

Alabama Law Tax LLM
Personal Income Tax
Professor Kahn
Fall 2018

SYLLABUS

This is the introductory course for the Graduate Tax Program. This course is designed to both (1) teach many of the basic rules of the federal income taxation of individuals and (2) introduce concepts that will be further developed during later courses in the Graduate Tax Program.

The required texts for the course are: Kahn and Kahn, *Federal Income Tax* (Foundation Press, 7th Ed.) and *Selected Federal Taxation Statutes and Regulations* (West, 2019 ed.) (note that you may also use an older edition of the statutes and regulations). Although not required, many students find the following supplementary books helpful: Bankman, Griffith, Pratt, *Federal Income Tax Examples and Explanations*, Chirelstein and Zelenak, *Federal Income Taxation and Alscott, Taxation in Six Concepts*.

References to "K" are to sections or chapters of Kahn and Kahn, *Federal Income Tax*. References to "Supp" are to the supplement materials (available for download on the course website at www.jeffreykahn.com). The problem sets referred to on the syllabus are also available for download on the website. References to "IRC" numbers are to sections of the Internal Revenue Code of 1986, as amended. When a Code section is assigned, the student should also read the regulations that apply to that section unless there is a large number of regulations under that section (as is the case, for example, in IRC § 61). Regulations will be listed in the assignments below only if selected regulations under a Code provision are to be read or if the listed regulation is promulgated under a Code provision that is not assigned in that unit. If an assigned provision is not included in the volume of the *Selected Statutes and Regulations* that you are using, you can locate that provision through Lexis or Westlaw.

ORIENTATION

K, 1.0000 to 1.5000
Mayo Foundation (Supp)
Minzer (Supp)

CLASS ONE- Fringe Benefits and Barters

K, 1.6400 to 1.7130, 1.8000 to 1.9300, Chapter Two, 3.0000 to 3.1630
IRC §§ 61, 119 (omit 119(c) and (d)), and 132
Treas. Reg. §§ 1.61-2(a)(1), 1.61-2(d)(1) and (2), 1.61-14(a), 1.61-21(a)(1)-(4), (b)(1) and (2)
Problems
Problem Set #1 [In answering these questions, ignore IRC § 4977(c)]

CLASS TWO - Realization

K, 1.6000 to 1.6230, 1.7200 to 1.7336-2, 24.1000 to 24.1110, 24.2300 to 24.2331

Treas. Reg. § 1.61-6(a)

Eisner v. Macomber (Supp)

Rev. Rul. 79-24 (Supp)

Rev. Rul. 80-52 (Supp)

Problems

Problem Set #1.5

CLASS THREE - Damages

K, Chapter Four, 9.3800

Glenshaw Glass (Supp)

PLR 200041022 (Supp)

PLR 200121031 (Supp)

IRC § 104(a) [Note: IRC § 130]

Problems

Problem Set #2

CLASS FOUR- Recovery of Loss & Tax Benefit Rule

Clark (Supp)

PLR 9743035 (Supp)

Review K, 4.2500 to 4.2520

K, Chapter Five

IRC § 111(a) and (c)

Hillsboro Nat. Bank (Supp)

Problems

Problem Set #3

CLASS FIVE - Gifts

K, 6.0000 to 6.1120, 6.6000 to 6.8430

IRC §§ 102, 267(a)(1), (b)(1), (c)(4), 1014(a), 1015(a), (e), 1041(a), (b)

[Note: IRC §§ 84(a), and 1015(d)]

Treas. Regs. §§ 1.1001-1(e), 1.1015-4

Taft (Supp)

Problems

Problem Set #4 [Answer these questions without regard to IRC § 1015(d)]

CLASS SIX - Standard for Determining Gifts and Bequests

K, 6.2000 to 6.5000, 6.8500, 6.9000A, 9.3600 to 9.3620

IRC § 102, 1041(a), (b) [Note: §§ 85, 86(a)-(c), 274(b)]

Prop. Reg. § 1.102-1(f)(2)

Duberstein (Supp)

Olk (Supp)

Problems

Problem Set # 5

CLASS SEVEN - Cancellation of Debt

K, 7.2000 to 7.2340, 7.2500 to 7.9400

IRC §§ 108(a), (b)(1), (2)(E), (3)(A), (5), (d)(1), (3), (5), (e)(1), (2), (5), and (6) and 1017

Treas. Reg. § 1.61-12(a)

Kirby Lumber (Supp)

Zarin (Supp)

Preslar (Supp)

Problems

Problem Set # 7

CLASS EIGHT - Claim of Right and Illegal Income

K, Chapter Eight

IRC § 1341

Lewis (Supp)

Problems

Problem Set # 8

CLASS NINE - Annuities, Life Insurance and Time Value of Money/ Review

K, 3.1100 to 3.1110, 9.1000 to 9.1200, 9.2000 to 9.2500

CLASSES TEN & ELEVEN - Nonrecognition and Encumbrances

K, 24.6000 to 24.7130, 24.7160 to 24.8410 [Note: K, 24.9000 to 24.9200]

IRC §§ 1031 and 1033 [Omit §§ 1031(e)-(h), 1033((c)-(f), (g)(3), and (i)]

[Note: IRC § 121(a) and (b)]

Treas. Reg. § 1.1001-2

Crane (Supp)

Tufts (Supp)

Problems

Problem Set # 9

CLASS TWELVE - Medical

K, Chapter 19

Ochs (Supp)

Problems

Problem Set #10

CLASS THIRTEEN – Miscellaneous Items

K, Chapters 12, 16 & 17

CLASS FOURTEEN – Review Session