

**UNIVERSITY OF HAWAII AT MANOA**  
**ACCOUNTING 638:**  
**ESTATE & GIFT TAXATION AND PLANNING**  
**SUMMER – II: 2023**

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**COURSE MEETS:** Monday and Wednesdays, 6:00 p.m. – 8:30 p.m., BusAdm D-101  
July 3, 2023 through August 9, 2023

**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](mailto:kkawafuchi@aol.com) to schedule an appointment.

**TEXTS:** **FEDERAL ESTATE & GIFT TAXATION & Supplement (Abridged Edition For Student Use Only) (2021 Supplement Edition); (Text: 2020 ISBN: 978-07913-8652-1 and 2021 Supplement: ISBN: 978-1-5083-1170-6).** Authors: Richard B. Stephens, Stephen A. Lind, Guy B. Maxfield, Dennis A. Calfee; Publisher: Thomson Reuters CheckPoint.

**(Optional)** **FEDERAL ESTATE & GIFT TAXES: Code & Regulations Including Related Income Tax Provisions (As of December 31, 2021 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](mailto:kokua@hawaii.edu), or Student Services Center, Room 13.

**GRADING:** There will be homework assignments, exams, class participation and attendance weighted as follows:

Homework Assignments,	30%
Attendance and Class Participation	
Mid-Term Examination	25%*
Final Examination	35%*
Tax Return Problems	10%
TOTAL	100%*

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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.** 20% of each student's grade will be based on homework assignments, attendance, 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 assignment. Further, the instructor will seek to obtain for the class certain Hawaii Tax Institute webcasts that may be made available to students on a complimentary (free) basis, and students shall prepare a one (1) page summary of the webcasts.

(2) **Mid-Term Examination.** The Mid-Term Examination comprises 25% of each student's grade. It is currently scheduled to be ninety (90) minutes on **Wednesday, July 19, 2023**. 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 one or more problem-solving and essay questions. The Mid-Term Examination is open book and notes *but no internet access*.

(3) **Final Examination.** The Final Examination comprises 40% of each student's grade. It is scheduled for the one hundred fifty (150) minutes on **Wednesday, August 9, 2023**. The Final Examination will likely contain certain short answer questions including multiple choice, fill-in the blanks, and true-false questions and might contain one or more problem-solving and essay questions. The Final Examination is open book and notes *but no internet access*.

(4) **Handout Problems.** There will be homework problems, tax return problems, and writing assignments of webinars/guest speakers. These assignments will comprise 25% of each student's grade. The first Form 709 gift tax return problem will be due on Wednesday, July 12, 2023. The second Form 706 Estate return problem will be due on Monday, August 7, 2023. Each student shall prepare solutions to the assigned handout problems. Written

solutions will be graded, “Credit”, “Late” (1/2 credit), or “No Credit”.

