TAXATION 322A
Federal Income Taxation of Corporations and Shareholders

FALL 2015
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SCHOOL OF TAXATION
GOLDEN GATE UNIVERSITY

John McWilliams Office Hours:
Wednesday 3:30 – 4:30 PM – Live and “Zoom Conference”.
Appointments are also available on request by email.

Class Meeting Time:
Wednesdays 5:00-9:00 PM
October 7 through December 16, 2015

IMPORTANT DATES
Course Start – October 7, 2015
Online Quiz 1 – During October 31 to November 3
Online Quiz 2 – During November 13 to 17
Final Exam – December 16, 2015

I. Course Description
This course analyses federal income taxation of transactions between corporations and their shareholders, including transfers to corporations, dividends and other non-liquidating distributions, stock redemptions, corporate liquidations, and the taxation of S corporations.
The course content will require you to work directly with primary sources of tax law, i.e., the Code, Treasury regulations, IRS administrative pronouncements, legislative history, and written judicial opinions.
Course prerequisites: TA 318, TA 329 and TA 330
2. **Course Objectives**
The objectives of this course are to blend theory with practicality so that, by the end of the term, you will have developed a familiarity with the federal income taxation of corporations and their shareholders and a framework for analyzing transactions between corporations and their shareholders that is both useful and conceptually sound. You will be able to identify tax issues, research and effectively communicate the outcome of your research. The subject matter learning outcomes are identified as part of each week’s assignments as “key concepts”. The course will be taught from the perspective of a tax expert meeting professional and ethical responsibilities.

3. **Required Materials**
The following materials are required for the course:
   1. **TA 322A Printed Materials (July 2012)**
   3. **Internal Revenue Code** (current)

**Book Store**
To purchase course books and materials from eFollett, GGU's official online bookstore, go to http://www.ggu.edu/undergraduate/student-services/student-life/ggu-bookstore. In addition, shortly you will be receiving from the School of Taxation passwords to access the entire Federal Tax Library provided on the web by Research Institute of America (RIA). This way if you are on a trip, you perhaps can avoid taking all the code volumes in your suitcase! You will not, however, be able to access them during exams.

**University Library**
Find the GGU Library Home Page at http://www.ggu.edu/libraries/university-library.

There are several databases available through the Golden Gate University Library for students to conduct research on various topics. Remote (off campus) access to the databases requires your last name and student ID# (located on the front of your ID card). Be sure to type in ALL 7 digits, including the starting 0. Example: 0123456.

4. **Contacting Instructors**
John McWilliams will be available immediately before class (4-5pm) in Room 5303. With appropriate planning, appointments at other times are available. You can also e-mail (Jmcwilliams@ggu.edu) or phone him (415.442.7809). Fred Sroka is available throughout the week in Room 5304. Since deans seem to spend most of their days in meetings, it is advisable to call ahead or make an appointment. You can also email (fsroka@ggu.edu) or phone him (415.369.5285).
5. Course Requirements, Student Responsibilities, Grading Policy

GRADING POLICY
Each student's grade will be based upon total points earned on the quizzes, final examination and class participation, and weighted as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quizzes</td>
<td>20%</td>
</tr>
<tr>
<td>Final</td>
<td>70%</td>
</tr>
<tr>
<td>Class participation</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Grades will be assigned as follows:

- **A, A-** 90 to 100 points
- **B+, B, B-** 75 to 89 points
- **C+, C, C-** 70 to 74 points
- **D+, D, D-** 60 to 69 points
- **F** below 60 points

QUIZZES AND FINAL
You will be taking three examinations during the semester (two quizzes and a final examination). The final exam is a comprehensive exam.

The quizzes and the final exam are “open book open note” exams.

If your quiz grade is lower than your final grade, the final will replace your quiz grade.

