

**Accounting**  
**Course Number: 22:010:605**  
**Course Title: Corporate Taxation**

## **COURSE DESCRIPTION**

This course is designed for tax students to fully explore the tax ramifications facing corporations throughout its life cycle. Students will study the tax authority as applied to both the corporation as an entity, as well as to the corporate shareholders. This includes initial start-ups and corporate formation, choices of capitalization including debt vs. equity, ongoing operations, distributions to shareholders, partial redemptions of shareholder stock by corporations, and corporate liquidations.

The course format will include lectures, discussions, and some group problem solving. There will be a heavy emphasis of studying the Internal Revenue Code and other primary sources of tax law (Regulations Court Cases, etc.) for students to grasp a deep understanding of the law as it pertains to corporate taxation. This will be reinforced through class lectures, and solving homework problems related to each lesson, enabling the tax student to apply and understand the tax law covered in this course.

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## **COURSE MATERIALS**

### **Required textbook:**

**Fundamentals of Corporate Taxation** (10<sup>th</sup> edition) Schwarz & Lanthrope. ISBN-978-164242-878-0.

**Selected Federal Tax Statutes and Regulations.** (You should already have this from Tax I). If you are new to the program, you will need to purchase: Selected Federal Taxation Statutes and Regulations (West Publishing). ISBN: 9781684673179.

### **Supplemental text (not required):**

**Examples & Explanations: Corporate Taxation** (4<sup>th</sup> edition), Aspen Publishers. Cheryl D. Block. ISBN – 9780735588721.

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## **LEARNING GOALS AND OBJECTIVES**

This course is designed to help students develop skills and knowledge in the fundamental tax issues facing corporations as well as corporate shareholders. Students will gain a deep knowledge in the tax treatment of “lifecyle” transactions between the corporations and its owners. It is my goal that each student will be

able to identify all of the tax issues involved in a transaction and apply the appropriate tax law to solve those problems.

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## **PREREQUISITES**

It is advisable that students should have already successfully completed the graduate level Fundamentals of Income Tax course.

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## **ACADEMIC INTEGRITY**

*I do NOT tolerate cheating. Students are responsible for understanding the RU Academic Integrity Policy (<http://academicintegrity.rutgers.edu/>)*

*I will strongly enforce this Policy and pursue all violations. On all examinations and assignments, students must sign the RU Honor Pledge, which states, "On my honor, I have neither received nor given any unauthorized assistance on this examination or assignment." I will screen all written assignments through SafeAssign or Turnitin, plagiarism detection services that compare the work against a large database of past work. Don't let cheating destroy your hard-earned opportunity to learn. See [business.rutgers.edu/ai](http://business.rutgers.edu/ai) for more details.*

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## **ATTENDANCE AND PREPARATION POLICY**

Both attendance and participation is expected of every student. It is imperative that all readings and assigned problems are attempted prior to the class in which it is lectured and reviewed. The material in this class is not easily grasped unless one is fully prepared for the class lecture. Cramming is not effective in the study of taxation.

Class time will be divided between lecture and reviewing assigned homework problems. All students are expected to read the assigned material and complete the assigned homework **prior to coming to class**. It is **expected that you come to class well prepared to participate** in class discussions and in the homework review. From time to time, I may use PowerPoint, **BUT THIS IS NOT appropriate for you to use as lecture notes**. When I do use PowerPoint, it is ONLY to "guide" my lectures (i.e. PP is not detailed).

This class meets on to accommodate students work schedules. Many students find this to be the best time during busy tax seasons. If for any reason you cannot make it to our location, you will be able to log into **WebEx** during our class times. I will be hosting a WebEx at that time with a running feed. Again, live attendance and participation is strongly recommended. The WebEx link will be posted to Canvas under "course documents".

**Course Web Site - CANVAS:**

Course announcements, homework assignments, materials and other information will be posted on the course web site:

**<https://canvas.rutgers.edu>**

Use your Rutgers NETID and Password to login.

Click on this course in order to access announcement, course documents, and other important information about our course. Please check Canvas frequently. I will be posting important class announcements from time to time.

**The use of any audio or video devices (including cell phones) is PROHIBITED in class and during office hours.**

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## **EXAM DATES AND POLICIES**

Both the midterm and final exams will be open code and notes (written or typed), you may also use a calculator. **No laptops cell phones or other devices may be used during the final exam.**

There are no makeup exams.

