

ACCOUNTING 5330
Summer II 2015

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 (only way to *timely* reach me)
Classroom: BLB 050
Mon. /Wed.: 6:00-9:50pm

Text/Materials

1. Federal Income Tax, Code and Regulations, Selected Sections, Martin B. Dickinson Edition, Wolters Kluwer/CCH. 2014-2015 Edition

Objectives:

1. Expose each student to choice of entity planning, tax issues involved in the formation, operation and liquidation of a corporation and corporate tax planning. Ensure that each student understands the differences between a “C” and “S” Corporation. Briefly introduce corporate reorganizations. Ensure that each student develops an understanding of how the IRS works.
2. Complete a Federal Corporate Tax Return.
3. Emphasize the importance of the Internal Revenue Code and Regulations in corporate tax planning (existing laws as well as proposed legislative actions).
4. Discuss the effect that current events will have on corporate tax planning.
5. Emphasize the importance of clear and careful thinking when confronted with complex tax issues.

Class Procedures:

Each 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)	30%
Corporate Tax Return	30%
Final exam (comprehensive)	40%
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Total	100%

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. No Computers, iPads, etc.

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.
4. Timely attendance, preparation and participation are expected.
5. I expect that all students will cooperate toward making this a successful learning experience for everyone.

Abbreviations

1. Code- Internal Revenue Code
2. Regs- Internal Revenue Regulations
3. Posted- Posted on Blackboard (If item is not posted, you will need to get it and bring to class.)

Lesson 1- Understanding the Rules of Engagement

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

1. IRS Pub 1
2. IRS Pub 3498
3. IRS Pub 556
4. IRS Form 2848 (and instructions) bring Form to class
5. IRS Form 9465 (and instructions)
6. IRS Form 4506
7. Code: §§ 5000A, 6501, 6502, 6503, 6511, 7213, 7431

b. Assignment- 1 page (total) paper on the statute of limitations for an audit and the purpose of a 90 day letter. Turn in at the start of class!

c. Pick your study group during class. Study Group size=3 students! I will do a seating chart at the end of class.

d. Extra Credit- 1 page (total) paper on the concept that the U.S. tax system is based upon “voluntary compliance”

Lesson 2- Introductory Issues

a. Readings:

1. Code: §§ 1(a)-(e), (h); 11(a), (b), 267, 318; 1411
2. IRS Form 8832 (and Instructions)-bring form to class
3. Form 1120, Schedule M3 (and Instructions)-bring to class

b. Assignment- 1 page paper on Code §1411.

Lesson 3- Tax Formation

a. Readings:

1. Code: §§ 83(a),(h); 317, 351, 357; 358; 362; 368(c); 453; 1001; 1012; 1016; 1031(a)(2); 1032; 1221(a)(1),(4); 1223; 1231(b)(1); 1244
2. Regs: §§ 1.61-6; 1.351-1,2,3; 1.357-1,-2; 1.358-1, 1.362-1; 1.1001-1(a); 1.1002-1 1.1032-1; 1.1244(a)-1; 1.1244(b)

b. Assignment: 1 page paper on the fundamental tax principle of “wherewithal to pay” and its relationship to both Code § 1001 and Code § 1031.

c. Extra Credit: 1 page paper on Code § 1244

Lesson 4- Tax Formation - Continued

a. Readings:

1. Code: §§ 248,118 and Lesson 3 Code and Regs.
2. Revenue Ruling 84-111

b. Assignment: 1 page paper on Code §721(b) and the applicable Regulations.

Lesson 5- Operations

a. Readings:

1. Code: §§ 57, 162, 243
2. Regs: §1.162-1(a)
3. Aries Communications Inc. et. al. v. Commissioner, T.C. Memo 2013-97

b. Assignment: 1 page paper on reasonable/unreasonable compensation paid by corporation to a shareholder/employee

c. Extra Credit: 1 page paper on a Personal Service Corporation

Lesson 6- Distributions and Stock Redemptions

a. Readings:

1. Code: §§ 301, 302 311, 312, 316, 317, 318, 414(m), 482, 531-537, 1274(d)(1)(A), 1411, 7872
2. Reg: §§ 1.301-1; 1.302-2; 1.302-3; 1.302-4; 1.316-1(a), (b), (c), (d), (e); 1.318-1; 1.318-2; 1.318-4
3. Zenz vs. Quinlivan, 213 Fed 914 (6th Cir. 1954)

b. Assignment: 1 page paper on the accumulated earnings tax and how to avoid it.

Lesson 7- Exit

a. Readings:

1. Code: §§ 197, 331, 332(a), 334(a), 334(b), 336(a), 337(a), 338(a), 338(b), 354(a), 358, 368(a)(1) A, B, C, D, E, 361, 362, 381, 382, 453, 453A, 453B, 1032, 1060
2. Reg: §§ 1.368-1(d)(1), 1.368-1(e)(1), 1.368-3(a)
3. Martin Ice Cream Company vs. Commissioner, 110 T.C. No. 18- Posted
4. IRS Form 8594 (and Instructions)-bring to class

b. Assignment: Corporate Tax Return problem due!

Lesson 8- S Corporations

a. Readings:

1. Code: §§ 1361; 1362; 1363(a),(b); 1366(a), (b), (d)(i); 1367(a); 1368(a), (b), (e); 1371(a); 1374; 1375; 1377; 1378
2. Regs: §§ 1.1361-1(a)(1)
3. IRS Form 2553 (and instructions)-bring to class
4. Revenue Procedure 2013-30-bring to class

b. Assignment: 1 page paper on unreasonably low compensation paid to a S Corporation's shareholder/employee.

c. Extra Credit: 1 page paper on a Personal Holding Company.

Lesson 9- Planning

a. Readings:

1. Code: §§ 701; 702; 1201; 7704(a), (b); 7701(a)(1), (2), (3), (14)
2. Regs: §§ 1.1361-1(a)(1); 301.7701-1, -2(a), -2(c), -3(a), -3(b)(1)

Lesson 10

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 OR 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/ 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.