THE UNIVERSITY OF TEXAS AT TYLER  
COLLEGE OF BUSINESS AND TECHNOLOGY  
FALL 2015

COURSE NUMBER: ACCT 5310-001

COURSE TITLE: Income Tax Research

INSTRUCTOR: Kacie Czapla, esq.  
JD, LL.M. in Tax,

The Logic of Subchapter K, A Conceptual Guide to the Taxation of Partnerships, Laura E. Cunningham and Noel B. Cunningham, Fourth Edition

Federal Income Taxation of Corporations and Stockholders, In a Nutshell, Karen C Burke, Seventh Edition

COURSE DESCRIPTION: An overview of research techniques and sources for tax. The course also provides an overview of Taxation of Business Entities.

PREREQUISITE: ACCT 5320 or Equivalent

COURSE OBJECTIVES:

1. Knowledge objectives 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;
   f. To learn and demonstrate tax research and technical writing skills; and
   g. To learn the basics of taxation of business entities

2. Competencies to be demonstrated 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 using proper 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 the precedential value of such authority for proper research and analysis, as well as how to summarize the results of such research clearly 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. Personal accountability for achievement:
   i. Meeting deadlines: During the semester, you will perform: (A) eleven research assignments which build on the knowledge obtained in the reading material; (B) a group presentation on one of the eleven research assignments (C) one client memorandum assignment; (D) a final exam; and (E) twelve pop quizzes. All projects must be completed on time and submitted in hardcopy form. Electronic submissions are only permissible in extenuating circumstances and with my approval. In general, no makeup work will be allowed;
   ii. Quality of work performed: Your ability to research will be crucial in the eleven research assignments. Your ability to research and summarize technical tax material will be crucial in the legal memorandum. Your final exam will primarily test the material learned in the book, in class and handout material. The twelve pop quizzes will test your knowledge of the Corporate nutshell and the Logic of Subchapter K.

f. Competence in basic business principles:
   i. Understanding how and when to utilize tax authority (described in more detail below), how to restrict your analysis to the scope of the issue(s) posed, and how to communicate your findings to your target audience;
   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 the 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. Summary: Mastery of the above objectives as demonstrated by satisfactory completion of:
   a. Eleven research assignments
   b. One group presentation of one research assignment;
   c. One client memorandum;
   d. Final exam; and
   e. Twelve pop quizzes.

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

CLASS ROOM: BUS 104

TEACHING METHOD: Quiz, presentation, lecture, and class discussion.

OFFICE & PHONE NUMBER: 903-705-1101 (law office); 832-370-9799 (cell)
The best way to reach me is through email. We can make an appointment to meet at the school or at my law office:
Kacie Czapla
Ryan Gardner, PLLC
6793 Old Jacksonville Highway
Tyler, Texas 75703

EMAIL ADDRESS: kczapla@uttyler.edu
kc@glgtx.com

OFFICE HOURS: I do not anticipate keeping regular office hours on campus. However, I am very flexible and want to meet with you. Please email or call me, and we can schedule a time and place to meet. My preference is my law office. I am usually in my office from 8 AM to 3 PM, Monday through Thursday.

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. A quiz will be distributed at the end of each class (except the first) on the material read prior to class. The following is subject to change based on the Professor's guidance.

AUGUST:

Mon. 24: Introduction & Syllabus
   Internal Revenue Code:
   Richmond, pp. 11 to 24, 53-96;
   Cunningham, pp. 1 to 20 (Formation of a PS)

Mon. 31: Treasury Regulations:
   Richmond, pp. 159-202
   Assignment No. 1 and 2 due
   Cunningham, pp. 21 to 43 (Operations and accounting)

SEPTEMBER:

Mon. 7: Labor Day

Mon. 14: Treasury Regulations:
   Assignment No. 3 due
   Cunningham, pp. 44 to 73 (Allocations and SEE)

Mon. 21: IRS Rulings, Memoranda, and Other Publications:
   Richmond, pp 203-244, 388-394
   Assignment No. 4 due
   Cunningham, pp. 44 to 73 (Allocations and SEE Continued)

Mon. 28: IRS Rulings, Memoranda, and Other Publications:
   Assignment No. 5 due
   Cunningham, pp. 114 to 143 (Liabilities)

OCTOBER:

Mon. 5: Case Law:
   Richmond, pp. 250-273, 395;
   Handouts
Assignment No. 6 due
Cunningham, pp. 129 to 143 (Transactions between partners)

Mon. 12: Case Law:
Richmond, pp. 274-288
Bluebook and tax cite;
Assignment No. 7 due
Cunningham, pp. 169 to 187 (PS Distributions)

Mon. 19: Professional Commentary – Books and Articles:
Richmond, pp. 290 to 314; 316 to 337
Assignment No. 8 due
Burke, pp. 59 to 113 (Corporate formations)

Mon. 26: IRAC and Other Review
Handout memorandum facts
Catch up day

NOVEMBER:

