First Day Assignment

Fall 2020

LAW 7602 - LLM Taxation of Property Transactions

#1. Read Chapters 1 – 3 in the course textbook, Taxation of Individual Income. The class focus will be on Chapter 1; do not prepare the Chapters 2 & 3 Problems.

#2. Review these Internal Revenue Code sections: 1(h) [skim only]; 1(j)(2); 61(a), 62(a)(1); 63(a), (b), (c)(7), (d), (e); 67(a), (b), (g)(2); 151(d)(5)(A); 162(a)(1); 163(a), (h)(2)(D); 164(a), (b)(5)(A), (b)(6); 167(a); 170(a)(1); 199A [skim only]; 212.

#3. Read these US Supreme Court opinions: Commissioner v. Glenshaw Glass Co., 348 U.S. 426 (1955); Old Colony Trust Company v. Commissioner, 279 U.S. 716 (1929); and North American Oil Consolidated v. Burnet, 286 U.S. 417 (1932).

#4. Consider this fact pattern, drawn from Chapter 1:

Taxpayer has:

Gross Income: $320,000

Section 62(a)(1) deductions: $90,000

Adjusted Gross Income: $230,000

Standard Deduction: $12,000

Itemized Deductions: $37,000

Section 199A Deduction: $10,000

Taxable Income: $183,000