

**ACCOUNTING 5370**  
**Fall 2014**

**Instructor:** Bob Widmer  
Office: 513 West Oak. St.  
Denton, TX 76201  
Hours: Saturday 10a.m. – 12p.m by appointment and such other  
times as mutually agreed upon.  
Telephone: 940-368-2824 (Cell –but use judiciously)  
E-mail: [bob@widmerlaw.com](mailto:bob@widmerlaw.com) (only way to *timely* reach me)  
Classroom: BLB 050  
Thursday 6:30-9:20pm

**Text:**

1. CCH Federal Estate & Gift Taxes Code and Regulations (March, 2014) or Internal Revenue Code (IRC) and Regulations.

**Objectives:**

1. Expose you to choice of entity planning, marital property rights in Texas, gift tax, estate tax, generation skipping transfer tax planning, insurance planning, estate planning, charitable planning, and business succession planning. Develop an understanding of how the IRS works.
2. Complete a Federal gift tax return and a Federal estate tax return.
3. Emphasize the importance of the Internal Revenue Code and Regulations in tax planning (existing laws as well as proposed legislative actions).
4. Discuss the effect that current events will have on tax planning.
5. Emphasize the importance of clear and careful thinking when confronted with complex tax issues.

**Class Procedures:**

Each weekly assignment will include readings, lecture outlines, and/or cases or problems. During each class meeting, **you will be expected to participate.**

**Grading:**

Your semester grade will be based on the following:

Class participation (including Assignments)	25%
Gift Tax Return	10%
Estate Tax Return	25%
Final exam (comprehensive)	40%

The final exam will be a three-hour essay and problem exam. It will be comprehensive and open book. Exams will be picked up at the end of three (3) hours or, if no one has finished at the end of three (3) hours, then at the end of ten (10) minutes after the first exam is turned in.

In a graduate class, the success of the class depends on the participation by all students. Timely attendance, preparation and participation are expected.

**Rules:**

1. No Phones, iPods, texting, computer games, etc.
2. No food, unless I bring it (Drinks are Ok.)
3. During class, you are expected to be courteous and respectful toward me and your classmates. Letters of recommendation are optional!

**Abbreviations:**

Code- Internal Revenue Code

Regs- Treasury Regulations

**Lesson 1- Introduction to the Wealth Transfer Tax System**

**a. Readings:** (bring all of the materials to class)

1. IRS Pub 1
2. IRS Form 2848 + Instructions
3. Code: §§1411, 6018, 6019, 6075, 6081, 6151, 6103(a)(b), 2001(a)(b)(c), 2502(a)
4. Regs- 1.1411 (On Blackboard-print and bring to class)

**b. Assignment-** 1 page paper (due at the start of class) on IRC Section 1411. I will go over a handout on IRC Section 1411.

**c.** Pick your study group (3 members)

**Lesson 2- Gift Tax**

**a. Readings:**

1. Code: §§ 1(g), 102, 1001, 1015, 1041,
2. Regs: 1.001-1(e), 1.1015-1,-2,-4,-5(a), 1.1041-1T

**b. Assignment-** 1 page paper on the ability to pre-pay tuition under Inc. Section 2503(e)

**Lesson 3- Gift Tax**

**a. Readings:**

1. Code: §2501, 2502, 2503, 2504, 2505, 2511, 2512, 2513, 2514, 2516, 2518, 2519, 2522, 2523, 2524
2. Regs: § 25.2501-1(a)  
25.2502-2(a)  
25.2503-2(a)

25.2503-3(a),(b),(c)  
25.2503-4(a)  
25.2503-6(a),(b),(c)  
25.2511-1(a),(e),(g),(h) Example 4  
25.2511-2(a),(b),(c)  
25.2512-1  
25.2512-6(a)  
25.2512-8

**b. Assignment:** 1 page paper on IRC Section 529

**b.** Distribute Gift Tax Return Problem

#### **Lesson 4- Valuation Issues**

**a. Readings:**

1. Code and Reg Sections from Lesson 3.
2. Code: 6695A, 6696, 671, 673, 674, 675, 676, 677
3. Regs: §§20.2031-3, 25.2512-1
4. Rev. Rul 59-60

**b. Assignment:** 1 page paper on the qualifications for an individual to perform valuations. Hint- look at IRC Section 170 and the Regs thereunder.

#### **Lesson 5- GST Tax**

**a. Readings:**

1. Code: §§ 2601, 2602, 2603, 2611, 2612, 2613, 2624, 2631, 2632, 2641, 2642, 2651
2. Regs: §§ 26.2601-1(a)(1), (b); 26.2612-1(a)(b)(c); 26.2632-1(a)(b)(1)(2), (d)(1)(2); 26.2642-1(a)(b)(c)

**b. Assignment:** 1 page paper on the effect of utilizing a GST Trust for taxable gifts.

#### **Lesson 6- Insurance Planning + Introduction to Estate Planning**

**a. Readings:**

1. Code: §§72, 101
2. Regs: §§ 20.2042-1(a)(b)(c)

**b. Assignment:** 1 page paper on the definition of an individual's Gross Estate and how it differs from an individual's Probate Estate.

