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. 84-79, 1984-1 C.B. 190. (ITEM 5)
- PLR 201451009 (September 9, 2014) (ITEM 6)

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:
E. Joining and Departing From a Group and Miscellaneous Special Rules
   Reading Assignment:
   • Treas. Reg. §§1.1502-76 and briefly 1.1502-80.

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).
• For Reference: Axelrod, Chapter 13, “Intercompany Transactions”, §§13.31 through 13.34 (the "Acceleration Rule").

C. Member Stock and Debt 6th and 7th Classes
(2/29, 3/14/2016)

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 and General Rules 8th Class (3/21/2016)

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

B. Consolidated Section 382 8th Class (3/21/2016)

Reading Assignment:

C. SRLY and Overlap Rule 9th and 10th Classes
(3/28, 4/4/2016)

Reading Assignment:
• Treas. Reg. §§1.1502-21(c) and (g).
VI. Application of Section 108 to Consolidated Groups (Time PerMITtIng)

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

VII. Loss Disallowance Rules (Unified Loss Rules)

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

VIII. Optional Review Class

EXAM PERIOD

11th Class (4/11/2016)

12th and 13th Classes (4/18, 4/25/2016)

TBD

5/3 – 5/17/2016