Georgetown University Law Center – LL.M.
U.S. Taxation of Domestic Persons With Activities Outside of the U.S.

2016 Class Syllabus Reading Assignments

Course No.: LAWG 756 08 & LAWJ 756 08
Total Credits: 2 credit hours
Day/Time: Mondays 5:45 pm - 7:45 pm
Classroom: McDonough 200

Instructors: Margie Rollinson
Associate Chief Counsel (International); Internal Revenue Service
Ag Samoc
Senior Director; Tax Planning and M&A; Danaher Corporation

Exam: Take home exam; 3 hours; December 6 through 13, 2016

Attendance: Mandatory. Professors reserve the right to exclude students from course due to three or more unexplained absences. See Section 201-2015 of the Georgetown Law Student Handbook of Academic Policies. Policy does not apply to “distance learning” students.

Office Hours: As professors have no office on campus, no official office hours available, however professors will be available via email listed above to set up meetings and also encourage students to discuss issues immediately after class.

Class 1: August 29 – Introduction: General Concepts, Entity Characterization, Deferral Concepts

Reading: 65.1–65.3

Introduction and Classification of Individuals and Entities (Chapter 65)
Summary of U.S. International Tax Rules (65.1)
Classification of Entities As Domestic or Foreign (65.3) § 7701(a)
Classification of Foreign Entities (65.3.5)
Check-the-Box Regulations Treas. Reg. §301.7701-1, -2, -3, -4
Form 8832
NOTE: This class will meet on Wednesday, September 14 at 3:30

Reading: 69.1, 69.2, 69.13(3)-(5)
Please have the text of Code Sections 318 and 958 with you at class
Subpart F: General Principles, §§ 951, 959, 961
Controlled Foreign Corporations (Chapter 69)
Introductory—69.1

§§ 951 – 964 Subpart F
Definition of “Controlled Foreign Corporation”—69.2
§§ 951(b), 957(a), (b), (c), 958, 7701(a)(30), 7701(a)(31), Reg. § 1.957-1,
§ 1.958-1, Reg. § 1.958-2
Other Rules Affecting Controlled Foreign Corporations—69.13.3–5
Subpart F: Gross Income Inclusion
§ 951(a)(1)(A) & (B)
Exclusion of Distributions of Previously Taxed Earnings—69.13(3)
§ 959(a),(b)
Subpart F: Previously Tax Earnings
959 Previously Taxed Earnings or PTI
§ 959(c)(1)–(3).
Basis Adjustments—69.13(4)
§ 961(a) Increase in Basis
§ 961(b) Reduction in Basis
§ 962 Election by Individuals to be Subject to Tax at Corporate Rates:
§ 961(c)
CFC’s Taxable Year—69.13(5)
§§ 898(a), (b)(1), (b)(2)

Class 3: September 19 – Subpart F Regime

Reading: 69.4–69.6
Subpart F: §§ 954(c)–(e)
§ 952 Subpart F Income Defined
§ 954 Foreign Base Company Income (FBCI)
§ 954(a) FBCI Defined
§ 954(b) EXCLUSIONS:
§ 954(c)(1) Foreign Personal Holding Company Income (FPHCI)
Including Interest equivalents Reg. § 1.954-2(h); § 864(d)

Foreign Personal Holding Company Income—69.4
§ 954(c) Foreign Personal Holding Company Income
Exceptions

Foreign Base Company Sales Income—69.5
§ 954(d) Foreign Base Company Sales Income (FBCSI)

Class 4: September 26 – Subpart F: §§ 951(a)(1)(B); 956; 1248; 1291; PFICs

Foreign Base Company Services Income—69.6
Earnings Invested in U.S. Property; Earnings Invested in Excess Passive Assets—69.11.1
Page 69-7
B&L 69-98–69-102

Gains on Dispositions of CFC Stock—69.14
§ 1248: Backstop to Deferral

Chapter 70—Other Rules Affecting U.S. Owners of Foreign Corporations
Passive Foreign Investment Companies (PFIC) Regime
PFIC §§ 1291–98
Passive Foreign Investment Companies—70.1

Class 5: October 3 – Foreign Tax Credits: General Principles, § 901

Reading: 72.1–72.4
Introductory (72.1)
§ 901(a)
§ 904(a)
§ 902
Reg. § 1.901-1
Reg. § 1.901-2

Taxes Against Which Credit Allowed (72.2)
Taxpayers Qualifying for Credit [Revised] (72.3)
§ 906
§ 901(b)
§ 904(c)
§ 903

Class 6: October 11 – Foreign Tax Credits: §§ 902, 960, 909

NOTE: Due to the Columbus Day holiday, this class will meet on Tuesday, October 11 instead of Monday.

Reading: 72.5A, 72.9, 72.14

Split Taxes (72.5A)
§ 909
§ 909(b), (d)
§ 909(c)
Indirect Credit (72.9)
§ 902
§ 960 Special Rule for Foreign Tax Credit
Computation of Amount Deemed Paid
Reg. § 1.902-1(c)(1)(i), (f)
§ 1.902-1(b)(2), (5)

Accrual of Foreign Income Taxes; Adjustments of Foreign Tax Liabilities (72.14)

Class 7: October 17 – Foreign Tax Credits: § 904, Sourcing Rules §§ 861–865, OFLs, ODLs, SLLs, §§ 901(k), 901(l)

Reading: Credit Limitation—In General [Revised] (72.6)
§ 904 Limitation on Credit
Credit Limitation—Separate Basket Rules (72.7)
§ 904(h) Source Rules in Case of United States-Owned Foreign Corporations

Class 8: October 24 – Outbound Transfers: §§ 367(a), (d).
Transfers of Property to Foreign Persons – 71.1
§ 367(a)(1), (3)
§ 367(d) + prop reg 1.367(d)-1
§ 367(d)

Class 9: October 31 – Outbound Transfers II – Section 367(a)(5), Section 7874
Transfers of Stock and Securities – 71.1A.1-2
Gain recognition agreements - 71.1A.3-10
§ 367(a)(5)
§ 367(a)(5)
Corporate Inversions and Expatriated Entities - 66.2.1-8
§ 7874
§ 385 and Preamble to Prop. Reg. 108060-15

Class 10: November 7 – Inbound and Other Transfers: Section 367(b), Section 367(e), Section 332(d), DCLs
Corporate Asset Transfers in Reorganizations - 71.1B
Property Transfers by Foreign Corporations – 71.2
Corporate Distributions of CFC Stock – 71.2A
§ 367(e)
Dual Consolidated Loss
§1503(d) + Treas. Reg. 1.1503-2
Class 11: November 14 – Foreign Currency Transaction – Section 988, Taxation of Foreign Branches, Section 987

Reading Chapter 74
§§ 985 - 989

Class 12: November 21 – Tax Reform

The following articles will be made available on Canvas:

“Simplifying America’s Tax System” (Renacci)
“Tax Planning International – Indirect Taxes” (Gillis/Duncan)
“A Better Way” – Republican blueprint for tax reform
“The Trojan Horse for Corporate Integration” (Kleinbard)
“Lessons the US can learn from other countries Territorial Systems” (Altshuler/Shay/Todler)

Additional articles/publications will be noted prior to this class

Class 13: November 28 – Review Class