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## **GRADING POLICY**

**IMPORTANT: Your final grade will be based solely on your performance on your midterm and final exam. The weightings are as follows:**

	<b><u>Points</u></b>	<b><u>%</u></b>
<b>Midterm</b>	<b>90</b>	<b>45%</b>
<b>Final</b>	<b><u>110</u></b>	<b><u>55%</u></b>
<b>Total</b>	<b>200</b>	<b>100%</b>

**There will be NO EXTRA CREDIT or other factors that impact your final grade.** Grades are not subject to negotiation. If you believe that an error has been made, students must submit a written explanation of the error within one week of receiving their grade. The fact that a student “tried hard” or had conflicting commitments and was unable to study does not warrant a grade change.

## COURSE SCHEDULE

**I will assign readings, etc. at each class. For our first class, please read Chapter 1 of the case book the cited code and regulations (shown in your casebook), as well as the handout I will post to canvas under “course documents”. Also do the homework (problems in the book as well as any additional problems that I post to canvas under the “assignments” tab. At each subsequent class, I will be assigning weekly readings of approx. 25 – 30 pages. I cannot stress enough to keep up with the work, and not to fall behind.**

<u>Topic</u>	<u>Items Due</u>
<ul style="list-style-type: none"> <li>- Introduction to semester - / Introduction to Corporate Taxation</li> <li>- Determination of Corporate Taxable Income</li> <li>- Review of form 1120</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Read Chapter 1</b></li> <li>- <b>Read Handout # 1</b></li> <li>- <b>Do homework problems for class</b></li> </ul>
<ul style="list-style-type: none"> <li>- Corporate formation</li> <li>- Impact to shareholder</li> <li>- Impact to corporation</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Read assigned pages of Chapter 2</b></li> <li>- <b>Do homework problems for class</b></li> </ul>
<ul style="list-style-type: none"> <li>- Corporate formation</li> <li>- Impact to shareholder</li> <li>- Impact to corporation</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Read remaining pages of Chapter 2</b></li> <li>- <b>Do homework problems for class</b></li> </ul>
<ul style="list-style-type: none"> <li>- Debt vs equity</li> <li>- Impact to investor</li> <li>- Impact to corporation</li> <li>- Ramifications of misclassification</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Read Chapter 3</b></li> <li>- <b>Do homework problems for class</b></li> </ul>
Distributions to shareholders <ul style="list-style-type: none"> <li>- Impact to corporation</li> <li>- Impact to shareholder</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Read remaining pages of Chapter 4</b></li> <li>- <b>Do homework problems for class</b></li> </ul>
Distributions to shareholders <ul style="list-style-type: none"> <li>- Impact to corporation</li> <li>- Impact to shareholder</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Read assigned pages of Chapter 4</b></li> <li>- <b>Do homework problems for class</b></li> </ul>

<b>Midterm Exam</b>	<b>STUDY</b>
<b>NO CLASS – SPRING BREAK</b>	<b>REST</b>
Partial redemptions of stock <ul style="list-style-type: none"> <li>- Impact to corporation</li> <li>- Impact to shareholder</li> </ul>	<ul style="list-style-type: none"> <li>- Read assigned pages of Chapter 5</li> <li>- Do homework problems for class</li> </ul>
Partial redemptions of stock <ul style="list-style-type: none"> <li>- Impact to corporation</li> <li>- Impact to shareholder</li> </ul>	<ul style="list-style-type: none"> <li>- Read assigned pages of Chapter 5</li> <li>- Do homework problems for class</li> </ul>
Partial redemptions of stock <ul style="list-style-type: none"> <li>- Impact to corporation</li> <li>- Impact to shareholder</li> </ul>	<ul style="list-style-type: none"> <li>- Read remaining pages of Chapter 5</li> <li>- Do homework problems for class</li> </ul>
<b>NO CLASS</b> <ul style="list-style-type: none"> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>- Read Chapter 6</li> <li>- Do homework problems for class</li> </ul>
Stock Dividends and Stock Splits - Distributions of IRC 306 Stock <ul style="list-style-type: none"> <li>- Impact to corporation</li> <li>- Impact to shareholder</li> </ul>	
<ul style="list-style-type: none"> <li>- Complete liquidations</li> <li>- Impact to corporation</li> <li>- Impact to shareholder</li> </ul>	<ul style="list-style-type: none"> <li>- Read assigned pages of Chapter 7</li> <li>- Do homework problems for class</li> </ul>
<ul style="list-style-type: none"> <li>- Complete liquidations</li> <li>- Impact to corporation</li> <li>- Impact to shareholder</li> </ul> SEMESTER REVIEW	<ul style="list-style-type: none"> <li>- Read remaining pages of Chapter 7</li> <li>- Do homework problems for class</li> </ul>
<b>FINAL EXAM</b>	<b>STUDY</b>

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**SUPPORT SERVICES**

If you need accommodation for a *disability*, obtain a Letter of Accommodation from the Office of Disability Services. The Office of Disability Services at Rutgers, The State University of New Jersey, provides student-centered and student-inclusive programming in compliance with the Americans with Disabilities Act of 1990, the Americans with Disabilities Act Amendments of 2008, Section 504 of the Rehabilitation Act of 1973, Section 508 of the Rehabilitation Act of 1998, and the New Jersey Law Against Discrimination. More information can be found at [ods.rutgers.edu](http://ods.rutgers.edu).

