Georgetown University Law Center

CORPORATE INCOME TAX II

(Spring 2017)

Directory & Course Expectations

Time:  Tuesday, 1:20 pm – 3:20 p.m.

Jasper A. Howard

Telephone: [Redacted]  
E-mail: [Redacted]

Course Materials:

Internal Revenue Code & Income Tax Regulations.
Distributed materials: Cases, revenue rulings, revenue procedures, etc.
Optional: Bittker & Eustice, *Federal Income Taxation of Corporations and Shareholders* (8th ed.) (either the Student or the Professional edition)

Course Expectations

1. Regular class attendance.
2. Familiarity with assigned course materials.
3. Participation in class discussions.

Final Exam: 3 hours; take home exam; more details will be provided.
# Course Syllabus – Spring 2017

## CORPORATE INCOME TAX II

### Class I

**Course introduction and administrative matters**  
Overview of statutory reorganization provisions  
Judicial doctrines: “continuity of interest”  
Assignment:  
**General:**  
- Code § 368(a)(1)(A)-(F)  
- Skim Code §§ 354(a), 356, 357, 358, 362, 381, 1032  
- **Rev. Proc. 2014-3**, § 3.01 (45), Reg. § 1.368-1(e)(1)  
- Regs. § 1.368-1(e)(2)(i) & (ii) (A) & (iii) (A) & (iv) & (v) example 1  
- Reg. § 1.368-1(e)(3), (4), (5), (7) & (8)  
- Skim: **Prop. Regs. § 1.368-1** (b)(1), (f) (1) – (3) [Net Value Regs.]  
- **Optional:** Bittker & Eustice (B&E):
  - ¶ 12.01-.05  
  - ¶ 12.20  
  - ¶ 12.21[10]  
  - ¶ 12.40  
  - ¶ 12.21[1]-[9]  
- Cases & rulings:  