The dates and time for the exams are listed below in the course schedule. The final exam will be in class and handwritten. The quizzes will be online exams which must be taken during the identified period. Computers, cell phones and other electronic equipment (other than calculators) may not be used during the exam. Programmable calculators and cell phone calculators may not be used during the exams.

CLASS PARTICIPATION
Class participation grades will be based upon students' demonstration of knowledge and skill through participation in class discussion. Your participation in the class discussion will be assessed by the quality not quantity of your participation in the class discussion and problem discussion at the web enhanced portion of this course.

WEBENHANCED COURSE
This course is a web enhanced course. Course learning outcomes, study notes and other resources supporting student learning are available at the GGU Cyber Campus location for this course.
6. **Instructor Bios:**

**JOHN MCWILLIAMS**

John McWilliams is a lawyer and CPA with over thirty years of tax advising experience as a consultant to lawyers and accountants on tax matters of their clients. He spent four years with Price Waterhouse in San Francisco leaving as a tax manager. John is a graduate of Duke Law School (JD) and Ohio State University (BS Business Administration – Accounting). John is the author of two Chapters of the CCH Expert Treatise Library: Federal Taxation of Corporations and Shareholders. For more than twenty years, he has written and taught professional continuing education courses for the California CPA Education Foundation. These courses are largely focused on the tax issues facing the owners of closely held businesses conducted as a corporation with or without the S corporation election. He currently has created and teaches course focused on “Buying and Selling S Corporations – Tax Planning Opportunities”, “Tax Considerations of Buying and Selling Businesses”, “Corporate Tax Planning – Actual and Constructive Distributions”, and “Corporate Tax Planning – Stock Redemptions”. He has previously been actively involved with the Tax Division of the American Institute of Certified Public Accountants as a member of the Corporations and Shareholders Technical Resource Panel and the Partnership Technical Resource panel. From 1976-2010 he was a member of the faculty of the College of Business at San Francisco State University teaching graduate and undergraduate law and tax classes. In 2007 he joined the faculty at Golden Gate University teaching courses in both the School of Taxation and the School of Accounting.

**FRED SROKA**

Fred Sroka is the Dean of the Bruce F. Braden School of Taxation and the School of Accounting. Fred recently retired from the partnership at PricewaterhouseCoopers, LLP. In the past, he has practiced both as an accountant and a tax lawyer. He is a frequent lecturer on venture capital and private equity. He is a Certified Public Accountant and a member of the State Bar of California.
7. Course Schedule and Assignments

<table>
<thead>
<tr>
<th>WEEK</th>
<th>COURSE TOPICS</th>
<th>ASSIGNMENTS FROM GGU COURSE MATERIALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1 – October 7</td>
<td>Taxation of the Corporation: An Overview</td>
<td>TOPICS 1 and 6</td>
</tr>
<tr>
<td>Week 2 – October 14</td>
<td>Taxation of Corporate Operations</td>
<td>TOPIC 1 &amp; Web Enhanced assignment</td>
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<tr>
<td>Week 3 – October 21</td>
<td>Corporate Formation and Capitalization</td>
<td>TOPIC 2</td>
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<tr>
<td>Week 4 – October 28</td>
<td>Non-liquidating Distributions</td>
<td>TOPIC 3A</td>
</tr>
<tr>
<td>Week 5 - November 4</td>
<td>ONLINE QUIZ #1 – during 10/31-11/3 Distributions of Stock and Stock Rights</td>
<td>TOPICS 3B and C</td>
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<tr>
<td>Week 6 - November 11</td>
<td>No SF Class - ONLINE DISCUSSION Stock Redemptions and Related Topics</td>
<td>TOPICS 4A and 4B 1-3</td>
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<tr>
<td>Week 7 - November 18</td>
<td>ONLINE QUIZ #2 – 11/13-17 Stock Redemptions and Related Topics</td>
<td>TOPICS 4B 4-5 and 4C – E</td>
</tr>
<tr>
<td>Week 8 - November 25</td>
<td>No SF Class - ONLINE DISCUSSION Complete Liquidation</td>
<td>TOPIC 5</td>
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<tr>
<td>Week 9 - December 2</td>
<td>S Corporations</td>
<td>Topics 7A-C</td>
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<tr>
<td>Week 10 – December 9</td>
<td>S Corporations</td>
<td>TOPIC 7 D</td>
</tr>
<tr>
<td>Week 11 – December 16</td>
<td><strong>Comprehensive Final Exam</strong></td>
<td>None</td>
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</tbody>
</table>