[Rutgers University-New Brunswick ODS phone (848)445-6800 or email [dsoffice@echo.rutgers.edu](mailto:dsoffice@echo.rutgers.edu)]

[Rutgers University-Newark ODS phone (973)353-5375 or email [ods@newark.rutgers.edu](mailto:ods@newark.rutgers.edu)]

If you are *pregnant*, the Office of Title IX and ADA Compliance is available to assist with any concerns or potential accommodations related to pregnancy.

[Rutgers University-New Brunswick Title IX Coordinator phone (848)932-8200 or email [jackie.moran@rutgers.edu](mailto:jackie.moran@rutgers.edu)]

[Rutgers University-Newark Office of Title IX and ADA Compliance phone (973)353-1906 or email [TitleIX@newark.rutgers.edu](mailto:TitleIX@newark.rutgers.edu)]

If you seek *religious accommodations*, the Office of the Dean of Students is available to verify absences for religious observance, as needed.

[Rutgers University-New Brunswick Dean of Students phone (848)932-2300 or email [deanofstudents@echo.rutgers.edu](mailto:deanofstudents@echo.rutgers.edu)]

[Rutgers University-Newark Dean of Students phone (973)353-5063 or email [DeanofStudents@newark.rutgers.edu](mailto:DeanofStudents@newark.rutgers.edu)]

If you have experienced any form of *gender or sex-based discrimination or harassment*, including sexual assault, sexual harassment, relationship violence, or stalking, the Office for Violence Prevention and Victim Assistance provides help and support. More information can be found at <http://vpva.rutgers.edu/>.

[Rutgers University-New Brunswick incident report link: <http://studentconduct.rutgers.edu/concern/>. You may contact the Office for Violence Prevention and Victim Assistance at (848)932-1181]

[Rutgers University-Newark incident report link: [https://cm.maxient.com/reportingform.php?RutgersUniv&layout\\_id=7](https://cm.maxient.com/reportingform.php?RutgersUniv&layout_id=7) . You may also contact the Office of Title IX and ADA Compliance at (973)353-1906 or email at [TitleIX@newark.rutgers.edu](mailto:TitleIX@newark.rutgers.edu). If you wish to speak with a staff member who is confidential and does **not** have a reporting responsibility, you may contact the Office for Violence Prevention and Victim Assistance at (973)353-1918 or email [run.vpva@rutgers.edu](mailto:run.vpva@rutgers.edu)]

If students who have experienced a temporary condition or injury that is adversely affecting their ability to fully participate, you should submit a request via <https://temporaryconditions.rutgers.edu>.

If you are a military *veteran* or are on active military duty, you can obtain support through the Office of Veteran and Military Programs and Services. <http://veterans.rutgers.edu/>

If you are in need of *mental health* services, please use our readily available services.

[Rutgers University-Newark Counseling Center: <http://counseling.newark.rutgers.edu/>]

[Rutgers Counseling and Psychological Services–New Brunswick: <http://rhscaps.rutgers.edu/>]

If you are in need of *physical health* services, please use our readily available services.

[Rutgers Health Services – Newark: <http://health.newark.rutgers.edu/>]

[Rutgers Health Services – New Brunswick: <http://health.rutgers.edu/>]

If you are in need of *legal* services, please use our readily available services: <http://rusls.rutgers.edu/>

Students experiencing difficulty in courses due to *English as a second language (ESL)* should contact the Program in American Language Studies for supports.

[Rutgers–Newark: [PALS@newark.rutgers.edu](mailto:PALS@newark.rutgers.edu)]

[Rutgers–New Brunswick: [eslpals@english.rutgers.edu](mailto:eslpals@english.rutgers.edu)]

If you are in need of additional *academic assistance*, please use our readily available services.

[Rutgers University-Newark Learning Center: <http://www.ncas.rutgers.edu/rlc>

[Rutgers University-Newark Writing Center: <http://www.ncas.rutgers.edu/writingcenter>]

[Rutgers University-New Brunswick Learning Center: <https://rlc.rutgers.edu/>]

[Optional items that many faculty include:

- Students must sign, date, and return a statement declaring that they understand the RU Academic Integrity Policy.

- Students must sign, date, and return a statement declaring that they understand this syllabus.]