

## SYLLABUS

### Basic Federal Income Taxation (Tax I)

Fall 2010 – Tuesdays and Thursdays 1-2:15

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#### Office Hours:

I am in my office until 4:00 p.m. on Mondays, Wednesdays, and Fridays. You are welcome to drop by. You may also e-mail me to set up an appointment.

#### Readings:

The texts for this course are TAXATION OF INDIVIDUAL INCOME (8<sup>th</sup> Edition) by Burke & Friel, and SELECTED FEDERAL TAXATION STATUTES AND REGULATIONS, 2009, by Lathrope (any recent version will suffice).

#### Grading:

Grades will be based on a midterm exam (30%), a final exam (60%) and class participation (10%); class participation will impact your grade.

The midterm will be a 1.25 hour, in class exam. The final exam will be a *cumulative*, 3-hour open book exam that will be either a self-scheduled or a “take-home” exam during exam period. **Calculators:** You may use calculators, although any arithmetic should be very straightforward. **You will not be permitted to use calculators with communications function** (e.g., no cell phones or P.D.A.s with calculators). **You will not be permitted to share calculators.** Both exams likely will include multiple choice and/or short answer questions, but I reserve the right to change my mind about format.

#### Format of the class, and class participation:

We will use an “on call” system; however, all class members are expected to have done the reading and to be prepared to participate. This class will also use cooperative learning (group work) during class. All class members are expected to participate.

There will be at least two in-class quizzes. Quizzes will not impact your grade except to the extent that failure to take a quiz could impact your class participation.

#### Computers and Laptop Use in Class:

Use of a laptop computer during class for purposes unrelated to class (such as checking e-mail, participating in chat rooms, surfing the web, etc.) is prohibited. If you are discovered utilizing the computer for purposes unrelated to class, you forfeit the privilege of using a computer during our class for the remainder of the semester.

#### Attendance:

Regular and punctual class attendance is required. Missing more than 4 classes is grounds for being withdrawn from the class.

### **Extra Credit E-mail, aka, Auto-Bump:**

You may bump your final grade up one step (e.g., from B- to B) by doing extra-credit e-mails. To receive this extra credit, you must satisfactorily complete the “extra credit e-mail” for 17 of the chapters. Each extra credit e-mail must be e-mailed to me prior to class meeting in which we cover that Chapter.

What is a satisfactory “extra-credit e-mail?” Include the following information in the body of the e-mail, **not in an attachment!** E-mails must have two parts: a “this chapter” section and a “previous chapter” section.

- THIS CHAPTER:
  - Your answers to the assigned problems at the beginning of the chapter.
  - If we are covering more than one chapter in a class, send me a separate e-mail for each chapter (to ensure I credit you).
  - You may work in groups on the problems! It is fine. In fact, it is recommended to work together, especially on difficult problems. Each student, however, must turn in his or her own extra-credit e-mail.
- PREVIOUS CHAPTER:
  - Questions/comments re: the muddiest or most confusing point/code section/problem from class.
  - Optional feedback/comments regarding the most recent class. (At least 25 words, please.)

The e-mail must be sent to me at **mholcomb01@hamline.edu**. For tracking purposes, the e-mail **must** contain the following information in the subject line: **"Weekday. E-mail for (CHAPTER), from (your name)."** Please use your full name - do not use your test number!

**Ex. Weekday. E-mail for chapter 2, from First Name Last Name**

### **Assignments:**

This syllabus is subject to change as we move through the semester. Any changes will be announced in class, and a revised syllabus will be distributed if necessary. Some matters, not covered in any of the chapters listed below, will be covered by brief in-class lecture.

Read all Code Sections and Regulations. Study the cases and rulings so that you not only know the holding, but also understand the facts of the case, the parties' arguments, and the decision makers' reasoning. After reviewing the code sections and text material, complete the assigned problems at the beginning of each Chapter. Unless otherwise announced in class or on TWEN, do all of the problems.

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<b>Date</b>	<b>Assignment</b>	<b>Topic</b>
Aug. 24 & 26	Preface & Ch. 1 and readings on TWEN	Introduction
	Ch. 2	Gross Income
Aug. 31	Ch. 3	Obligation to Repay
No class Sept. 2— Convocation		
Sept. 7 & 9	Ch. 4	Gains from Dealings in Property
Sept. 14 & 16	Ch. 5	Gifts, Bequests, Inheritance
	Ch. 9	Debt Discharge
Sept. 21 & 23	Ch. 11	Fringe Benefits
	<i>Review of Chs. 1-11</i>	
Sept. 28 & 30	Ch. 12	Business & Profit Seeking Expenses
	Ch. 20	Hobby losses
Oct. 5	<b>MIDTERM EXAM</b>	<b>MIDTERM EXAM covering Chapters 1-11</b>
Oct. 7	Ch. 13	Capital Expenditures
	Ch. 14*	Depreciation
Oct. 12 & 14	Ch. 15	Losses & Bad Debt
	Ch. 16	Travel Expenses
Oct. 19	Ch. 21	Dual Use Property

No class Oct. 21 Mid-term break		
Oct. 26 & 28	Ch. 21 (cont.)  Ch. 25	Medical Expenses
Nov. 2 & 4	Ch. 26  Ch. 37	Charitable Deductions  Tax Consequences of Divorce
Nov. 9 & 11	Ch. 28  Ch. 29	Cash Method Accounting  Accrual Method Accounting
Nov. 16 & 18	Ch. 34  Ch. 31** (preview—no problems until 11/23)	Assignment of Income  Capital Gains & Losses
Nov. 23 & 25	Ch. 31  Ch. 32	Capital Gains & Losses  Quasi-Capital Assets
Nov. 30 & Dec. 2	Ch. 39	Like Kind Exchanges

\*In Chapter 14, you may skip “B. Computing the Depreciation Deduction” at pp. 320-21. You will not be expected to compute depreciation on the exam. **Problems for Chapter 14:** Please prepare Problems 1, 3, and 4.

\*\*Note: I recommend that you do not read **Chapter 31** in order. Instead, read pp. 742-47, then skip to Part D (pp. 759-71), then read the cases. Finally, go back and read Parts B & C. **Problems for Chapter 31:** Please prepare all of Part A (three problems) and Problem 1 in Part B. These are the only problems I will expect you to have prepared, though I might discuss aspects of other problems.