Course objective:
This course is designed to provide you with the tools to identify and understand tax planning opportunities. The course develops a fact based framework for analyzing tax planning transactions and applies these tools to various tax planning scenarios.

Text:
1. Principles of Taxation for Business and Investment Planning, 2013 Edition, by Sally Jones and Shelley Rhoades-Catanach (Hereafter Jones and Rhoades). Earlier versions (i.e., 2012 or older) are not acceptable as the textbook examples are different and tax laws change every year.

Lecture notes:
I will provide you with copies of the Power Point slides I will use in class at least one day prior to a class.

Relationship of text material and lecture notes:
Jones and Rhoades is designed as an introductory text, and is an easy read. This is not to say it is exciting, but it is approachable. You are responsible for learning the assigned material in the book chapters prior to coming to class. As is suitable for a Master's level class, I will not be covering most of the material in the book. Rather, I will presume that you understand the material in the assigned book chapters as background for the lecture. The class notes and lectures will expand upon the book material, applying it to more advanced tax planning scenarios that you as a manager might face.

Weekly Quizzes:
There will be eight (8) quizzes in the second through ninth classes. The quizzes are closed book and closed notes and will be given during the first 10 minutes of the class. The quizzes are intended to test your knowledge of the book material that you are responsible for. Material in the prior week's class notes (Power Point slides) will not be on the quizzes. The quizzes will be very similar to some portion of the assigned book homework for the current week (but the numbers will be different!). Quizzes will be graded and returned to you on the following class. I will drop the two lowest quiz scores (only your best six will count). Quizzes not taken receive a score of zero. There are no make up quizzes, any missed quizzes will count towards the two dropped quizzes. Missed quizzes beyond two will receive a grade of zero.
Final Quiz:
There will be a final quiz. The final quiz is in class, closed book, closed notes and will be taken on the last day of class (December 6). The exam will be very similar to some portion of the assigned book homework problems (only the numbers will be different!). The final quiz will be 120 minutes in length and will be given at the end of class (after the presentations).

Homework:
Problems from the book are assigned every week. This homework is not to be turned in. The purpose of the assigned book homework is to prepare you for your weekly quizzes and eventually your exam. Answers to all of the book homework problems will be made available to you on Smartsite.

There will also be six (6) macroeconomic policy oriented homework assignments which will be turned in. Those assignments will be posted to Smartsite. The due dates of these six homeworks is included at the end of this syllabus. These homeworks are individual assignments.

Case presentations:
There will be 10 case presentations. You will be required to take part in presenting one of those cases. The cases will highlight a tax planning strategy that your group will attempt to “sell” to the class. You must be prepared to respond to questions from me. Your grade will be based on how technically complete and correct your presentation is (50%), and how in-depth your presentation is (50%). Everyone in the group gets the same grade, this is a team effort. You will have only 20 minutes maximum (I will stop you at 20 minutes, regardless of how far you are into your presentation), so you need to be well polished and efficient with your time. You may use any presentation method you wish, but at a minimum you should have presentation slides prepared. I will provide the presenting group with most of the answers to the case at least two weeks prior to the case presentation, but as with all real life cases, a full and complete set of “correct” answers does not really exist. Every member of a group must present some portion of the case, no bystanders. The number of students per case depends on class size.

Grading:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final Quiz</td>
<td>36%</td>
</tr>
<tr>
<td>6 Quizzes</td>
<td>36%</td>
</tr>
<tr>
<td>6 Homework</td>
<td>12%</td>
</tr>
<tr>
<td>Case presentation</td>
<td>16%</td>
</tr>
</tbody>
</table>

There are no provisions for extra credit in the class
Tentative Course Schedule (subject to change)
All HW are for "Application Problems"

**Class 1 (Sept. 27)**
Chapter 1
   All
   HW: 2, 7
Chapter 2
   All
   HW: 4, 7
Chapter 3
   All
   HW: 10, 15

**Class 2 (Oct. 4)**
Chapter 4
   All
   HW: 4, 8, 11, 14
Chapter 6
   "business profit as taxable income" page 116 to 117
   "net operating losses" page 137 to 140 (stop at accounting for NOLs)
   HW: 32
Chapter 8
   "computation of gain or loss realized" page 198 to 201 (stop at seller-financed sales)
   "tax character of gains and losses" page 206 to 209
   HW: 1, 5, 21
Quiz 1 (on HW problems for Class 2)

**Class 3 (Oct. 11)**
Chapter 9
   "formation of business entities" page 248 to 251
   "wash sales" page 251
   HW: 23, 25
Chapter 10
   All
   HW: 4, 8, 17, 22, 23
Quiz 2 (on HW problems for Class 3)
**Class 4 (Oct. 18)**
Chapter 11
"computing corporate taxable income" page 308 to 315 (stop at tax credits)
HW: 1, 4, 26, 27
Quiz 3 (on HW problems for Class 4)
Case 1 Sprint executive stock options

**Class 5 (Oct. 25)**
Chapter 12
"tax planning with passthrough entities" page 342 to 354 (stop at penalty taxes on corporate accumulations)
HW: 3, 6, 7, 15
Quiz 4 (on HW problems for Class 5)
Case 2 Estee Lauder estate transfer

**Class 6 (Nov. 1)**
Chapter 13
All
HW: 2, 3, 4, 15, 18, 20, 24
Quiz 5 (on HW problems for Class 6)
Case 3 enron’s use of mips

**Class 7 (Nov. 8)**
Chapter 13
All
HW: 2, 3, 4, 15, 18, 20, 24
Quiz 6 (on HW problems for Class 7)
Case 4 dupont stock redemption

**Class 8 (Nov. 15)**
Chapter 14
"overview of the taxable income computation" page 403 to 418 (stop at individual tax credits)
"alternative minimum tax" page 421 to 424 (stop at payment and filing requirements)
HW: 6, 13, 21, 31
Chapter 15
All
HW: 2, 6, 8, 11, 12, 21, 24, 32, 35
Quiz 7 (on HW problems for Class 8)
Case 5 inversions
Case 6 compaq dividend capture strategy
**Class 9 (Nov. 29)**
Chapter 16  
"investments in financial assets" page 482 to 486 (stop at deferred interest income)  
"tax consequences of capital gains and losses" page 493 to 498 (stop at investments in small corporate businesses)  
"wealth transfer planning" page 507 to 512  
HW: 2, 6, 11, 19, 23, 36, 37, 39

Chapter 17  
"tax consequences of home ownership" page 541 to 544 (stop at itemized deductions as amt adjustments)  
HW: 29

Quiz 8 (on HW problems for Class 9)  
Case 7 black and decker colt tax shelter  
Case 8 sc2 transactions

**Class 10 (Dec. 6)**
Final Quiz (end of class, after presentations)  
Case 9 worldcoms acquisition of mci  
Case 10 quaker oats divestiture of snapple

**Turned in via email to me Homework Schedule**

1. (Due class 3): How Would You Balance the Budget?  
2. (Due class 4): What Causes Federal Deficits?  
3. (Due class 5): Do Income Taxes Affect Economic Growth?  
4. (Due class 7): What is the Future of U.S. Tax Rates?  
5. (Due class 8): Individual Tax Computation  
6. (Due class 9): Are 401(k)s Smart?