COURSE MEETS:  Thursdays, 6:00 p.m. – 8:30 p.m., BusAd C-102
August 25, 2016 through December 15, 2016

INSTRUCTOR:  Kurt Kawafuchi, J.D., C.P.A., Masters of Laws in Taxation

OFFICE HOURS:  Available immediately after the class, or please call Kurt at 688-8986 or e-mail at kkawafuchi@aol.com to schedule an appointment.

TEXTS:  FEDERAL ESTATE & GIFT TAXATION (Eight Edition)
(Abridged Edition For Student Use Only); Authors: Richard B. Stephens, Stephen A. Lind, Guy B. Maxfield, Dennis A. Calfee; Publisher: Warren, Gorham & Lamont (1996 Edition); and 2013 or later Supplement to Abridged Edition: Student Use Only

(Optional)  FEDERAL ESTATE & GIFT TAXES:  Code & Regulations Including Related Income Tax Provisions (As of December, 2014 or later); Publisher: Commerce Clearing House (CCH)

COURSE PREREQUISITES Accounting 401: Federal Individual Income Taxation with C- or better, or consent.

TENTATIVE  This Syllabus is tentative and subject to change.

ALTERNATIVE LOCATIONS  In the case of a fire drill, bomb threat or other disturbance, please meet at the grassy area on the south side of George Hall.

STUDENTS WITH DISABILITIES Students with disabilities are encouraged to contact the Kokua Program for information and services. Services are confidential and students are not charged for them. Contact KOKUA at 956-7511, kokua@hawaii.edu, or Student Services Center, Room 13.

GRADING:  There will be homework assignments, a Mid-Term Examination, a Final Examination, handout problems (2), class participation and
attendance weighted as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Homework Assignments</td>
<td>15%</td>
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<tr>
<td>Attendance and Class Participation</td>
<td>25%*</td>
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<tr>
<td>Mid-Term Examination</td>
<td>25%*</td>
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<tr>
<td>Final Examination</td>
<td>40%*</td>
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<tr>
<td>Tax Return Problems</td>
<td>20%</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100%</strong>*</td>
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* - The instructor reserves the right to curve any exam and the final grade to reflect a fair distribution of grades.

**COURSE GOALS:**
1. Acquire an understanding of federal estate & gift taxation;
2. Learn how to read and analyze the Internal Revenue Code;
3. Strengthen the ability to research and analyze Treasury Regulations, court cases, treatises, and articles relating to a particular code section;
4. Strengthen communication skills;
5. Identify estate & gift tax issues and planning opportunities;
6. Apply estate & gift tax principles to real life problems; and
7. Encourage independent thinking about economic and social implications of the estate and gift tax provisions.

**CLASSROOM APPROACH**
1. Please attend classes;
2. Please be on time; and
3. Please participate.

(1) **Assignments, Attendance, and Participation.** 15% of each student’s grade will be based on homework assignments, attendance, presentations, and class participation. Each student shall prepare solutions to the assigned problems. Written solutions will be graded, “Credit”, “Late” (1/2 credit), or “No Credit”. Each student is entitled to one pass where the student will receive full credit for missing 1 assignments.

(2) **Mid-Term Examination.** The Mid-Term Examination comprises 25% of each student's grade. It is tentatively scheduled to be seventy-five (75) minutes on **October 13, 2016.** The Mid-Term Examination will likely contain certain short answer questions including multiple choice, fill-in the blanks, and true-false questions and might contain problem-solving and essay questions. The Mid-Term Examination is open book and notes.