**c. GIFT TAX RETURN DUE!!!**

### **Lesson 7- Estate Tax**

**a. Readings:**

1. Code: §§ 1014, 2001, 2002, 2010, 2031, 2032, 2032(A), 2033, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2046, 2051, 2052, 2053, 2054, 2055, 2056, 2056(A), 2057, 2058, 2101, 2102, 2107, 2203, 2206, 2207(A)
2. Reg: §§20.0-2; 20.2002-1, 20.2031-1, -2, -3, -6; 20.2032-1(a),(b); 20.2040-1; 20.2041(b),(c)(1)(2); 20.2042-1(a), (c)(3); 20.2051-1; 20.2053-(1)(a),(e); 20.2053-2; 20.2053-3; 20.2053-7; 20.2056(b)-4(a), (b), (c), (d)
3. IRS Pub 1457

**b. Assignment:** 1 page paper on the application of IRC Section 2010(c)

### **Lesson 8-Estate Tax**

**a. Readings:**

1. See Lesson 7

**b. Assignment:** 1 page paper on the application of IRC Section 2032

**c. Estate Tax Return Problem handed out**

### **Lesson 9- Estate Tax**

**a. Readings:** (See Lesson 7)

1. Code: §§ 6018, 6061, 6071, 6075, 6081, 6161, 6166
2. Regs: §§ 20.20.2002-1, 20.6018-4

**b. Assignment:** 1 page paper on the significance of dying in Texas- Hint: Read IRC Section 1014

### **Lesson 10- Charitable Planning**

**a. Readings:**

1. Code: §§ 170(c), (f)11; 170 (h), 501©(3), 4940(a); 4942(a),(b), (c), (d); 4943(a),(b), 4946(a)(1)
2. IRS Form 1023 + Instructions

**b. Assignment:** Bring the most recent Form 990/990PF for your favorite charity and be prepared to discuss it for 5 minutes (Group Project)

### **Lesson 11- Income Taxation of Trusts & Estates**

**a. Readings:**

1. Code: §§ 1411(review), 1(e); 641; 642(b),(c),(d),(e), (g), (h); 644(a); 651(a), 652(a),(b); 663(b)
2. IRS Form 1041 + Instructions

**b. Assignment:** 1 page paper on the available tax years for an irrevocable trust and an estate.

### **Lesson 12- Business Succession Planning/ Asset Protection Planning**

**a. Estate Tax Return Due**

**b. Assignment:** 1 page paper on a “charging” order

### **Lesson 13- Estate Planning Techniques**

**a. Readings:**

1. Read Bob’s Will and Ancillary Documents

### **Lesson 14**

**a. REVIEW DAY!**

## **Lesson 15**

**FINAL EXAM**- 3 hour minimum. Open book/notes. No computers/iPads.

**Note: Classes may be cancelled due to my schedule**

### **Academic Dishonesty Statement:**

Academic dishonesty (cheating) is absolutely inconsistent with professionalism. Students, enrolled in this course who engage in academic dishonesty will receive a failing grade. Their behavior will be reported to the Dean of Students for appropriate disciplinary actions.

### **Mission Statement:**

The mission of the professional programs in accounting at the University of North Texas is to prepare a diverse student body for careers in industry, public accounting, and the nonprofit sector, primarily in the North Texas region.

### ***ADA REQUIREMENTS***

THE COLLEGE OF BUSINESS ADMINISTRATION COMPLIES WITH THE AMERICANS WITH DISABILITIES ACT IN MAKING REASONABLE ACCOMODATION FOR QUALIFIED STUDENTS WITH DISABILITY.

IF YOU HAVE AN ESTABLISHED DISABILITY AS DEFINED IN THE AMERICANS WITH DISABILITIES ACT AND WOULD LIKE TO REQUEST ACCOMODATION, PLEASE SEE ME AS SOON AS POSSIBLE. MY OFFICE HOURS AND OFFICE NUMBER ARE SHOWN ON THIS SYLLABUS.

COURSE PREREQUISITES: ACCOUNTING 5310 AND ACCOUNTING 5110

The Department of Accounting Student Advisory Board was created to allow accounting majors to have input into to processes of the Department. The Student Advisory Board interacts with the Accounting Advisory Board and is comprised of accounting majors from the undergraduate, masters, and doctoral programs. In October and April of each academic year, the Accounting Advisory Board meets and reserves a time period on their agenda for students to express issues and concerns about the Department. For more information on the Student Advisory Board, see the Department of Accounting Bulletin Board and visit our website at [www.coba.unt.edu/acct/](http://www.coba.unt.edu/acct/) where you will find the e-mail addresses of each member of the Board. If you have any questions or concerns about the Department, please contact us. We look forward to hearing from you.