

**Western State College of Law**  
**Federal Income Tax – SPRING 2023**  
**Syllabus**

<b>Course</b>	<b>Federal Income Tax</b>
<b>Course No.</b>	Law
<b>Professor</b>	Kimberly Stanley
<b>Term</b>	Spring 2023
<b>Class Meetings</b>	Wednesdays 12:30 to 3:30 PM

**Professor's Contact Information**

<b>Email Address</b>	kimstanley@comcast.net
<b>Office Hours</b>	Wednesdays, by appointment or as otherwise arranged. I am also available for virtual meetings using Zoom or you may send me questions by email. I will try to review and respond to student emails within one business day by responding directly, by responding to the question during class time or, if I receive several of the same or similar questions, by posting the question (anonymously) and answer on the TWEN page.
<b>Phone Number</b>	650-208-4007

**General Course Information**

<b>Required Texts &amp; Materials</b>	<ul style="list-style-type: none"> <li>• <b>Fundamentals of Federal Income Taxation</b> 20th Edition, Stephen A. Lind, Daniel J. Lathrope, Heather M. Field (2022), ISBN: 9781695611927</li> <li>• <b>Selected Federal Taxation Statutes and Regulations, 2022 with Motro Tax Map (Selected Statutes)</b> 2022 Edition by Daniel Lathrope ISBN-13: 978-1636592633  <b>OR</b> some version of the Internal Revenue Code</li> </ul>
<b>Course Description</b>	This is a problem-oriented introduction to the fundamentals of federal income taxation, particularly as they apply to individuals, including gross income, exclusions, deductions, assignment of income, capital gains and losses, and non-recognition transactions. Emphasis is on the development of skills necessary for working with the Internal Revenue Code and issues of tax policy.
<b>Western State College of Law Programmatic Learning Outcomes</b>	<p>At the conclusion of this course, students will be able to demonstrate their mastery of the following learning objectives:</p> <ol style="list-style-type: none"> <li>1. Knowledge and understanding of legal doctrine and policy of federal tax law.</li> <li>2. Professional law practice skills, including independent and critical thought, effective problem solving, and oral presentation, and applied legal writing including client communications.</li> </ol>

	<ol style="list-style-type: none"> <li>3. Legal analysis and reasoning, including ability to identify factual and legal issues implicated by a fact pattern and to appropriately use cases to predict how a court would decide an issue.</li> <li>4. Ability to locate relevant legal authority using text and electronic resources, and to properly cite to such legal authority.</li> <li>5. Ability to communicate both orally and in writing in a manner appropriate to a particular task to effectively convey the author's or speaker's ideas. This includes written communication basic proficiency (the ability to use the conventions of grammar, spelling, punctuation, diction and usage appropriate to the task and sufficient to convey effectively the author's ideas).</li> <li>6. Ability to evaluate the legal, economic and social strengths and weaknesses of a case and use case and statutory authority as well as public policy to persuade others.</li> <li>7. Professional identity and ethical responsibility, including awareness of clients' needs and goals, sensitivity to clients' backgrounds and circumstances, and ability to identify ethical issues in law practice contexts in order to make appropriate decisions to resolve such issues.</li> </ol>
--	---

### Course Policies

<p><b>Attendance, Preparedness, and Class Participation</b></p>	<p>In general, you are responsible for all assigned readings as well as the pertinent statutory provisions. The regulations should be consulted whenever specifically assigned or discussed in the assigned material in the casebook. The textual material in the casebook can serve as a guide to the statutes and regulations, but your goal should be to take the time to learn to read them yourself. Examining the statutes and the regulations is essential in this course. At times, we will go directly to the statutes, regulations and problems. At other times, we will discuss certain cases in detail.</p> <p>Work the textbook problems identified on the syllabus and be prepared to discuss your answers with the class. The problems are an important part of your learning process but will not be included in your grade.</p> <p>I will take roll each week. When a student is unavoidably absent from class, they must provide to me, in writing, good cause for their absence, and must review the class discussion, either by listening to a tape recording or by reviewing another student's notes. Examples of good cause are serious illness, injury, or family emergency. Travel and vacation plans do not constitute good cause for missing class.</p> <p><b>Any student who misses more than two (2) classes without demonstrating good cause may have his or her grade lowered by one-half a letter (i.e., from "B" to "B- ") for each class missed after the first two.</b> Students who miss class for good cause may still be required to withdraw if I conclude that they have not participated sufficiently to master the course material.</p>
---	--

