**S Corporation Seminar**

**(law 7911)**

**(2 credit hours)**

Professor Karen Burke Fall 2021

*Office Hours, Telephone and E-mail*

My office is located in Holland Hall 325B. Regular office hours are Wednesday,

2:00 – 4:00 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](mailto:burkek@law.ufl.edu).

*Course Materials*

The course will consist of readings and problems on taxation of S corporations and shareholders. The reading assignments for class meetings during the fall semester consist of excerpts from McNulty & Burke, Federal Income Taxation of S Corporations (2d ed. 2015), reprinted with permission of West Academic. Students do not need to purchase the entire book. Instead, a course packet with the assigned excerpts is available for purchase through the university bookstore in Bruton-Geer Hall. The course packet materials are exclusively for use by students in this course and may not be reproduced or distributed for any other purpose. In addition, I have prepared a comprehensive set of S problems that will be discussed in class. Students should also have a copy of a current edition of the Code and Regulations.

*Course Objectives*

The primary objective of the course is to introduce students to current topics in taxation of S corporations. Topics covered include eligibility, election mechanics, shareholder agreements, shareholder-level taxation of income, loss, and distributions, use of shareholder debt, employment taxes, qualified S subsidiaries, corporate-level taxation of built-in gain, termination of S status, and acquisitions and dispositions involving S corporations. The seminar will also examine the § 199A deduction for passthrough owners (including sole proprietors, partners and S shareholders) and the § 1411 tax on net investment income.

A central theme is choice of entity, focusing on the comparative advantages and disadvantages of S corporations, C corporations, and partnerships. Because taxation of S corporations reflects a “hybrid” of corporate and partnership tax principles, the seminar provides a useful review of Subchapter C principles as they affect S corporations as well as a basic introduction to passthrough taxation.

*Class Meetings, Attendance and Reading Assignments*

The seminar will meet on Thursdays from 3:15 – 4:55 p.m., beginning on October 7 and continuing through November 18 (note that class will not meet on Thursday, November 11 (Veteran’s Day holiday)). Regular and punctual attendance is required. A student with more than two unexcused class absences may be penalized in the final grade or dropped from the course. Students should be prepared to discuss the assigned readings and problems in class, and may expect to spend at least 60 hours outside of class meetings in research and writing during the semester.

*Topical Outline*

During the fall class meetings, topics will be covered in the following order. Reading assignments and problems will be posted on the course page (Canvas).

Oct. 7 Introduction

Oct. 14 Acquiring and Maintaining S Status

Oct. 21 Effects of S Election—Operation of the S Corporation

Oct. 28 Effects of the S Election—Distributions to Shareholders

Nov. 4 Tax Consequences for S Shareholders and Special S Taxes

Nov. 18 Choice of Entity: S Corporations versus Tax Partnerships

*Research Topics and Papers*

Paper topics may relate to S corporations or aspects of partnership or corporate taxation; students are encouraged to develop their topics as early as possible. I will post to Canvas a list of possible research areas and will be available to discuss specific topics proposed by individual students. The written paper is intended to satisfy the writing requirement for the LL.M. program; it is expected that papers will be completed during the spring or summer.

The final paper reflecting the results of the research will be 25–30 pages long (including footnotes). Students are expected to submit a brief outline and first draft for review and comment prior to completing the final draft. Footnotes should approximate Law Review style. Papers should be in Word (or WordPerfect) format, with standard 1-inch margins and text in 12-pitch font, and should be submitted as an e-mail attachment. A student who submits a paper after the deadline may be penalized in the final grade.

*Evaluation*

Students will be evaluated primarily on seminar participation and on the quality of their research papers. Consideration will also be given to active, voluntary participation of consistently high quality in class discussion. Grades will follow the law school grading policy, which is available at <https://www.law.ufl.edu/life-at-uf-law/office-of-student-affairs/current-students/uf-law-student-handbook-and-academic-policies>.

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://gatorevals.aa.ufl.edu/public-results/>.

*Learning Outcomes*

Upon completion of the seminar, students should have (1) a solid grasp of the taxation of S corporations at both a conceptual and practical level, (2) a basic understanding of the advantages and disadvantages of S corporations versus other passthrough forms, (3) a demonstrated ability to thoroughly research and analyze current topics relevant to taxation of business entities.

*Disability Accommodation*

Students with disabilities requesting accommodations should first register with the Disability Resource Center (352.392.8565, <https://disability.ufl.edu/get-started/>) 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 <https://sccr.dso.ufl.edu/process/student-conduct-code/>.