(3) **Final Examination.** The Final Examination comprises 40% of each student's grade. It is scheduled for the one hundred fifty (120) minutes on **Thursday, December 15, 2016.** The Final Examination will likely contain certain short answer questions including multiple choice, fill-in the blanks, and true-false questions and might contain problem-solving and essay questions. The Final Examination is open book and notes.
(4) **Handout Problems.** 20% of each student’s grade will be based on two handout tax return problems including at least one (1) tax return problem. Each tax return problem is worth 10% of each student's grade. The first tax return problem will be due on Thursday, September 29, 2016. The second tax return problem will be due on December 1, 2016. Each student shall prepare solutions to the assigned handout problems. Written solutions will be graded, “Credit”, “Late” (1/2 credit), or “No Credit”. The month and date of class is below:

8/25 Introduction

9/1 Overview of Federal Transfer Taxation and Federal Gift Taxation
Introduction to Federal Gift Taxation: IRC §§2501, 2502, 2504(c)/2001(f), 1.01 – 1.03

9/8 (Cont’d) Federal Gift Taxation: IRC §§2501, 2502, 2504(c)/2001(f), 9.01 – 9.03;
2505, 1015, 102; Problems: 17-4, 5, 35, 38, 9.04-9.04[2], [4],[6],[9] - [11]; 41(a), 43(a) 9.05[1]; 9.06; 10.01[1],[2],[3](a);

9/15 NO CLASS

9/22 IRC §§2503, 2504, 2511, 2512, 2513, 2518, 2522, 2523, 6019, 6075(b), 10.01[4], [5](a); 6081 and 6151; 10.02(1)(a); 11.01, 11.02[1], 11.03[1]–[3],[5], 11.04 Problems: 17 21,44 (Gift Tax Q.), 45(a), 46(a); 10.03[1], [2], [3],[7],[9]

9/29 Overview of Wills & Trusts; 31 U.S.C. §3713; IRC §6324; Forms of Property Ownership; Life estate, remainders, marital deduction & QTIPs

10/6 U.S. resident: income tax v. transfer tax Gifting by nonresidents noncitizens IRC §§2501(a), 2511, and 2101-2108; Davies v. CIR 40 T.C. 525 (1963) Form 3520 and IRC §§6324 and 6039F Check Points Handouts (3) Review Form 709 Gift Problem No. 1 PLR 7737063 Review for the Midterm Examination

10/13 **MID-TERM EXAMINATION**

10/20 Basics of Estate Planning and Estate Planning Documents Judy Lee, Esq., Chair, Trusts, Estates & Family Business Goodsill Anderson Quinn & Stifel
10/27  Gross Estate and Inclusion
IRC §§2031, 2032, 2032A, 2033
2035, 2036, 2037, 2038. 2039, 2040,
2041, 2042, and 2044 Problems: 17-11, 17,
32, 34, 36, 37, 39-41, 18-20.
Problems:17-32, 36, 39-41, 42, 44, 48

11/3  Gross Estate (Cont’d) and
Gross Estate, Inclusions, & Deductions
Problems: 17-42, 44, 48, 54, 55,
18-35, 50, 47 (Problem 18-47, also answer
How much is included in the gross estates?)

11/10  Deductions from the Gross Estate
and Credits: IRC §§ 2056, 2056A,
Problems: 17-50, 51, 52, 53; and

11/17  Generation-Skipping Transfer Tax;
Chapter 14; IRC §§ 2601-2663;
and 2701-2704.
Personal and Transferee liability:
31 U.S.C. §3713; IRC§§ 6324 6501(a) – (e),
6503(a)(1), 6511, 6321, 6323(a) and (f).
IRS Estate& Gift Tax Disputes:
Audits, Appeals & Litigation

11/24  NO CLASS - THANKSGIVING

12/1  Nonresident noncitizen Estate &
GST taxation; U.S. resident; Exit tax
Guaranty Trust (Jeffress), 25 BTA 507 (1932)
IRC §§877, 877A, 2501(a), 2511, 2101-2108;
6048, 6677, 6662(j); Foreign Inheritances and
Foreign Trusts: Forms 3520 & 3520-A;
Hand in Form 706 Problem No. 2
REVIEW FOR FINAL EXAM

12/8  Advanced Estate Planning Topics:
(Possible topics may include 1 or more of
the following FLPs, FLLCs, QPRTs,
CRTs, sales to ILITs, etc.

12/15  FINAL EXAMINATION