	<p>If a student who is unprepared notifies me before class, I will not call on the student during that class meeting. If a student does not notify me and is unprepared when called on, it will count as the equivalent of an absence.</p> <p>It is estimated that, on average, the assigned reading and other classroom preparation should require six or more hours outside of class each week.</p>
<p><b>TWEN</b></p>	<p>All students must be registered for the course on TWEN no later than January 16, 2023. I will use the TWEN site to communicate with the class electronically and to post slides, handouts and revised syllabi. Please be certain that you include your correct email address when you register.</p>
<p><b>Law School Policies DISABILITY SERVICES STATEMENT</b></p>	<p>Western State College of Law provides accommodations to qualified students with disabilities. The Disabilities Services Office assists qualified students with disabilities in acquiring reasonable and appropriate accommodations and in supporting equal access to services, programs, and activities at Western State College of Law.</p> <p>To seek reasonable accommodations, a student must contact Senior Assistant Dean Donna Espinoza, Student Services Director and Disabilities Services Coordinator, whose office is in the Students Services Suite. Dean Espinoza’s phone number and email address are: (714) 459-1117; <a href="mailto:despinoza@wsulaw.edu">despinoza@wsulaw.edu</a>. When seeking accommodations, a student should notify Dean Espinoza of her or his specific limitations and, if known, her or his specific requested accommodations. Students who seek accommodations will be asked to supply medical documentation of the need for accommodation. Classroom accommodations are not retroactive but are effective only upon the student sharing approved accommodations with the instructor or professor. Therefore, students are encouraged to request accommodations as early as feasible with Dean Espinoza to allow for time to gather necessary documentation. If you have a concern or complaint in this regard, please notify Dean Espinoza; or please notify Dean Allen Easley at <a href="mailto:aeasley@wsulaw.edu">aeasley@wsulaw.edu</a> or (714) 459-1168. Complaints will be handled in accordance with the College of Law’s “Policy against Discrimination and Harassment.”</p>
<p><b>Grading Method and Formative Assessments</b></p>	<p>Final grades will be determined on the basis of the student’s performance on the final examination (approximately 70%) and weekly quizzes administered on the TWEN learning platform as well as law practice assignments (approximately 30%). Each class session will include assigned problems that will assist the students in measuring their understanding of the material. Assignment problems should be thoroughly prepared prior to class but, unless otherwise instructed, need not be turned in and are not included in the final grade. Additional law practice assessments may be provided for individual and group study which may comprise a portion of the final grade.</p>

<b>Final Exam</b>	The final exam will consist of short essay questions and will be an open book exam. The final exam will be cumulative, covering all of the material discussed in the course.
-------------------	--

### Assignments & Academic Calendar

<b>Week 1 – January 18</b>	
<b>What is Gross Income?</b>	Read: IRC §61; Treas. Reg. §1.61-1, -2(a)(1), -2(d)(1), -14(a). Read: <i>Cesarini v. US</i> , pp 40-45; <i>Old Colony Trust Co. v. CIR</i> , pp. 45-47; <i>Commissioner v. Glenshaw Glass</i> , p. 48-51; Note, pp. 58-60. Problems 1, 2, 6(a), (b), (e), p. 56. Read: <i>Helvering v. Independent Life Ins. Co.</i> , p.57; Rev. Rul. 79-24, p. 57-58. <i>Dean v. Commissioner</i> , pp 58-59. Problem 2, p. 63.
<b>Gifts and Inheritances</b>	Read: IRC §102(a), (b), (c) (first sentence); IRC §§274(b), 74(c), 132(e), 274(j). Read: pp. 63-64; <i>CIR v. Duberstein</i> , pp.64-73; Note pp. 73-74; pp. 74-76. Problems 1-3, p. 76.
<b>Week 2 -- January 23</b>	
<b>Gifts and Inheritances, continued</b>	Read: <i>Lyeth v. Hoey</i> , pp. 76-81; <i>Wolder v. Commissioner</i> , p. 81-84. Problems 1(a)-(f), p. 84-85.
<b>Employee Benefits</b>	Read: pp. 87-96. Read: IRC §132(a)(1)-(4), (b), (c), (d), (e)(1), (h), (i), (j)(1); Treas. Reg. §1.61-21(a)(1) and (2), (b)(1) and (2). Problems 1(a)-(p), pp. 97-98. Read: IRC §119(a) and (b). Read: <i>Hatt v. Commissioner</i> , pp. 98-100; Note, pp. 100-101. Problems 1(a)-(d), 4, p. 101-102.
<b>Week 3 – February 1</b>	
<b>Basis</b>	Read: pp. 111-116, 119-120. Read: IRC §§1001(a), (b) first sentence, (c); 1011(a); 1012; 1015(a), (d); 1016(a)(1); 109; 1011(a); 1012(a); 1016(a)(1); 1019. Read: Treas. Reg. §§1.1001-1(a); 1.61-2(d)(2)(i); 1.1012-1(a); §1.1015-1(a). Problems 1(a), (d), (e), and 2(a)-(b) pp. 120-121. <i>Taft v. Bowers</i> , pp.122-128; Problem 1, p. 128. Read: pp. 129-131; IRC §1041(a) and (b); Treas. Reg. §1.1041-1T (a) and (d). Read: pp. 131-134; IRC §1014(a), (b)(1) and (6), (e).
<b>Amount Realized</b>	Read: IRC §1001(b); Treas. Reg. §1.1001-1(a). Read: <i>International Freighting Corporation, Inc. v. CIR</i> , pp. 135-137 IRS Notice 2014-21, pp. 138-140. Read: <i>CIR v. Tufts</i> , pp. 149-154 (majority opinion only); Note, p. 156-157 Problem 1(a)-(e), (h), (i), p. 15-158.

