LLM in Taxation

The LLM in Taxation is a 24 unit degree consisting of 13 required units and 11 elective units. The required coursework includes:

- Federal Tax Accounting a Tax Timing Issues
- Federal Taxation of Property Dispositions
- Federal Tax Procedure and Professional Responsibility
- Graduate Corporate Taxation
- Graduate Partnership Taxation
- Tax Research

**Required Courses**

**Federal Tax Accounting and Tax Timing Issues (2 units)**

An examination of the concepts and principles underlying the annual accounting system of the federal income tax, including: the cash receipts and disbursements method of accounting, the accrual method of accounting, inventory accounting, carryovers, the claim of right doctrine, the tax benefit rule, deferred compensation, capitalization and cost recovery, deferred payment sales, loss limitations, original issue discount, and other time value of money issues. This course will emphasize rigorous analysis of the Internal Revenue Code and Treasury Regulations.

**Federal Taxation of Property Dispositions (2 units)**

An examination of the concepts and principles governing the federal income taxation of property dispositions, including: amount realized and basis, the treatment of liabilities, characterization of gains and losses, loss limitations, and nonrecognition transactions. This course will emphasize rigorous analysis of the Internal Revenue Code and Treasury Regulations. It will be assumed that students are generally familiar with the issues covered in a basic Federal Income Taxation course. Tax planning techniques and tax policy issues will be emphasized.

**Federal Tax Procedure and Professional Responsibility (2 units)**

An examination of the fundamental principles of civil federal tax procedure and litigation, including: administrative determinations of tax liability, statutes of limitations, civil penalties, the ruling process, tax collection issues, and professional responsibility in tax practice. The course will cover administrative procedures before the Internal Revenue Service, tax litigation procedures unique to the Tax Courts, and tax refund litigation in the U.S. District Courts and U.S. Claims Court.

**Graduate Corporate Taxation (3 units)**

An in-depth study of the federal taxation of corporations and their shareholders. Coverage includes formation and capital structure; dividends and other distributions; redemptions, liquidations, and reorganizations; elections under Subchapter "S"; and some special problems affecting professional corporations.

**Graduate Partnership Taxation (3 units)**

This course is an in-depth study of federal taxation of partnerships and partners. Coverage includes: classification of partnerships for tax purposes, transfers of property and services to partnerships, the treatment of partnership indebtedness,
taxation of partner-partnership transactions, sales of a partnership interests, partnership distributions, liquidation of a partner's interest, liquidation of a partnership, and death of a partner.

**Tax Research (1 unit)**

This course provides an introduction to tax research sources and techniques used by tax lawyers and professionals, including: online tax services, statutes, legislative history, administrative authorities, case law, and secondary sources. It focuses on developing an effective research process, including practice with realistic tax research problems. This course will be graded on a credit/no credit basis.

**Elective Courses**

While students may take any combination of elective courses, we offer three course tracks to guide students focusing on a particular aspect of tax law.

**International Taxation Track**

**Foreign Taxation I (2 units)**

This is the introductory international tax class. Coverage includes the jurisdiction of the United States to tax international transactions, the rules for sourcing income and deductions, U.S. taxation of nonresident aliens and foreign corporations, the foreign tax credit, and the exclusion for certain taxpayers living and working abroad.

**Foreign Taxation II (2 units)**

Coverage of this class will include the rules surrounding US taxation of US owned and controlled foreign subsidiaries, special topics pertaining to the foreign tax credit, an overview of the rules governing the pricing of transactions between controlled subsidiaries, select topics in international transactions (e.g., international M&A), general outbound tax planning, an introduction to the OECD’s Base Erosion and Profit Shifting project, and, to the extent time permits, other relevant international tax issues.

**Transfer Pricing (1 unit)**

Course description forthcoming.

**Wealth Transfer Track**

**Advanced Estate Planning (2 units)**

This course will examine various aspects of numerous estate planning strategies with a focus on related tax issues when planning or administering a single or married individual's estate. Issues addressed will include but not be limited to: the marital deduction and unified credit, lifetime gifts, testamentary and lifetime trusts, valuation issues, charitable planning, life insurance, use of entities, generation skipping and using non-California jurisdictions. Practical considerations, fundamental estate planning concepts and advance techniques will be discussed. Focus will also include the new law and the paradigm shift between transfer taxes and income taxes, with California taxation in mind.

**Estate & Gift Taxation (3 units)**

A problem-oriented survey of the federal transfer taxes affecting the gratuitous transfer of wealth during lifetime and following death. The focus is on the federal gift, estate and generation-skipping transfer taxes, with selective coverage of relevant income tax provisions. Primary emphasis is given to statutory interpretation and tax concepts. Examples of how these taxes apply in day-to-day estate planning and family wealth transfer cases are regularly discussed.
Income Tax of Trusts & Estates (2 units)

The course will analyze the income taxation of trusts and estates, their creators, beneficiaries, and fiduciaries, including computation of fiduciary accounting income, distributable net income, taxable net income, taxation of simple and complex trusts, grantor trusts and income in respect of a decedent.

Nonprofit Taxation (2 units)

This course focuses on the tax treatment of public and private charities exempt from federal income taxation under Internal Revenue Code Section 501(a) by virtue of meeting the requirements of Internal Revenue Code Section 501(c)(3). This course will analyze the voluminous requirements an organization must meet in order to be exempt from federal income taxation. Additionally, this course will examine the following tax aspects of nonprofit organizations: the private inurement doctrine, the private benefit doctrine, excess benefit transactions, the public policy doctrine, restrictions on lobbying activities and political campaign involvement, the unrelated business income tax and common unrelated business activities, what it means to be a public charity vs. a private foundation, what constitutes a valid exempt purpose, and the rules surrounding the acceptance of tax-deductible charitable contributions.

