## THE UNIVERSITY OF TEXAS AT AUSTIN McCOMBS SCHOOL OF BUSINESS

Course	ACC 384.3 Taxation of Entities II (Flow-Through Entities)	
Professor	Terri Holbrook, CPA, MST	
Term	Fall 2012	
Meetings	Section #3125 TTH 12:30 – 2:00pm Section #3130 TTH 2:00 – 3:30pm GSB 2.120	
Office and hours	4M.208; T,TH 3:30 – 5:00pm, or by appointment	
<b>Professor contact</b>	Terri.Holbrook@mccombs.utexas.edu phone 512-471-2888	
Teaching Asst	Dan Li Dan.Li@bba10.mccombs.utexas.edu	

Course Description	I taxation of non-cornorate flow-through entities. The course will also cover		
Prerequisites	This course is designed for graduate accounting students who are pursuing the Tax Track of the MPA program. Prerequisites include an introductory tax course (ACC 380K.11, ACC 355, or equivalent) and completion or concurrent enrollment in a tax research course (ACC 384.1, or equivalent).		
Learning Objectives	<ol> <li>After completing this course, students should have:</li> <li>An appreciation of the complexity of Subchapter K and the supporting Regulations and case law;</li> <li>An understanding of the concepts behind the aggregate and entity theories of partnership taxation;</li> <li>Learned the fundamentals of partnership taxation using a life-cycle approach, including formation, operation, allocations, distributions and liquidations;</li> <li>An understanding of more complex areas, including transactions between a partnership and its' partners, sale of a partnership interest and death of a partner;</li> <li>A working knowledge of Subchapter S corporations and the ability to compare and contrast between all flow-through tax entities.</li> </ol>		

## Required Text and supplemental resources

<u>Fundamentals of Partnership Taxation: Cases and Materials</u> 9<sup>th</sup> Edition Schwarz & Lathrope, Thomson-West publisher ISBN 9781609300692

Course Packet available in GSB UT Copy Center, includes relevant sections of the Internal Revenue Code

Other required readings and resources, as posted on Blackboard Supplemental resources on UT Library website

## **General Course Information Course Policies**

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Grading Criteria	Students will be evaluated through a combination of projects, exams, and a qualitative "professionalism" grade. Points will be allocated as follows:  • First exam (200 points)  • Second exam (200 points)  • Final exam (250 points)  • Tax return project (100 points)  • Group presentation (150 points)  • Professionalism; described below (100 points)  • Total Points – 1,000  A plus or minus grading scale will be used to assign final grades, with an expected distribution curve around an average GPA of 3.2		
Exams	<ol> <li>The exams will be administered during the times outlined in this syllabus calendar. Please reserve these times in advance so that you do not have a conflict during a scheduled exam. You must sit for the exams on the dates and times scheduled. If an extraordinary event (death in immediate family, illness requiring hospitalization, etc.), contact me before the exam and I will resolve on an individual basis.</li> <li>Exams will test the material covered since the last exam; however, due to the integrated nature of tax law, there may be a comprehensive element to each exam.</li> <li>During each exam you may use a calculator, your text, notes, and any printed material you wish to bring. You may not bring your laptop, tablet, cell phone or other PDA device to exams.</li> </ol>		
Outside Reading and Problems	Problems are included in each chapter. Although these problems will not it		

Tax Return	available at <a href="www.irs.gov">www.irs.gov</a> in fill-out and print format. Tax preparation software is NOT permitted.		
Group Presentations	Students will work in groups on a project that will be assigned mid-semester and presented to the class at semester end. This project will incorporate tax research, comprehension and analysis, critical thinking, technical writing, creative presentation development and communication skills.		
Professionalism	In calculating your final grade, 100 points will come from your display of professionalism in my class. This discretionary evaluation will be based upon the following:		
Class Attendance	You are expected to attend all classes and absences will be noted. It is in your best interest to attend class and be prepared. If you must miss a class, it is your responsibility to contact another student to get the lecture notes and other materials that you missed.		
Classroom Citizenship	Please turn off all cell phones, PDAs and iPods during class. Laptops or Tablets may be used only to take notes or view class materials, <u>and</u> if they are not distracting to others.		
Email	I may communicate important information from time to time via email. Please		
Blackboard And privacy issues	This course will utilize the Blackboard learning management system, which you may access at <a href="https://courses.utexas.edu">https://courses.utexas.edu</a> The syllabus and other important information will be posted there.  Password-protected class sites will be available for all accredited courses taught at The University. Syllabi, handouts, assignments and other resources are types of information that may be available within these sites. Site activities could include exchanging e-mail, engaging in class discussions and chats, and exchanging files. In addition, class e-mail rosters will be a component of the sites. Students who do not want their names included in these electronic class rosters must restrict their directory information in the Office of the Registrar, Main Building, Room 1. For information on restricting directory information see: <a href="http://www.utexas.edu/student/registrar/catalogs/gi02-03/app/appc09.html">http://www.utexas.edu/student/registrar/catalogs/gi02-03/app/appc09.html</a>		

