

**ACCT 7440**  
**Corporate Tax 1**  
**Spring 2008**

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**Office Hours:** T 5:00 – 6:00, Th 2:00 – 3:00 and by appointment

**Meeting Time/Location:** Tuesday/Thursday 3:30 – 4:45 – Caldwell 102

The course syllabus is a general plan for the course; deviations announced to the class by me may be necessary.

Because of the large number of viruses circulating on e-mail, if you send an e-mail to the above address, include ACCT 7440 in the subject line. Otherwise I might not recognize the sender and will delete the message. I will try to respond to all REASONABLE emails sent to the above address ASAP. If you email me a question, and do not hear back within a 24-48 hour period, I most likely did not receive your email. Please email me again or call my office. **Please do not email me via WebCt as I will not check that e-mail.**

### **Course Objectives**

This course is designed to introduce the tax laws relating to corporations and their owners. The rules we will study include formation, operation, liquidation, and mergers of corporations. The purpose of the course is to familiarize you with the Code, regulations, administrative pronouncements, and case law, as those authorities relate to corporations. The knowledge and skills you should obtain in this course are:

1. an understanding of the framework surrounding the taxation of corporations and their owners;
2. problem recognition capability in corporate tax issues and the ability to develop solutions to those problems, and
3. introduction to planning optimal tax strategies involving corporations.

### **Course Materials**

Code: Copies of the Code are available at the library or on the web at:  
<http://www.access.gpo.gov/uscode/title26/title26.html> or  
[http://www4.law.cornell.edu/uscode/html/uscode26/usc\\_sup\\_01\\_26.html](http://www4.law.cornell.edu/uscode/html/uscode26/usc_sup_01_26.html).

Regs: Copies of the regulations are available in the library or on the web at  
[http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?&c=ecfr&tpl=/ecfrbrowse/Title26/26tab\\_02.tpl](http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?&c=ecfr&tpl=/ecfrbrowse/Title26/26tab_02.tpl) or  
<http://www.access.gpo.gov/cgi-bin/cfrassemble.cgi?title=200226>. You can also access the regulations through CCH or RIA.

Text: *Federal Taxation 2008: Corporations, Partnerships, Estates, and Trusts*, Anderson et al. (Pearson Prentice Hall, 2008).

## Course Requirements:

Daily Assignments. Your responsibilities before class are to read the text assignment and relevant Code sections and to be prepared to discuss these materials and the problem assignments. Part of your grade is dependent upon your attendance, preparation, and participation in class discussion.

## Grading

	Percent
Participation	10
Graded problems	20
Midterm examinations	50
Cumulative final examination	<u>20</u>
	100

**Class Participation:** My objective is to conduct class in a manner that facilitates stimulating discussions about the application of the tax laws and tax planning. While my responsibility is to "teach" the class, I believe that learning is the responsibility of everyone in the class. It is far easier to learn through active participation, and I expect everyone to contribute to class discussion. I like class discussions to be interactive and informal. Please do not be afraid to ask any question of interest. My hope is that by both you and me contributing our parts to class discussion, a high level of understanding of the material may be achieved.

To motivate discussion and preparation, a portion of your grade is based upon class participation. Class participation will be graded based upon the quality and quantity of your contributions to class discussion. One half of your participation grade will be based on your performance on assigned "expert" days (discussed in class), while the other half will be based on your performance on all other days. Your presence and participation in class are critical to your success in this course. Attendance is not mandatory but a lack of attendance is one sure way to receive reduced credit for participation.

**Graded problems and cases:** During the semester some cases and problems will be graded. Generally, these cases and problems will be handed out in class although some may come from the text. Due dates for the major assignments are marked on the syllabus while other dates will be discussed in class. Graded cases and problems will not be accepted after they are discussed in class. For each case or problem you will work in a team of three or four. Each team should submit one completed assignment with the names of all team members that participated on the cover by the beginning of the class on the date indicated on the attached schedule. The members of the team named on the cover sheet will receive the same grade for the assignment. Members of the team not listed on the cover sheet will receive 0 points for the assignment. Solo assignments will receive 0 points.

**Exams:** There will be two midterm examinations during class time, and a *CUMULATIVE* final examination. Because it is difficult to anticipate all eventualities, excuses from the midterm exam are not necessary. However, I would appreciate you informing me if you are not able to take the exam. If a midterm exam is missed, no makeup exam will be given. Instead, the weight of the final exam will be increased accordingly. Thus, an absence from one midterm exam will result in a weight of 45 percent for the final exam. The final exam is mandatory. An unexcused absence from the final exam will result in a score of zero for the final exam. Taking the CPA exam is not an excuse for missing exams or failure to turn in graded assignments on time.

**Withdrawal Policy:** In accordance with University of Georgia guidelines, students may withdraw prior to the midpoint of the semester and receive either a W or WF. A “W” will be assigned if the student withdraws while doing satisfactory work. A “WF” will be assigned if the student withdraws while doing unsatisfactory work. Unsatisfactory work is defined as failing (i.e., a failing grade on work assigned during the time the student is enrolled in the class). A student who withdraws after the midpoint withdrawal date is assigned a grade of WF except in those cases in which the student is doing satisfactory work and the withdrawal is recommended by the Office of Student Affairs because of emergency or health reasons.

