

Taxation of Property Transactions - LAW 7602

3 Credits

Professor Michael Friel

Fall 2018 Syllabus

Class Meeting Times: WTh 9:00 am - 10:15 am; Room 382

Contact Information:

Office Location: 375 Holland Hall

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Office Hours: Wednesdays and Thursdays 10:15 am - 11:15 am or by appointment.

Required and Recommended Textbooks and Other Course Materials:

Required: Taxation of Individual Income, 12th edition (Burke & Friel)(2018).

Required: Internal Revenue Code and Income Tax Regulations (current editions).

Course Description and Methodology

The central themes of this course will be the acquisition and use of tax basis and the classification of income, gains, losses and expenses related to property. We will explore these themes through studying provisions of the code and regulations, other administrative guidance, and case law. The course will be taught primarily through the problem-solving method, with limited time on overview lectures.

Course Objectives:

To articulate fundamental federal income taxation concepts and statutes.

To analyze tax statutes, tax regulations and other forms of administrative tax guidance.

To solve tax problems encountered in the acquisition, use, and disposition of property.

Learning Outcomes

After completing the course, students should be able to:

1. Determine the amount of realized gain or loss on a property transaction.
2. Determine the amount and character of recognized gain or loss on a property transaction.
3. Calculate the impact of liability relief or liability assumption on gain or loss in a property transaction.
4. Describe the requirements for gain or loss on a property transaction to be characterized as capital gain or capital loss.
5. Determine the initial basis applicable to a taxpayer's acquisition of property and calculate the adjustments to that initial basis following acquisition.
6. Describe transactions the nature of which cause gain or loss to be deferred, disallowed or excluded.
7. Describe relationships that cause gain or loss to be deferred or disallowed.
8. Determine circumstances in which business expenses are limited and calculate the amount of the limitation and the amount of any carryover.

Class Attendance Policy

Regular class attendance and preparation are required. You are expected to attend class and to be prepared to respond to questions. Attendance will be taken each day. Recording of classes is not permitted. You should notify me by email of the reason for any class absence so that I may determine and advise you whether the absence is excused or unexcused. If you have more than four unexcused absences, you may be barred from taking the final examination or may be subject to a grade reduction of up to one full letter grade.

Workload/Class Preparation

ABA Standard 310 requires that students devote 120 minutes to out-of-class preparation for every “classroom hour” of in-class instruction. Taxation of Property Transactions has 3 “classroom hours” of in-class instruction each week, requiring at least 6 hours of preparation outside of class. You will have about 60 pages of reading with discussion problems each week. Because the course involves statutory and regulatory provisions that require careful reading and discussion problems that require advance written preparation, you should spend at least one hour of preparation on every 10 pages of reading.

Evaluation

The grade in the course will be based on the final exam

Final Exam

The final exam will be up to 4 hours long and will be given at the law school on the dates and times and in the classrooms specified by the law school. The exam will be open-book. Written materials of your choice will be permitted. Computers, smart phones and other devices capable of communicating with others will not be permitted unless blocking software approved by the College of Law has been installed on the device under law school supervision.

Policy Related to Make-up Exams:

The law school policy on delay in taking exams can be found at:

<http://www.law.ufl.edu/students/policies.shtml#12>.

Statement Related to Accommodations for Students with Disabilities:

Students requesting classroom accommodation must first register with the UF Office of Disability Resources which will provide documentation to the student who must then provide the documentation to the Law School Office of Student Affairs when requesting accommodation.

Other Law School Policies:

The law school academic policies may be found at <http://www.law.ufl.edu/student-affairs/current-students/academic-policies>. The law school honor code may be found at <http://www.law.ufl.edu/student-affairs/additional-information/honor-code-and-committee>.

Students are expected to provide feedback on the quality of instruction in this course based on 10 criteria. These evaluations are conducted online at <https://evaluations.ufl.edu>. Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at <https://evaluations.ufl.edu>.

Information on UF Law Grading Policies:

Grade:	Points
A	4.0 (Excellent)
A-	3.67
B+	3.33
B	3.0 (Good)
B-	2.67
C+	2.33
C	2.0 (Satisfactory)
C-	1.67
D+	1.33
D	1.0 (Poor)
D-	0.67
E	0.0 (Failure)

The law school grading policy is available at: <http://www.law.ufl.edu/students/policies.shtml#9>.

Syllabus for LLM Taxation of Property Transactions (Fall Semester 2018)

Assignments are to chapters and pages in the casebook Taxation of Individual Income. Prepare all problems in a chapter unless otherwise indicated.

Week #1 August 15-16

(1 class) Chapters 1-3: Introduction to Course (class focus will be on Chapter 1)

(1 class) Chapter 5: Gifts, Bequests, Inheritance

Week #2 August 22-23

(2 classes) Chapters 4 & 35: Gains from Dealings in Property; Nonrecourse Debt

Week #3 August 29-30

(1 class) Chapter 12: Business Deductions (problems 2, 4, 6); plus pages 229-31 (Fringe benefits), 412-13 (Travel), 449-53 (Education), and 483-84, 488-89 (Dual use property)..

(1 class) Chapter 13: Qualified Business Deduction (problem 2)

Week #4 September 5-6

(1 class) Chapter 14: Capitalization

(1 class) Chapter 15: Depreciation

Week #5 September 12-13

(2 classes) Chapters 16A (Losses), 22 (Casualty Losses), 25A (Related Party Transactions) and 25C (Wash Sales).

Week #6 September 19-20

(2 classes) Chapter 9: Cancellation of Indebtedness

Week #7 September 26-27

(2 classes) Chapter 29: Capital Gains & Losses., plus pages 394-97 in Chapter 16B (Bad Debts)

Week #8 October 2-3

(1 class) Chapter 30: Quasi-Capital Assets § 1231

(1 class) Chapter 31: Recapture of Depreciation

Week #9 October 10-11

(1 class) Chapter 6: Sale of a Principal Residence

(1 class) Chapter 36: Transfers of Property Between Spouses and Incident to Divorce

Week #10 October 17-18

(2 classes) Chapter 37: Like-Kind Exchanges of Real Property

Week #11 October 24-25

(2 classes) Chapter 38: Involuntary Conversions

Week #12 October 31 - November 1

(1 class) Chapter 39A (problems 1 - 8), plus pages 985-86 (problem 20): Installment Sales

(1 class) Chapter 41: Original Issue Discount (problems 2(a)-(d), pages 1033-36 and 1039-45)

Week #13 November 7-8

(1 class) Chapter 40A: Sale of a Business

(1 class) Chapter 24 (problems 4(c)-(g), pages 572-78): Charitable Contributions

Week #14 November 14-15

(2 classes) Chapter 42: Limitations on Deductions, plus pages 718-19 in Chapter 28 (Net Operating Loss):