### Class II

**Judicial doctrines, continued:** more on “continuity of shareholder interest;” plus “continuity of business enterprise” and “business purpose”  
Assignment:  
**Business Purpose**  
- Reg. §§ 1.354-1(a) & 1.368-1(a)-(c) & 1.368-2(a) & 1.368-2(g)  
- **Optional:** B&E ¶¶ 12.60 & 12.61[1]  
**Continuity of Business Enterprise**  
- **Reg. § 1.368-1(d)**  
- **Optional:** B&E ¶ 12.61[2]  
- **Optional:** **CC Notice 2002-003** (Oct. 18, 2001). See also **Tribune Co. et. al. v. Comm’r**, 125 T.C. 110
<table>
<thead>
<tr>
<th>Class III</th>
<th>Asset acquisitions ((A) &amp; (C) Reorganizations) and (a)(2)(C) transfers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Assignment:</td>
</tr>
<tr>
<td></td>
<td>• Code § 368(a)(1)(A) &amp; (C) &amp; § 368(a)(2)(B), (C) and (G);</td>
</tr>
<tr>
<td></td>
<td>§§ 354(a)(1), 354(a)(3)(A), 358(a), 361(a) &amp; 362(b)</td>
</tr>
<tr>
<td></td>
<td>• Reg. §§ 1.368-2(a), 1.368-2(b)(1), 1.368-2(d) &amp; 1.368-2(k)(1), (2)</td>
</tr>
<tr>
<td></td>
<td>¶ 12.22[9]-[10]</td>
</tr>
<tr>
<td></td>
<td>¶ 12.24[1]-[4], except [3][b]</td>
</tr>
<tr>
<td></td>
<td>¶ 12.63[5][a] &amp; [e], (Bausch &amp; Lomb discussion)</td>
</tr>
<tr>
<td></td>
<td>• Cases &amp; rulings:</td>
</tr>
<tr>
<td></td>
<td>Helvering v. Elkhorn Coal, 95 F.2d 732 (4th Cir. 1937)</td>
</tr>
<tr>
<td></td>
<td>Rev. Rul. 64-73, 1964-1 C.B. 142</td>
</tr>
<tr>
<td></td>
<td>Rev. Rul 70-107, 1970-1 C.B. 78</td>
</tr>
<tr>
<td></td>
<td>Rev. Rul. 70-224, 1970-1 C.B. 79</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class IV</th>
<th>Stock acquisitions ((B) Reorganizations)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Assignment:</td>
</tr>
<tr>
<td></td>
<td>• Code § 368(a)(1)(B); §§ 368(a)(2)(C), 368(c), 1001(c), 1031(a)(2)(B) &amp; 1032(a)</td>
</tr>
<tr>
<td></td>
<td>• Reg. §§ 1.368-2(c) &amp; 1.368-2(k)(1) &amp; 1.368-2(k)(2) examples 4 &amp; 5</td>
</tr>
<tr>
<td></td>
<td>• Optional: B&amp;E; ¶ 12.23</td>
</tr>
<tr>
<td></td>
<td>• Cases &amp; rulings:</td>
</tr>
<tr>
<td></td>
<td>Rev. Rul. 73-54, 1973-1 C.B. 187</td>
</tr>
<tr>
<td></td>
<td>Rev. Rul. 98-10, 1998-1 C.B. 643 (also will be discussed in Class VIII)</td>
</tr>
<tr>
<td></td>
<td>West Coast Mkting. Corp. v. Commissioner, 46 T.C. 32 (1966)</td>
</tr>
<tr>
<td></td>
<td>Rev. Rul. 70-140, 1970-1 C.B. 73</td>
</tr>
<tr>
<td>Class V</td>
<td>Triangular acquisitions</td>
</tr>
<tr>
<td>---------</td>
<td>-----------------------</td>
</tr>
<tr>
<td></td>
<td>Assignment</td>
</tr>
<tr>
<td></td>
<td>• Code §§ 368(a)(2)(B), (C), (D) &amp; (E); §§ 357(a), 358(a), 362(b) &amp; 1032(a)</td>
</tr>
<tr>
<td></td>
<td>• Reg. § 1368-2(b)(2), (f) &amp; 1368-2(j); skim 1.358-6</td>
</tr>
<tr>
<td></td>
<td>• Optional: B&amp;E: ¶ 12.25</td>
</tr>
<tr>
<td></td>
<td>¶ 12.22[3]</td>
</tr>
<tr>
<td></td>
<td>¶ 12-24[3][b]</td>
</tr>
<tr>
<td></td>
<td>¶ 12.63[6][a]-[c], (Groman/Bashford)</td>
</tr>
<tr>
<td></td>
<td>• Cases &amp; rulings:</td>
</tr>
<tr>
<td></td>
<td>Rev. Rul. 73-257, 1973-1 C.B. 189</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class VI</th>
<th>Section 368(a)(1)(D) acquisitions, reorganizations, (F) reincorporations &amp; liquidation-reincorporation issues</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Assignment</td>
</tr>
<tr>
<td></td>
<td>• Codes §§ 368(a)(1)(C), (D) &amp; (F) &amp; 354(b); § 1036(a);</td>
</tr>
<tr>
<td></td>
<td>§§ 368(a)(2)(A); 368(a)(2)(H)(i) &amp; 304(c)(1); 1.368-2(l)</td>
</tr>
<tr>
<td></td>
<td>Regs. §§ 1.368-2(k)(1), (2) [Same as Class III]</td>
</tr>
<tr>
<td></td>
<td>Reg. § 1.331-1(c) Reg. § 1.368-1(b)(COBE/COSI and F’s)</td>
</tr>
<tr>
<td></td>
<td>Casco Products v. Commissioner, 49 T.C. 32 (1967)</td>
</tr>
<tr>
<td></td>
<td>Rev. Rul. 70-240, 1970-1 C.B. 81</td>
</tr>
<tr>
<td>Class VII</td>
<td>Recapitalizations ((E) Reorganizations)</td>
</tr>
<tr>
<td>-----------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>Assignment:</td>
<td></td>
</tr>
<tr>
<td>• Code §§ 368(a)(1)(E) &amp; 354(a)(2) &amp; (3); §§ 1036(a), (b); § 305; § 108(e)(10) &amp; § 108(e)(8)</td>
<td></td>