\*See <http://www.ps.uga.edu/Administration/EscortService.html> for information about the campus evening escort service.

### **Academic Integrity**

All academic work must meet the standards contained in “A Culture of Honesty.” Students are responsible for informing themselves about those standards before performing any academic work. The link to more detailed information about academic honesty can be found at: <http://www.uga.edu/ovpi/honesty/acadhon.htm> .

All academic work submitted in this course must be your own unless you have received my permission to collaborate and have properly acknowledged receiving assistance. It is my responsibility to uphold the University’s academic honesty policy and report my belief of dishonesty to the Office of the Vice President for Instruction. I take your academic integrity very seriously. You are attempting to enter a profession that requires the highest standards of ethical conduct. If you have any question about whether your actions constitute academic dishonesty, the best course of action is to ask me for guidance before acting.

**ACCOUNTING 7440**  
**Assignments (Subject to Change)**  
**Spring 2008**

General Note: All graded assignments are due at the beginning of class.

Class	Assignment
Jan. 8	Introduction Overview of the Taxation of Corporations and Shareholders Text: Ch. 2, pp. 1-9 Problem: C2-2
Jan. 10	Property Transactions - outline
Jan. 15	Property Transactions - outline
Jan. 17	Formation of a Corporation Text: Ch. 2, pp. 9-27, 34-37 Problems: C2-30, C2-32, C2-37
Jan. 22	Formation of a Corporation, continued Problems: C2-39, C2-41, C2-43, C2-45 Case: Discuss Case #1
Jan. 24	Formation of a Corporation/Choice of capital structure Text: Ch. 2, pp. 27-34 Problems: C2-53, C2-54, C2-48
Jan. 29	Choice of Capital Structure Problems: C2-49, C2-51
Jan. 31	<b>Case #1 due today</b> The Corporate Income Tax Text: Ch. 3, pp. 1-22 Problems: C3-35, C3-49, C3-30, C3-40, C3-36, C3-47, C3-43
Feb. 5	The Corporate Income Tax, continued Text: Ch. 3, pp. 22-42 Problems: C3-53, C3-45
Feb. 7	The Corporate Income Tax, continued Other Corporate Tax Levies—the Corporate AMT Text: Ch. 5, pp. 1-16, 35-38 Problems: C5-35, C5-36, C5-37, C5-40, C5-42
Feb. 12	Other Corporate Tax Levies, continued Taxation of International Operations Text: Ch. 16, esp. pp. 18-37 Problems: C16-6, C16-18, C16-48, C16-50
Feb. 14	<b>WORKDAY – Tax Return</b>
Feb. 19	<b>Tax Return Due</b> Other Corporate Tax Levies, continued Taxation of International Operations
Feb. 21	<b>WORKDAY – Test Preparation</b>
Feb. 26	<b>Mid-term exam I - 3:30 – 5:00, Caldwell 102</b>

Feb. 28	<i>Withdrawing Assets from Corporations</i> Nonliquidating Distributions Text: Ch. 4, pp. 1-13 Problems: C4-28, C4-30, C4-32, C4-33
<b>March 4</b>	<b>LAST DATE TO WITHDRAW WITH A W</b> Nonliquidating Distributions, continued Problems: C4-34, C4-35, C4-37, C4-38, C4-39
Mar. 6	Nonliquidating Distributions, continued Stock Dividends and Stock Rights, Sec. 306 Stock Text: Ch. 4, pp. 13-16, 27-30 Problems: C4-40, C4-42, C4-54
Mar. 10-14	Spring Break
Mar. 18	Stock Dividends, continued
Mar. 20	Redemptions and Partial Liquidations Text: Ch. 4, pp. 16-27 Problems: C4-43, C4-44, C4-45, C4-46
Mar. 25	Redemptions and Partial Liquidations, continued Text: Ch. 4, pp. 30-37 Case: <a href="#">Discuss Case #2</a> Problems: C4-47, C4-49, C4-50, C4-52
Mar. 27	Complete Liquidations Text: Ch. 6, pp. 1-14 Problems: C6-13, C6-33, C6-36, C6-38, C6-41,
Apr. 1	Complete Liquidations, continued Text: Ch. 6, pp. 14-21 Problems: C6-48
Apr. 3	<b>Case #2 is Due Today</b> Taxable Corporate Acquisitions Text: Ch. 7, pp. 1-10 Problems: C7-42, C7-44, C7-45
Apr. 8	Tax-Free Reorganizations Text: Ch. 7, pp. 10-38 Problems: C7-46, C7-47, C7-50, C7-51, C7-52 C7-53, C7-55, C7-59
Apr. 10	Other Reorganizations / Carryover of Tax Attributes Text: Ch. 7, pp. 38-51 Problems: C7-60, C7-62, C7-67
Apr. 15	<b>Mid-term exam II - 3:30 – 5:00, Caldwell 102</b>
Apr. 17	<b>Workday – Case #3</b>
Apr. 22	Current Topics
Apr. 24	Current Topics
May 6	<b>Final Exam: 3:30 – 6:30, Caldwell 102</b>