<p><b>Week 4 – February 8</b></p> <p><b>Scholarships</b></p> <p><b>Life Insurance</b></p> <p><b>Discharge of Indebtedness</b></p> <p><b>Damages for Personal Injuries</b></p>	<p>Read: pp. 108-111; IRC §§117(a)-(d), 127(a), (b), (c) Problem 1(a), (c), (d); 2(a), (b), p. 111.</p> <p>Read: pp 159-162; IRC §101(a), (c), and (g). Problem 1(a)-(b), p. 162.</p> <p>Read: IRC §§61(a)(11); 102(a); 108(a), (b), (d); Treas. Reg. §§1.61-12(a); 1.1001-2(a). Read: <i>US v. Kirby Lumber Co.</i> pp 169-170; Note pp. 170-174. Problem 1 (a)-(f), p. 177.</p> <p>Read: pp. 179-180, Note p. 181-182. Problem 1 (a)-(c) p. 182. Read: IRC §104(a) and (c), pp 183-186 (through first paragraph). Problem 1(a)-(f) p. 191-192.</p>
<p><b>Week 5 -- February 15</b></p> <p><b>Exclusion of Gain on Principal Residences</b></p> <p><b>Assignment of Income</b></p>	<p>Read: IRC §121 (omit (d)-(g)); Treas. Reg. §1.121-1(a), (b)(1), (2) and (4) Example 1, (c)(1), -2(a)(1)-(4) Example 2, -3(b), (c)(1)-(4) Example 1, (d)(1)-(3) Example 1, (e)(1) and (2), (f), (g)(1)-(2) Example 1. Read: "Senate Report..." pp. 206-208; Note, pp. 208-210. Problems 1(a)-(c), (e), 2, 3 p. 210-211.</p> <p>Read: 229-231; <i>Lucas v. Earl</i>, p 231-232; <i>Commissioner v. Giannini</i>, p. 232-238. Read: <i>Helvering v. Horst</i>, p.242-246; <i>Blair v. Commissioner</i>, p. 246-248; <i>Estate of Stranahan</i>, p. 249-252; <i>Salvatore v. Commissioner</i>, p 252-256. Problem 1 (a)-(h), skip (d).</p>
<p><b>Week 6 -- February 22</b></p> <p><b>Business Deductions</b></p> <p><b>Carrying On a Trade or Business</b></p> <p><b>Start Up Expenses</b></p>	<p>Read: pp. 303-205; pp. 308-311. Read: IRC §162(a); Treas. Reg. §1.162-1(a). Read: IRC §263(a); Treas. Reg. §1.162-4(a). Read: <i>Midland Empire Packing Co. v. CIR</i>, pp. 312-315; Note, pp. 315-319; Note, pp 325-328. Problem 1, p. 328.</p> <p>Read: IRC §§162(a), 195, 262; Treas. Reg. §1.195-1(b). Read: <i>Frank v. CIR</i>, pp. 328-330; Note, pp. 331-336. Problem 1(a), (b); 2(a)-(b) p. 336.</p>
<p><b>Week 7 – March 1</b></p> <p><b>Travel Away from Home</b></p>	<p>Read: IRC §§162(a)(2); 274(n); Treas. Reg. §1.162-2. Read: <i>Rosenspan v. United States</i>, pp. 351-358; <i>Andrews v. Commissioner</i>, pp. 359-365; Rev. Rul. 99-7, pp. 365-368. Problems 1, 2(a)-(c), 4(a), p. 369.</p>