The above schedule is tentative. If class discussion requires, the schedule will not be strictly adhered to. The dates of the quizzes and final will not change. If the class discussion is behind schedule at the midterm, only materials discussed in class will be covered on the midterm.
8. Administrative Policies

The course will be administered in accordance with Golden Gate University policies and procedures. They can be found in the Gate University Bulletin (“the Bulletin”). Below you will find an explanation of how I will apply these rules to some of the more commonly encountered problems. Exceptions to these rules will be made only in extraordinary situations.

Withdrawals and Incompletes

Students wishing to withdraw from, or take an incomplete in the course must do so in accordance with the University’s policies on withdrawals and incompletes. (See the Bulletin.)

Academic Integrity at Golden Gate University

GGU’s policies on academic integrity are in effect at all GGU teaching locations, including regional classroom sites, corporate sites and distance courses delivered in any medium. This policy applies to all students in the School of Accounting and School of Taxation, among others, and to all students enrolled in taxation or accounting courses, among others, at Golden Gate University.

Academic integrity means doing work in a manner that strives to achieve the learning objectives your courses have set out for you. It means that you follow the rules and procedures proscribed by your instructors so that you acquire the skills and knowledge your courses are designed to give you. It means that you respect intellectual property rights by fully disclosing sources of information that appear in your papers and presentations. If you have doubt as to whether particular behavior constitutes a breach of academic integrity, it is your responsibility to ask the instructor.

Academic dishonesty is the failure to maintain academic integrity. It includes, but is not limited to, cheating and plagiarism. Cheating is the act of obtaining, or attempting to obtain, or assisting in obtaining credit for academic work through the use of any dishonest, deceptive or fraudulent means.

Plagiarism is the intentional or negligent presentation of another person’s ideas or products as one’s own. This includes the following:

- Copying from another student who has completed courses in prior semesters
- Copying all or part of another person’s written work without proper citation or attribution
- Representing as one’s own specific phrases, sentences, paragraphs, or the specific substance of another person’s work without giving appropriate credit
- Paraphrasing another person’s original ideas, theories, explanations, examples, models, principles, research issues and strategies, cases, conclusions, etc. without proper attribution
- Representing as one’s own another person’s computer programs, web content or designs, graphic or artistic works, mathematical or scientific solutions, charts, tables, figures, or illustrations in any medium

All work submitted by students in class (including but not limited to, comments, postings, charts, examples, problem set solutions, and exam answers) must either be the product of the student’s own words, understanding or work, or must have credit attributable to the original source. Students may post content from another source verbatim so long as the original source is given credit. It is generally suggested that a higher learning outcome is achieved by a student who has to synthesize information from different sources and express an understanding in his or her own words. The process of synthesizing and paraphrasing also allows the student the step of self-assessing their real understanding of what they have just read.

Students must comply with GGU’s Policy on Student Academic Integrity (see http://law.ggu.edu/media/about-ggu/documents/policies/policy-on-academic-integrity.pdf).

Students are subject to the university’s Student Code of Conduct (see http://law.ggu.edu/media/about-ggu/documents/policies/code-of-conduct.pdf)

It is suggested that every student regularly read (at the beginning of each semester) the university’s guide for students regarding academic integrity and student conduct.

Lastly, questions regarding academic integrity, cheating and plagiarism should be asked immediately and resolved before there is a possible situation where any students’ actions or inactions could be called into question.