Mon. 2: Professional Commentary – Online:
Richmond, 362 to 387
Assignment No. 9 due
Burke, pp. 115 to 145 (Corporate Dividends)

Mon. 9: Legislative History:
Richmond, pp. 96 to 131
Burke, pp. 145 to 166, 183 to 189 (Corporate Redemptions)

Mon. 16: Legislative History:
ISA Lang “Researching Tax Legislative History”
Assignment No. 10 due
Client Memorandum Handout
Burke, pp. 219 to 252 (Corporate Liquidations)

Mon. 23: Thanksgiving Break

Mon. 30: Substantial Authority:
Richmond, pp. 6-10
Assignment No. 11 due
Burke, pp. 409 to 466 (S Corporations)
Client Memorandum Due
DECEMBER:

Mon. 7:  FINAL EXAM  6:00 p.m. – 8:00 p.m.

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

1. Eleven Assignments: 60
2. Group Presentation of Assignment: 10
3. Client Memorandum: 60
4. Final Exam: 60
5. Ten (of twelve) Pop Quizzes: 60

Total Points Possible: 250

1. Eleven Assignments:  You cannot learn how to perform tax research without actually researching. Therefore, you will have eleven 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, without showing your thought process, will provide you little credit. I want to see your thought process, search techniques and how you obtained your answer. Please keep a log of your processes and procedures with the assignment. The answer is important, but the goal here is to teach the process, so use it to your advantage. You may choose a partner for the research assignments but no switching partners. You have the option of working in collaboration with your partner. If you choose to work with your partner, please only submit one assignment on the respective due dates (with both names). If you choose to work in collaboration, please ensure that you both complete the assignment (no free loaders).

2. Group Presentation:  Your group will be assigned one of the research assignments discussed above. You will “play professor” and walk the class through your process in arriving at an answer. All members of the group must speak and have roughly equal speaking parts. Please limit your discussion to 15 minutes.

3. Client Memorandum:  While the eleven research assignments are focused on learning tax research and analysis, the client memorandum is a 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 – your client. 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 distill your research and writing skills into one document that will be a key for you in your employment.
4. **Exam:** The final exam will be thirty short answer questions. 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.

5. **Pop Quizzes:** The pop quizzes will test whether you read and understand the material related to taxation of business entities. The pop quizzes will more than likely take examples straight out of the book, with some numbers changed around. We will probably have twelve pop quizzes and the top ten grades from these quizzes will count towards your final grade in the class.

6. **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://www2.utttyler.edu/wellness/rightsresponsibilities.php.

   (b) **Grade Replacement/Forgiveness and Census Date Policies.** Students repeating a course for grade forgiveness (grade replacement) must file a Grade Replacement Contract with the Enrollment Services Center (ADM 230) on or before the Census Date of the semester in which the course will be repeated. Grade Replacement Contracts are available in the Enrollment Services Center or at http://www.uttyler.edu/registrar. Each semester’s Census Date can be found on the Contract itself, on the Academic Calendar, or in the information pamphlets published each semester by the Office of the Registrar.

   Failure to file a Grade Replacement Contract will result in both the original and repeated grade being used to calculate your overall grade point average. Undergraduates are eligible to exercise grade replacement for only three course repeats during their career at UT Tyler; graduates are eligible for two grade replacements. Full policy details are printed on each Grade Replacement Contract.

   The Census Date is the deadline for many forms and enrollment actions that students need to be aware of. These include:
   - Submitting Grade Replacement Contracts, Transient Forms, requests to withhold directory information, approvals for taking courses as Audit, Pass/Fail or Credit/No Credit;
   - Receiving 100% refunds for partial withdrawals. (There is no refund for these after the Census Date);
   - Schedule adjustments (section changes, adding a new class, dropping without a “W” grade);
• Being reinstated or re-enrolled in classes after being dropped for non-payment; and
• Completing the process for tuition exemptions or waivers through Financial Aid.

(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 their 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 census date (See Academic Calendar for the specific date).

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

(d) Disability Services. In accordance with Section 504 of the Rehabilitation Act, Americans with Disabilities Act (ADA) and the ADA Amendments Act (ADAAA) the University offers accommodations to students with learning, physical and/or psychiatric disabilities. If you have a disability, including non-visible disabilities such as chronic diseases, learning disabilities, head injury, PTSD or ADHD, or you have a history of modifications or accommodations in a previous educational environment you are encouraged to contact the Student Accessibility and Resources office and schedule an interview with the Accessibility Case Manager/ADA Coordinator, Cynthia Lowery Staples. If you are unsure if the above criteria applies to you, but have questions or concerns please contact the SAR office. For more information or to set up an appointment please visit the SAR office located in the University Center, Room 3150 or call 903.566.7079. You may also send an email to cstaples@uttyler.edu.

(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 Exits 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) 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).

(j) 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; and
   f. Conduct yourself in a professional manner both on and off campus.

(k) 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.