<u><b>Date</b></u>	<u><b>Topic, IRC Secs. And Homework</b></u>	<u><b>Text and Problem Assignments</b></u>
July 3	Introduction: Overview of Federal Transfer Taxation and Federal Gift Taxation IRC Sections 2501, 2502, 2504(c)/2001(f), 2505, 1015, 102;	1.01 – 1.03 9.01 – 9.03; 9.04-9.04[2], [4],[6],[9] - [11]; 9.05[1]; 9.06; 10.01[1],[2],[3](a);
July 5	Overview of U.S. Gift Taxation IRC §§ 2503, 2504, 2511, 2512, 2513, 2518, 2522, 2523, 6019, 6075(b), 6081 and 6151; Problem #1: 18-21, 44 (Gift Tax Q.), 45(a), 46(a); Federal Gift Taxation & Computation of Gift Taxation; Nonresident Gift Taxation Review Form 709 and IRC Sections above Problems #1: 1, 3.a., 5, 11, 12, 13, 15c. <b>Guest Speaker Richard Pecson</b>	10.01[4], [5](a); 10.02(1)(a); 10.03[1], 10.07, 11.01, 11.02[1], 11.04 2.01[1]-[3], 2.02[1] – [2], 2.02[3] 3.01 –3.03[1], 3.04[1], 3.05[1],
July 10	Overview of Federal Estate Taxation - IRC §§2001, 2002, 2010, 2011, 2013, 2051, 2031, 2032, 2032A, 2033, 2203, 2204, 1014, 6075(a), 6081, 6161, 6166 Problems #1:19, 21, 23.a.&b., 32, 33 and Becker question #1 10.01[10], 11.03 Problems #1: 12, 13, 15(c), 22(a), JT/TbyE bank account&Residency Authority	
July 12	OVERVIEW OF ESTATE TAX IRC Sections 2031, 2032, 2032A, 2033, 2035, 2036, 2037, 2038, 2039, 2040 2041, 2042, and 2044. Problem #1: 2, 13, 14, 15, GIFT TAX PROBLEM No. 1,	4.01 - 4.02[3], 4.03-4.03[1],[3], 4.04 –4.04[2], 4.05 – 4.05[2], 4.08 –4.08[[5][a], [5][a],[7][a] 10-4.10[2], 4.074.07[2][a],[3]
July 17	Gross Estate and Inclusions IRC §§ 2031, 2032, 2032A, 2033 2035, 2036, 2037, 2038. 2039, 2040, 2041, 2042, and 2044 Problems #1: 20, and TBD; Review for Mid-Term Examination	4.01 - 4.02[3], 4.03-4.03[1],[3], 4.04 –4.04[2], 4.05 – 4.05[5], 4.07-4.07[2],[3], 4.08 –4.08[9], Supp. 4.08, 4.10-4.10[2], <u>Powell</u> , 148 T.C. 18 (2017) (Read relevant parts) (Handout)
July 19	<b>MID-TERM EXAMINATION</b>	
July 24	Review <b>Midterm Exam</b>	4.09-4.09[2]; 4.11-4.11[2][a],

	Gross Estate and Inclusions (Cont'd) Problem #1: 16, 17, 18, 25, 26, and 27	4.12-4.12[8], [10] 4.13-4.13[4][a], 4.14-4.14[2], [5], 4.16, Suppl.: S5-42-43, S47-48
July 26	Deductions from Gross Estate, Deductions from the Gross Estate and Credits: IRC §§ 2056, 2056A, 2057, 2053, 2054, 2055, 2058, 2010, 2011, 2013, 6161, and 6166; <u>Wells</u> case (handout); Problems #1: 29, 31, 34, 36-37 <b>Guest Speaker Alvin Sato</b>	5.01-5.03[1], 5.05-5.05[1], 5.06-5.06[3][a], [d],[h], [9], 5.07[1]-[3], 5.08,
July 31	Deductions (Cont'd); Post-Death Elections: QTIP, Portability, 2032A; QDOT; 303, 6161, 6166, etc. Problems #1: 38-43	3.01 –3.03[1], 3.04[1]-[2], 3.05[1], 3.06[1]-[4],
August 2	(1) Generation Skipping Transfer Tax; Including GST” Election; (2) Chapter 14; (3) Hawaii estate tax & inheritance taxes; International Estate Planning & Int’l Forms . (IRC §§2501(a), 2511, 2101 2108); Problems ## 1: 30, 45-47 <b>Guest Speaker Judy Lee</b>	1.04, 19.01-19.02[1][a]-[c]; Handouts/PPTs (2)
August 7	IRS Audits, Appeals, Litigation; and Collections; and Statute of Limitations (IRC §§6501, 6503(a)(1); 6511, 6321, 6323(a) and (f), 6324, 6901; and 31 U.S.C. §3713; Form 706 Estate Tax Problem; Income Taxation of Trusts & Estates; Becker Question Nos. 1-6 Advanced Estate Planning Topics Review for Final Examination	Handout  West ebook: Chapter 20
August 9	<b>FINAL EXAMINATION</b>	