GEORGETOWN LAW SCHOOL LLM PROGRAM
CONSOLIDATED RETURNS
Syllabus and Reading Assignments
Spring 2017

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Note: Please bring consolidated returns regulations
(§§1.1502-1 – 1.1502-99) to each class. Item numbers in parentheses
in bold refer to the reading materials distributed in class.

I. INTRODUCTION TO CONSOLIDATED RETURN SYSTEM

A. Background
Reading Assignment:
• Sections 1501 and 1502.

B. Affiliation
Reading Assignment:
• Section 1504 (ITEM 1) and Treas. Reg. §1.1504-4.
• Rev. Rul. 69-126, 1969-1 C.B. 218. (ITEM 2)
• Rev. Rul. 82-150, 1982-2 C.B. 110. (ITEM 3)
• Rev. Rul. 63-104, 1963-1 C.B. 172. (ITEM 4)
• Rev. Rul. 84-79, 1984-1 C.B. 190. (ITEM 5)
• PLR 201451009 (September 9, 2014) (ITEM 6)
• For Reference: Lawrence M. Axelrod, Consolidated Tax Returns,
on WestLaw), Chapter 4, “The Affiliated Group,” excluding §§4:3
and 4:9. This treatise is hereafter referred to as “Axelrod.”

C. Continuation of the Affiliated Group
Reading Assignment:
• Treas. Reg. §1.1502-75, but not –75(d)(5).
• Rev. Rul. 82-152, 1982-2 C.B. 205. (ITEM 8)
• Rev. Rul. 73-303, 1973-2 C.B. 496. (ITEM 9)
• Rev. Rul. 72-322, 1972-1 C.B. 287. (ITEM 10)
• Falconwood, 422 F.3d 1339 (Fed. Cir. 2005). (ITEM 11)
• For Reference: Axelrod, Chapter 5, “Continuation of the Affiliated
Group.”

D. Group Structure Changes and Basis Rules in Triangular
Reorganizations
Reading Assignment:
• Treas. Reg. §§1.1502-30, 1.1502-31, 1.1502-33(f), and 1.358-6.
• For Reference: Axelrod, Chapter 18, “Group Structure Changes,”
§§18:26 through 18.30, and Chapter 20, “Earnings and Profits,”
§20:15 only.
E. Joining and Departing From a Group and Miscellaneous Special Rules

Reading Assignment:

II. INVESTMENT ADJUSTMENT SYSTEM

3rd Class (2/6/2017)

A. Basis Adjustments

Reading Assignment:

B. Excess Loss Accounts

4th Class (2/13/2017)

Reading Assignment:

C. Earnings and Profits

Reading Assignment:
- Treas. Reg. §§1.1502-33(a), -(c), and -(e)

D. Computation of Tax Liability and Circular Basis Problems

Reading Assignment:
- Treas. Reg. §§1.1502-11(b) and -12

III. INTERCOMPANY TRANSACTIONS

5th Class (2/23/2017)

A. Matching

Reading Assignment:
- Treas. Reg. §§1.1502-13(a), (b), (c) (including examples), and (j) (skip examples).

B. Acceleration

6th Class (2/27/2017)

Reading Assignment:
- Treas. Reg. §1.1502-13(d) (including examples).
• For Reference: Axelrod, Chapter 13, “Intercompany Transactions”, §§13.31 through 13.34 (the "Acceleration Rule").

C. Member Stock and Debt

Reading Assignment:
• Treas. Reg. §1.1502-13(f) (examples 1, 3, 4, 5, and 6), and Treas. Reg. § 1.1502-13(h) (skip examples).

D. Additional Rules Regarding Loss Transactions

Reading Assignment:
• Skim Sections 267(a) and (f); Treas. Reg. §1.267(f)-1.

IV. LOSS LIMITATIONS

A. Section 382 and General Rules

Reading Assignment:
• Section 382(a), (b), and (g)(1) (briefly)
• Treas. Reg. §§1.1502-21(a) and (b)

B. Consolidated Section 382

Reading Assignment:

C. SRLY and Overlap Rule

Reading Assignment:
• Treas. Reg. §§1.1502-21(c) and (g).
VI. APPLICATION OF SECTION 108 TO CONSOLIDATED GROUPS (TIME PERMITTING)  

11th Class (4/10/2017) 

Reading Assignment: 
- Treas. Reg. §§1.1502-28(a) and (b). 

VII. LOSS DISALLOWANCE RULES (UNIFIED LOSS RULES)  

12th and 13th Classes (4/17, 4/24/2016) 

Reading Assignment: 
- Treas. Reg. §§1.1502-36(a), (b), (c), and (d). 

VIII. OPTIONAL REVIEW CLASS  

TBD 

EXAM PERIOD  

5/3 – 5/17/2016