</tr>
<tr>
<td>• Reg. §§ 1.368-2(e), 1.354-1(d) Ex. 3 &amp; 1.354-1(e); §§ 1.301-1(1), 1.1032-1(c) &amp; 1.1036-1(a)</td>
<td></td>
</tr>
<tr>
<td>• Reg. § 1.368-1(b) (COBE/COSI and E’s)</td>
<td></td>
</tr>
<tr>
<td>• Optional: B&amp;E: ¶ 12.27</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class VIII</th>
<th>Nonqualifying consideration (“boot”), liabilities, basis, contingent consideration, &amp; debt-equity issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assignment:</td>
<td></td>
</tr>
<tr>
<td>• Code §§ 354(a), 356, 357(c)(1)(B), 358, 361, 362, &amp; 1032; §§ 302(b)(1)-(3), &amp; 368(b)</td>
<td></td>
</tr>
<tr>
<td>• Reg. §§ 1.354-1(d), 1.354-1(e), 1.356-3(b), 1.356-3(c), 1.358-1(a), (b), 1.358-2(a)(1), (2)(i), (ii), (vi), (vii), 1.358-2(b), 1.358-2(c) ex. 1; 1.358-6(a)</td>
<td></td>
</tr>
<tr>
<td>• Skim 1.1032-2</td>
<td></td>
</tr>
<tr>
<td>Class IX</td>
<td>Step transaction doctrine &amp; overlapping transactions</td>
</tr>
<tr>
<td>----------</td>
<td>------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>Assignment:</td>
</tr>
<tr>
<td></td>
<td>• Reg. § 1.338-3(d)</td>
</tr>
<tr>
<td></td>
<td>• Reg. § 1.338(h)(10)-1(c)(2)</td>
</tr>
<tr>
<td></td>
<td>• Reg. § 1.338(h)(10)-1(e) examples 11-14</td>
</tr>
<tr>
<td></td>
<td>• Reg. § 1.368-2(k)</td>
</tr>
<tr>
<td></td>
<td>• Optional: B&amp;E: ¶ 12.61[3]</td>
</tr>
<tr>
<td></td>
<td>¶ 12.62[1]&amp;[2]</td>
</tr>
<tr>
<td></td>
<td>¶ 12.63[2][a]</td>
</tr>
<tr>
<td></td>
<td>• Cases &amp; rulings:</td>
</tr>
<tr>
<td></td>
<td>King Enterprises, Inc. v. U.S., 418 F.2d 511 (Ct. Cl. 1968) (focus on the court’s discussion of the reorganization issue only)</td>
</tr>
<tr>
<td></td>
<td>Rev. Rul. 73-233, 1973-1 C.B. 179</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class X</th>
<th>Corporate divisions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Assignments</td>
</tr>
<tr>
<td></td>
<td>• Code §§ 368(a)(1)(D) &amp; 355 (skim 355(d) and (e)); see also §§ 354(b)(1) &amp; (2), 358(b)(2), 358(c), 361(b), 361(c), 368(a)(2)(A) &amp; 368(c)</td>
</tr>
<tr>
<td></td>
<td>• Reg. § 1.355-1(b), (d); Regs. § 1.355-2, 1.355-3(a)(1), (b)(2) &amp; (3), 1.355-4</td>
</tr>
<tr>
<td></td>
<td>• Cases &amp; rulings:</td>
</tr>
<tr>
<td></td>
<td>Rev. Proc. 96-30, 1996-1 C.B. 696, § 1 &amp; § 2 only; skim Appendix A</td>
</tr>
<tr>
<td></td>
<td>Rev. Rul. 57-144, 1957-1 C.B. 123</td>
</tr>
<tr>
<td></td>
<td>Rev. Rul. 66-204, 1966-2 C.B. 113</td>
</tr>
<tr>
<td></td>
<td>Rev. Rul. 64-102, 1964-1 C.B. (Pt. 1) 136</td>
</tr>
<tr>
<td>Class XI</td>
<td>Corporate divisions, continued – “Tailoring Transactions” Assignment</td>
</tr>
<tr>
<td>-----------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>Assignments</td>
</tr>
<tr>
<td></td>
<td>• Code § 355(d) &amp; (e); skim § 355(f)</td>
</tr>
<tr>
<td></td>
<td>• Reg. § 1.355-2(c)(1) &amp; (2) Ex.s (1)- (3)</td>
</tr>
<tr>
<td></td>
<td>• Reg. § 1.355-6(a), (b), (c)(1) &amp; (2), (d)(1)(i) &amp; (ii), (d)(3), (e)(1)- (3)</td>
</tr>
<tr>
<td></td>
<td>• Reg. § 1.355-7(a)-(d), (g), (h)(1)(i)-(iv), (h)(2), (h)(5), (6), (10), (11), (12) &amp; (j)</td>
</tr>
<tr>
<td></td>
<td>• Cases &amp; rulings:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class XII</th>
<th>Carryover of corporate tax attributes Assignment:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Code §§ 269, 362(e)(2), 381(a), (b); skim § 381(c)(1), (4) &amp; (16)</td>
</tr>
<tr>
<td></td>
<td>• Reg. §§ 1.269-3(b)(1); Reg. § 1.312-10(a), (b); Reg. § 1.381(a)-1(a); Reg. § 1.381(a)-1(b)(1)(ii)-(v), (b)(2), (c); Reg. § 1.381(c)(4)-1(a)(1)(i); skim Reg. §§ 1.269-1-2, 3(a) &amp; 7</td>
</tr>
<tr>
<td></td>
<td>• Cases &amp; rulings:</td>
</tr>
<tr>
<td></td>
<td>Libson Shops, Inc. v. Koehler, 353 U.S. 382 (1957)</td>
</tr>
<tr>
<td></td>
<td>Briarcliff Candy Corp. v. Commissioner, T.C. Memo. 1987-487</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class XIII</th>
<th>Restrictions on loss and credit carryovers Assignment:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Code §§ 382, 383 &amp; 384</td>
</tr>
</tbody>
</table>