Academic Integrity	The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the Policy Statement on Scholastic Dishonesty for the McCombs School of Business:  By teaching this course, I have agreed to observe all of the faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all of the student responsibilities described in that document. If the application of that Policy Statement to this class and its assignments is unclear in any way, it is your responsibility to ask me for clarification. Policy on Scholastic Dishonesty: Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course an/or dismissal from the University. Since dishonesty harms the individual, all students, and the integrity of the University, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at <a href="http://deanofstudents.utexas.edu/sjs/">http://deanofstudents.utexas.edu/sjs/</a> or the General Information Catalog to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.
Student Grievance Procedures	If you have a complaint regarding your grade on an exam, please discuss with me as soon as possible after the exam. I will not consider any grade changes if brought to my attention more than three days after exam results are returned to you.  If a student has a grade grievance on his/her final course grade, the student must follow the specified procedures established by the University.
Drop/Add, Withdrawal or Incomplete policy	Please refer to the academic calendar for the last day to drop/add a course without financial or academic penalty. It is the student's responsibility to handle withdrawal requirements from any class. You must do the proper paperwork to ensure that you will not receive a final grade of "F" in a course if you choose not to attend the class once you are enrolled.  If a student fails to complete this course for illness or other reason deemed adequate, I will use my discretion to assign a grade of I (Incomplete). This will be handled on an individual basis.
Religious Holy Days	Absences on religious holidays listed in the University calendar are recognized as excused absences. Nevertheless, students are fully responsible for all material presented during their absence. If such a religious holiday falls on an exam date, please notify me as early as possible. I will handle on an individual basis.
Students with disabilities	The University of Texas at Austin provides upon request appropriate academic accommodations for qualified students with disabilities. For more information, contact the Office of the Dean of Students at 471-6259, 471-4641 TTY.

Course Schedule (may change with adequate notice to students)

DATE	TOPIC	TEXT	IRC Sections
Aug 30	Introduction to Subchapter K	Ch 1	
Sept 4	Tax classification of	Ch 1	761(a), 7701(a)(3), 7704
ОСРІЧ	business enterprise; choice		701(a), 7701(a)(5), 7704
	of business entity		
Sept 6	Contributions of property;	Ch 2	721,722,723,704(c)(1)(A),
	basics of liabilities		724,752(a)-(c)
Sept 11	Contributions of services	Ch 2	83(a)-(c) and (h), 709
Sept 13	Operations: aggregate and	Ch 3	701,702(b),703,706(b)
•	entity principles		
Sept 18	Operations consequences to	Ch 3	701,702,703(a),705,706(a)
	partners		
Sept 20	Limitations on partnership	Ch 3	704(d),465,469
	losses		
Sept 25	Special allocations under	Ch 4	704(b)
	704(b)		
Sept 27	Allocations for contributed	Ch 4	704(a) and (c),724,751(c) and
	property		(d)
Oct 2	Allocations of partnership	Ch 4	704(c)(1)(A), 752(a)-(c), 706(c)
	liabilities; varying interests;		and (d), 704(e)
0.14	family partnership rules		
Oct 4	Exam 1; 6:00-8:30pm		
	Chaps 1-4		
0-10	Douments for consisce and	Ch 5	707(a) and (a) 207(a)(2) and
Oct 9	Payments for services and	Ciro	707(a) and (c),267(a)(2) and
Oct 11	use of property Sales and exchanges of	Ch 5	(e)(1) 267(a), (c) and (d)
Octii	property between partners	OII 3	207 (a), (c) and (d)
	and partnerships		
Oct 12	Tax Returns Due		
Oct 16	Sales and exchanges of	Ch 6	705(a),706(c),741,751,752(d),
	partnership interests		1(h)(5)(B),
Oct 18	Sec 754 elections	Ch 6	742,743,752(a),754,755
Oct 23	Operating distributions	Ch 7	731,732,733,735,
Oct 25	Mixing bowl transactions	Ch 7	704(c),737,731(d),732(e),751(b)
Oct 30	Liquidation of a partner's	Ch 8	736,761(d),731,732
	interest		, ,,,,,,
Nov 1	Liquidation vs. sale of a	Ch 8	731,732,736,741,751
	partnership interest		
Nov 6	Liquidation and termination	Ch 8	708
	of a partnership		
Nov 8	Death of a partner	Ch 9	706(c),708(b),691(a)-(c),736
Nov 13	Exam 2 (6:00 – 8:30pm)		
	Chaps 5-9		

Nov 15	Formation and operation of	Ch 11	1361,1362,1378,
	S-Corporation		
Nov 20	Limitation of losses and	Ch 11	1363,1366,1367,311(b),1368,
	distributions to shareholders		1371
Nov 22	Thanksgiving Holiday		
Nov 27	Special issues of S-	Ch 11	1363,1371,1372,1374,1375,
	Corporations		
Nov 29	Group presentations		
Dec 4	Group presentations		
Dec 6	Group presentations		
Dec 12-	Final Exam		
18	Date and time tbd		