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 and Treas. Reg. § 1.1504-4.
- Rev. Rul. 82-150, 1982-2 C.B. 110. (ITEM 2)
- Rev. Rul. 84-79, 1984-1 C.B. 190. (ITEM 4)
- PLR 201451009 (September 9, 2014) (ITEM 5)

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 6)
- Rev. Rul. 72-322, 1972-1 C.B. 287. (ITEM 8)
- Falconwood, 422 F.3d 1339 (Fed. Cir. 2005). (ITEM 9)

D. Group Structure Changes and Basis Rules in Triangular Reorganizations

Reading Assignment:

E. Joining and Departing From a Group and Miscellaneous Special Rules

Reading Assignment:
II. INVESTMENT ADJUSTMENT SYSTEM

A. Basis Adjustments
   Reading Assignment:
   • Treas. Reg. § 1.1502-32.

B. Excess Loss Accounts
   Reading Assignment:
   • Treas. Reg. § 1.1502-19.

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

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

B. Acceleration
   Reading Assignment:
   • Treas. Reg. § 1.1502-13(d) (including examples).

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

IV. LOSS LIMITATIONS

A. Section 382
   Reading Assignment:
   • Section 382(a), (b), and (g)(1) (briefly)

B. Consolidated Section 382
   Reading Assignment:
C. SRLY and Overlap Rule

Reading Assignment: 6th Class (7/6/2016)


VI. APPLICATION OF SECTION 108 TO CONSOLIDATED GROUPS (TIME PERMITTING) 7th Class (7/13/2016)

Reading Assignment:

VII. LOSS DISALLOWANCE RULES (UNIFIED LOSS RULES) 8th Class (7/20/2016)

Reading Assignment:

VIII. REVIEW

EXAM 7/27/2016