

Income Taxation (LAW 6600)

Office Hours, Telephone and E-mail

My office is located in Holland Hall 325B. Regular office hours are on Mondays 10 – noon, or by appointment. You can also reach me by e-mail at burkek@law.ufl.edu.

Course Materials

The casebook used in this course will be Lind, Lathrope & Field, *Fundamentals of Federal Income Taxation* (20th ed. 2022). 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* (15th ed. 2023).

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 Tuesday and Thursday at 10:30 – 11:55. 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 Lind, Lathrope & Field, pp. 1-36. Additional reading assignments will be posted on the course website (Canvas).

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
 - D. Recapture on Sale of Depreciable Property
- XIII. Nonbusiness Deductions
 - A. Profit-Seeking Activities
 - B. Interest and Taxes
- XIV. Restrictions on Deductions
 - A. Entertainment and Meals
 - B. Hobby Losses
 - C. Illegality or Impropriety
- XV. Deductions Limited to Individuals
 - A. Medical Expenses
 - B. Qualified Tuition
 - C. Concept of Adjusted Gross Income
 - D. Standard Deduction
 - E. Charitable Deductions
 - F. Casualty and Theft Losses
- XVI. Capital Gains and Losses
- XVII. Deferral and Nonrecognition
 - A. Installment Sales
 - B. Property Transferred in Connection with Services
 - C. Like-Kind Exchanges
 - D. Qualified Opportunity Funds

- XVIII. Special Status or Rates
- A. Marital Status
 - B. Passthrough Deduction
 - C. Net Capital Gains and Dividends
 - D. Net Investment Income Tax

Evaluation

Students will be evaluated primarily based on the final examination, which will be graded anonymously. 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.

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.

Additional Information

Additional information about law school policies concerning grades, accommodations, class recordings, makeup exams, course evaluations, and honor code compliance can be found at <https://ufl.instructure.com/courses/427635/files/74674656?wrap=1>.