Professor Karen Burke Spring 2018

**Income Taxation (LAW 6600)**

*Office Hours, Telephone and E-mail*

My office is located in Holland Hall 325B. Regular office hours on Wednesday and Friday 3:00 – 5:00 p.m., or by appointment. If I am in my office and the door is open, you are welcome to drop by. You can also reach me by telephone at 352.273.0924 or by e-mail at burkek@law.ufl.edu.

*Course Materials*

The casebook used in this course will be Freeland, Lathrope Lind & Stephens, *Fundamentals of* *Federal Income Taxation* (18th ed. 2016). You should also have a current copy of the Internal Revenue Code and Regulations (complete or selected versions). Recommended Reading: Chirelstein & Zelenak, *Federal Income Taxation* (13th ed. 2015); Kahn & Kahn, *Federal Income Tax* (7th ed. 2016).

*Course Objectives*

This course introduces students to the federal income tax. The primary focus is on the Internal Revenue Code, as amplified in administrative regulations and rulings, and leading judicial decisions; alternative tax systems (including consumption taxation) are also considered. Coverage includes issues of tax timing and basic financial concepts bearing on modern business transactions. Critical attention is directed to the use of tax provisions to promote social and economic policies and influence individual taxpayer behavior at all income levels; among the tax incentives considered are business expensing, capital gains preferences, qualified retirement plans and special-purpose savings vehicles, medical and educational tax breaks, and the earned income tax credit. Income Taxation is a prerequisite for many advanced tax courses.

*Class Meetings, Attendance and Reading Assignments*

Class will meet on Monday, Tuesday, and Wednesday at 11:00 – 11:50 in Holland Hall 345. Regular and punctual class attendance is required. A student with more than four unexcused class absences may be penalized in the final grade or excluded from the course. Students should be prepared to discuss the assigned readings and problems in class, and may expect to spend up to two hours of preparation for every class hour. The reading assignment for the first week of classes is Freeland, Lathrope Lind & Stephens, pp. 1-41. Additional reading assignments will be posted on the course website (TWEN).

*Topical Outline*

**The topics will be covered in the following order:**

I. Introduction

II. Gross Income Concept

III. Gift Exclusion

IV. Fringe Benefits

V. Prizes and Awards

VI. Property Transactions

A. Determination of Basis

B. Amount Realized and Gain

VII. Annuities

VIII. Discharge of Indebtedness

IX. Damages

X. Separation and Divorce

XI. Other Exclusions from Gross Income

XII. Business Deductions

A. Ordinary and Necessary

B. Miscellaneous Business Deductions and Losses

C. Depreciation

XIII. Deductions for Profit-Seeking Activities

XIV. Nonbusiness and Personal Deductions

A. Interest and Taxes

B. Moving Expenses, Medical Expenses, and Qualified Tuition

C. Personal Exemption and Standard Deduction

D. Charitable Deductions

E. Casualty and Theft Losses

F. Illegality or Impropriety

XV. Capital Gains and Losses

*Evaluation*

Students will be evaluated primarily based on the final examination, which will be graded anonymously. Grades will follow the law school grading policy, which is available at [http://www.law.ufl.edu/students/policies.shtml#9](http://www.law.ufl.edu/students/policies.shtml). In calculating the final grade for the course, the grade awarded on the final examination may be raised by one grade level to reflect active, voluntary participation of consistently high quality in class discussion.

Students are encouraged to provide feedback on this course by completing an online evaluation shortly before the end of the semester. Students will be notified in advance of the online evaluation period. Summary results of the evaluation are available at https://evaluations.ufl.edu/results/.

*Learning Outcomes*

Upon completion of the course, students should have a basic understanding of the structure and policies underlying the federal income tax system, enabling them to analyze planning opportunities for individual taxpayers and preparing them, if they desire, to pursue advanced courses in business taxation, including corporate taxation and partnership taxation.

*Makeup Exams*

The law school policy on delay in taking exams can be found at: <http://www.law.ufl.edu/students/policies.shtml#12>.

*Disability Accommodation*

Students with disabilities requesting accommodations should first register with the Disability Resource Center (352.392.8565, [www.dso.ufl.edu/drc/](http://www.dso.ufl.edu/drc/)) by providing appropriate documentation. Once registered, students will receive an accommodation letter which must be presented to the Law School Office of Student Affairs when requesting accommodations. Students with disabilities should follow this procedure as early as possible in the semester.

*Honor Code*

Students are subject to the UF Student Honor Code, which can be found at http://www.dso.ufl.edu/students.php.