Business Taxation Track

Real Estate Taxation (2 units)

An examination of the federal tax consequences of the acquisition, ownership, use, and disposition of real property. Topics will include: forms of ownership, purchase and finance, deductions and credits, limitations on losses, sale and exchange, conversion, and abandonment. The course will also include an overview of REITs, estate planning strategies for real property, and various issues relating to the collection of outstanding federal tax debts.

Bankruptcy Taxation (1 unit)

Course description forthcoming.

Tax and Intellectual Property (2 units)

Course description forthcoming.

Additional Elective Courses

Accounting for Lawyers (3 units)

This course will provide a technical and conceptual foundation in financial accounting skills which are relevant for attorneys who advise business entities. Accordingly, this course will emphasize the interpretation and use of financial statements and accounting schedules in the practice of law and their related legal implications. This course will be very different from most tradition Law School courses which typically employ an extensive study of relevant case law; instead, this course will primarily focus on interpreting relevant accounting pronouncements and concepts.

California Tax Appeals Assistance Program (1-3 units)

The Tax Appeals Assistance Program (TAAP) provides students with the opportunity to assist low-income individuals in certain tax disputes before the California Board of Equalization ("BOE"). Under the supervision of an attorney from the BOE, students assist taxpayers with state income tax disputes against the California Franchise Tax Board (FTB). Students participate in legal practical skills training by gathering evidence, drafting legal briefs, and representing clients in negotiations with the FTB. Students often have the opportunity to represent clients at appeals conferences and oral hearings before the BOE.
Qualified and Non-Qualified Compensation Issues (2 units)

This class will focus on the significant provisions of the Internal Revenue Code (“Code”) and Employee Retirement Income Security Act (“ERISA”) that are relevant to tax qualified retirement plans, as well as non-qualified deferred compensation plans. This class will provide an overview of the tax and ERISA compliance issues for attorneys who are interested in advising employers who sponsor a retirement plan or deferred compensation plan for its employees. The class will begin with a discussion of the fundamental differences between a tax qualified retirement plan and a non-qualified deferred compensation plan. The class then will focus on the most common types of retirement plans that are sponsored by employers - 401(k) plans and pension plans. The tax and ERISA compliance issues for each type of retirement plans will be discussed. The class also will address the compliance issues under the Code and ERISA for a nonqualified deferred compensation plan. Participation in these non-qualified plans is generally limited to management level employees. The requirements of Code Section 409A are relevant to non-qualified plans.

State & Local Taxation (2 units)

This course examines the fundamentals of state and local taxation with emphasis on federal constitutional and statutory limitations on the power of states to impose various taxes. The course will focus on principles of corporate and personal income taxation but will also provide an introduction to other taxes levied at the state and local level, including sales and use taxes and property tax. While the course will provide an overview of state and local taxes across the United States, we will refer to California taxation for a reference point and a base from which to compare the laws of other jurisdictions.

Federal Tax Crimes and Penalties (2 units)

This course provides an overview of federal tax crimes and civil penalties. The course is designed to teach students how to represent a client, who is the subject of a civil examination or criminal investigation and facing potential civil penalties or tax crimes. Congress established severe civil and criminal penalties for individuals who fail to report and pay tax on their income or file returns. The course provides students with practical skills and strategies that can be used to represent a client before the Internal Revenue Service. The course covers, for example, tax fraud, the IRS criminal investigation process, government information gathering tools through the use summons and subpoenas, commonly charged tax crimes, taxpayer defenses, sentencing guidelines, international tax enforcement with respect to foreign source income and undisclosed foreign financial assets, the Bank Secrecy Act, Foreign Account Tax Compliance Act, IRS voluntary disclosure practice, Fifth Amendment privilege against self-incrimination, attorney-client privilege, and civil tax penalties. The course is taught through weekly homework assignments, where students will learn how to critically analyze a tax controversy fact pattern, identify the issues, and formulate a case strategy and solution for the client.

Tax Policy (3 units)

This course will offer an introduction to the principal policy considerations raised when creating a system of taxation. This course will examine legal, economic, financial, and political considerations which all play an integral role in any system of taxation, and it will consider how well our current tax laws addresses these various issues. We will also explore the possibility of various alternative methods of taxation. It is incredibly important for tax professionals to understand tax policy as it helps to explain the underpinnings of our tax system and the complexities of the Internal Revenue Code as well as the Treasury Regulations promulgated thereunder. By attaining this understanding, you will be better prepared to appropriately advise clients on complicated tax matters.

Tax Moot Court (1 unit)

This course allows students to participate, for ungraded academic credit, in the Written Work Product portion of the ABA Law Student Tax Challenge. Each course participant is responsible for forming a two-student team to produce a memorandum and client correspondence on the tax consequences of a complex business-planning problem. The problem generally is released by the ABA Tax Section in September, with a deadline of November to receive the Written Work Product. Before the problem is released, course participants will complete an assignment and attend training sessions on writing skills and techniques of federal tax research. Meeting times for the sessions will be arranged among faculty and course participants.
Elective Courses in Progress

- Tax Writing Seminar
- Estate Planning Seminar
- Valuation for Tax Purposes
- Tax Controversy
- California State & Local Taxation