your research and writing skills into one document that will be a key for you in your employment.

3. **Exam:** The final exam will be twenty questions. Whether these questions will be multiple-choice or a question with space after each question for an answer is currently not known. These questions will require you to demonstrate knowledge and understanding of substantive law and terminology, as well as the ability to apply the law to or analyze specific fact situations. Make-up exam is very highly unlikely.

3. **Attendance / Participation:** You have one class (August 30) to determine where you will sit in this class. On September 13, 2010, I will pass out a seating chart and you will sign in at your applicable location. From that point on, the seating chart will be used to take attendance and to assist me in learning your name. You will not receive credit for attending class, but not attending class will severely curtail your ability to learn and your ultimate grade. For any potential gray area in grading, PARTICIPATION IN CLASS will be noticed and awarded. Participation in class means READING THE MATERIAL, WORKING YOUR ASSIGNMENTS, AND BEING READY TO DISCUSS THE ASSIGNMENTS AND MATERIAL. GOAL: Attend all classes and be ready to participate. I will do my best to make you feel comfortable and ready to learn, but I cannot help you if you do not attend classes ready to participate.

4. **Other Policies:**

   (a) **Students Rights and Responsibilities:** To know and understand the policies that affect your rights and responsibilities as a student at UT Tyler, please follow this link: [http://www.uttyler.edu/wellness/StudentRightsandResponsibilities.html](http://www.uttyler.edu/wellness/StudentRightsandResponsibilities.html)

   (b) **Grade Replacement/Forgiveness:** If you are repeating this course for a grade replacement, you must file an intent to receive grade forgiveness with the registrar by the 12th day of class. Failure to do so will result in both the original and repeated grade being used to calculate your overall grade point average. Undergraduates will receive grade forgiveness (grade replacement) for only three course repeats; graduates, for two course repeats during his/her career at UT Tyler.

   (c) **State Mandated Course Drop Policy:** Texas law prohibits a student who began college for the first time in Fall 2007 or thereafter from dropping more than six courses during the entire undergraduate career. This includes courses dropped at another
2-year or 4-year Texas public college or university. For purposes of this rule, a dropped
course is any course that is dropped after the 12th day of class (See Schedule of Classes
for the specific date).

Exceptions to the 6-drop rule may be found in the catalog. Petitions for
exemptions must be submitted to the Registrar’s Office and must be accompanied by
documentation of the extenuating circumstance. Please contact the Registrar’s Office if
you have any questions.

(d) Disability Services: In accordance with federal law, a student requesting
accommodation must provide documentation of his/her disability to the Disability
Support Services counselor. If you have a disability, including a learning disability, for
which you request an accommodation, please contact Ida MacDonald in the Disability
Support Services office in UC 282, or call (903) 566-7079.

(e) Student Absence due to Religious Observance: Students who anticipate
being absent from class due to a religious observance are requested to inform the
instructor of such absences by the second class meeting of the semester.

(f) Student Absence for University-Sponsored Events and Activities: If
you intend to be absent for a university-sponsored event or activity, you (or the event
sponsor) must notify the instructor at least two weeks prior to the date of the planned
absence. At that time the instructor will set a date and time when make-up assignments
will be completed.

(g) Social Security and FERPA Statement: It is the policy of The
University of Texas at Tyler to protect the confidential nature of social security numbers.
The University has changed its computer programming so that all students have an
identification number. The electronic transmission of grades (e.g., via e-mail) risks
violation of the Family Educational Rights and Privacy Act; grades will not be
transmitted electronically.

(h) Emergency Exists and Evacuation: Everyone is required to exit the
building when a fire alarm goes off. Follow your instructor’s directions regarding the
appropriate exit. If you require assistance during an evacuation, inform your instructor in
the first week of class. Do Not re-enter the building unless given permission by
University Police, Fire department, or Fire Prevention Services.

(i) Writing Center Information: Located in BUS 202, the UT-Tyler
Writing Center provides professional writing tutoring for all students. If you wish to use
the Writing Center, you should plan in advance for a minimum of two hour-long tutorials
per assignment: the first to assess your needs, and the second to follow up. Be prepared
to take an active role in your learning, as you will be asked to discuss your work. While
Writing Center tutors are happy to give constructive criticism and teach effective writing
techniques, they will under no circumstances write your paper for you. Appointments are
(j) **Course Disclaimer:** This course is not intended to be comprehensive analysis of the laws and issues presented. The information contained in this course may not be applicable to all situations due to the generality of our discussions, the evolution of case law, and the necessity of interpretive guidance. For these reasons, nothing contained in this course should be relied upon without the benefit of legal and financial advice based on the particular circumstances presented. Furthermore, the policy of the State Bar of Texas prohibits the Instructor from providing legal advice to students. Students seeking individual legal advice are encouraged to contact their respective attorneys, or the State Bar of Texas Lawyer Referral Service (800-252-9690).

(k) **College of Business Statement of Ethics:** The ethical problems facing local, national and global business communities are an ever-increasing challenge. It is essential the College of Business and Technology help students prepare for lives of personal integrity, responsible citizenship, and public service. In order to accomplish these goals, both students and faculty of the College of Business & Technology at The University of Texas at Tyler will:

a. Ensure honesty in all behavior, never cheating or knowingly giving false information;
b. Create an atmosphere of mutual respect for all students and faculty regardless of race, creed, gender, age or religion;
c. Develop an environment conducive to learning;
d. Encourage and support student organizations and activities;
e. Protect property and personal information from theft, damage and misuse;
f. Conduct yourself in a professional manner both on and off campus.

(l) **Academic Dishonesty Statement:** The faculty expects from its students a high level of responsibility and academic honesty. Because the value of an academic degree depends upon the absolute integrity of the work done by the student for that degree, it is imperative that a student demonstrates a high standard of individual honor in his or her scholastic work.

Scholastic dishonesty includes, but is not limited to, statements, acts or omissions related to applications for enrollment of the award of a degree, and/or the submission, as one’s own work of material that is not one’s own. As a general rule, scholastic dishonesty involves one of the following acts: cheating, plagiarism, collusion and/or falsifying academic records. Students suspected of academic dishonesty are subject to disciplinary proceedings.

University regulations require the instructor to report all suspected cases of academic dishonesty to the Dean of Students for disciplinary action. In the event disciplinary measures are imposed on the student, it becomes part of the students’ official school records. Also, please note that the handbook obligates you to report all observed cases of academic dishonesty to the instructor.