<p><b>Education</b></p> <p><b>Business Losses</b></p>	<p>Read: p 375-376. Read: IRC §§162(a); 262; 274(m)(2); Treas. Reg. §1.162-5(a), (b)(1), (2)(i), (3)(i), (c), (e)(i). Problems 1-4, pp. 383-384.</p> <p>Read: pp. 384-386. Problem 1, p.386.</p>
<p><b>Week 8 – March 8</b></p> <p><b>Depreciation</b></p> <p><b>Non-Business Profit Seeking Activities</b></p> <p><b>Restrictions on Deductions</b></p>	<p>Read: IRC §168(a)-(c), (k). Read: pp. 388-398; 412-420. Problem 420(a)-(c). Read: pp. 421-424. Problem 1(a)-(b).</p> <p>Read: IRC §§212; 274(h)(7); <i>Higgins v. Commissioner</i>, pp. 427-430; Note, pp. 430-431; Treas. Regs. §§1.212-1(g), (k), (l), (m); 1.262-1(b)(7).</p> <p>Read: IRC §§165(a), (b), (c)(2); Treas. Regs. §§1.165-9(b); 1.212-1(h); <i>Horrmann v. CIR</i>, pp. 449-452; <i>Lowry v. US</i>, pp. 452-458; Note, pp. 458. Problems 2-3, p. 458-59.</p> <p>Read: 516-522; IRC §280A(a), (b), (c)(1), (3) and (5) (d)(1), (e), (f) and (g); Treas. Reg. §1.280A-1(c). Problems 1-3, p. 522.</p>
<p><b>March 13-19</b></p>	<p><b>NO CLASS – SPRING BREAK</b></p>
<p><b>Week 9 – March 22</b></p> <p><b>Illegality or Impropriety</b></p> <p><b>Hobby Loss Deductions</b></p> <p><b>Section 199A Deduction</b></p> <p><b>Education Benefits</b></p>	<p>Read: pp. 543-545; <i>Californians Helping to Alleviate Medical Problems, Inc. v. Commissioner</i>, pp. 545-548.</p> <p>Read: pp. 501-503; pp. 509-510; IRC §183(a)-(d); <i>Engdahl v. Commissioner</i>, pp. 511-518. Problem 1, p. 519.</p> <p>Read: IRC §199A(a), (b)(1)-(6), (c)(1)-(3), (d), (e)(1) and (2); pp. 941-94. See: IRC §§221, 222; 529, 530, 135. Read: 221-229.</p>
<p><b>Week 10 – March 29</b></p> <p><b>Adjusted Gross Income</b></p> <p><b>The Standard Deduction</b></p>	<p>Read: IRC §62(a) and (c); Treas. Reg. §1.62-1T(b) and (d); pp. 929-934; Note pp. 565-567.</p> <p>Read: pp. 575-577; IRC §63(a), (b)(1)-(3), (d)(1), (3), (c)(7)(a), (b).</p>

<p><b>Itemized Deductions</b></p>	<p>Read: IRC §§163(a), (h) (including (h)(3)(F)(i)(I) and (II); 280A(d)(1).  Note, pp. 467; pp. 486-490.  Problem 3, p. 495.</p> <p>Read: IRC §§164(a)(1)-(3), (k).</p> <p>Read: IRC §§213(a), (f).  Read: pp. 551-561.</p> <p>Read: IRC §170(a)(1), (3), (b)(1)(A)-(D).  Note, pp. 806-818.</p>
<p><b>Week 11 – April 5</b>  <b>Capital Gains and Losses</b></p>	<p>Read: pp. 683-695; 696-701.  Read: IRC §1221(a).  Problem 1, 3 p. 695.  Problem 1, p. 701.</p>
<p><b>Week 12 – April 12</b>  <b>Tax Procedure</b></p>	<p>Read: Skim pages 1-18; read pp. 18-32.  Read: Skim pp. 967-983.</p>
<p><b>Week 13 -- April 19</b></p>	<p>TBD</p>
<p><b>Week 14 -- April 26</b></p>	<p>TBD</p>

*These descriptions and timelines are subject to change at the discretion of the Professor.*