NOTICE TO STUDENTS WITH DISABILITIES: The information contained in this document is available in alternative formats upon request. If you anticipate barriers related to the format or requirements of this course, if you have emergency medical information to share, or if you need to make arrangements in case the building must be evacuated, please let Registrar Denise Boessen or Associate Dean Ben Trachtenberg know as soon as possible.

If disability related accommodations are necessary (for example, a note taker, extended time on exams, captioning), please register with the Disability Center (http://disabilitycenter.missouri.edu/), S5 Memorial Union, 573-882-4696, and then notify Dean Trachtenberg of your eligibility for reasonable accommodations. For other MU resources for students with disabilities, click on “Disability Resources” on the MU homepage.

BASIC FEDERAL INCOME TAX

Fall 2022
Professor Lauren Shores Pelikan

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COURSE SYLLABUS

Course Materials


Assignments

I will give specific reading assignments every day that will come from the above required texts. The assignments will correspond with the topics below. Note that the assignments are by topic, and not by class. We will frequently use more than one class period to cover a particular assignment. Depending on the pace of the class, I may revise the topics below by adding or removing topics. The assignments will include readings from the Textbook, the Code and
Regulations referred to at the beginning of each Textbook section (contained in the Statutory Supplement), and the problems at the end of each Textbook section (except as otherwise noted). This class is taught by combining lectures with problem solving. Preparation of the problems before class is essential to the success of the problem-solving approach. Many of the problems are fairly straightforward and require a simple application of the materials presented. Other problems are more complicated. In preparing the problems, I recommend noting the appropriate Code section, Regulation section, case or ruling that appears to answer the problem.

**Identification of Income Subject to Taxation**

Introduction to Tax
The Scope of IRC Section 61
Income without Receipt of Cash or Property
The Exclusion of Gifts
   Employee Gifts
   Fringe Benefits
   Prizes
   Scholarships and Fellowships
Gains from Dealings in Property
   Determination of Basis
   Amount Realized
Damage Recoveries
Separation and Divorce: Alimony and Separate Maintenance Payments
Separation and Divorce: Property Settlements
Gains from the Sale of a Principal Residence
Exclusions and Other Tax Benefits Related to the Costs of Higher Education

**The Characterization of Income and Deductions: Capital Gains and Losses**

The Mechanics of Capital Gains and Losses
The Meaning of “Capital Asset”
The Sale or Exchange Requirement
The Holding Period

**Deductions in Computing Taxable Income**

Business Deductions
Interest
Adjusted Gross Income and Itemized Deductions
The Standard Deduction
Personal and Dependent Exemptions

**Attendance, Participation, and Grading**

It is important all students do the assignments (reading and problems), attend class, and participate in class. Volunteers are always welcome, and I will call on students to answer questions at random throughout the semester. If, for whatever reason, you have been unable to prepare for a particular class, please let me know before class; I will not call on you that day.
Please do not make a habit of coming to class unprepared. You may “pass” on participation three times without it affecting your grade. Thereafter, you risk being penalized for deficient classroom performance. In general, I reserve the right to reward exceptional class participation or penalize poor or inappropriate class participation in determining the final grade.

Grading will be based on a timed final examination and on a student’s class participation. With respect to participation, quality is often superior to quantity. I reserve the right to add or subtract up to three points on your final exam grade based on class participation or lack thereof.

**Outside-of-Class Meetings**

I will try to be as accessible as possible to meet with students outside of class. Feel free to contact me by e-mail or by telephone (e-mail is usually more reliable) to schedule an appointment or to ask a question.

**Academic Integrity**

Academic integrity is fundamental to the activities and principles of the School of Law. All members of the law school community must be confident that each person’s work has been responsibly and honorably acquired, developed, and presented. Any effort to gain an advantage not given to all students is dishonest whether or not the effort is successful. The law school community regards breaches of the School of Law’s Honor Code as extremely serious matters. Sanctions for such a breach may include academic sanctions from me, including failing the course for any violation, to disciplinary sanctions ranging from probation to expulsion. If you have any doubt about whether your work is or would be consistent with the Honor Code, consult me.

**Consequence of Inadequate Attendance**

American Bar Association Accreditation Standard 311(f) requires your regular class attendance (“A law school shall adopt, publish, and adhere to a written policy requiring regular class attendance”). No distinction is made in this class between excused and unexcused absences. You may miss up to 20% of classes without penalty. With 41 scheduled class meetings this semester, you may miss eight without penalty. If you miss nine or more classes, you will be dropped from the course barring extraordinary circumstances. It is your responsibility to keep track of your absences. If you know in advance that you will have to miss class, please inform me via e-mail so that I do not call on you. (You do not need to tell me why.) Students must follow University rules related to COVID safety.

**Statement on University of Missouri System Executive Order #38**

University of Missouri System Executive Order No. 38 lays out principles regarding
the sanctity of classroom discussions at the university. The policy is described fully in Section 200.015 of the Collected Rules and Regulations. In this class, students may not make audio or video recordings of course activity, except students permitted to record as an accommodation under Section 240.040 of the Collected Rules. All other students who record and/or distribute audio or video recordings of class activity are subject to discipline in accordance with provisions of Section 200.020 of the Collected Rules and Regulations of the University of Missouri pertaining to student conduct matters.

Those students who are permitted to record are not permitted to redistribute audio or video recordings of statements or comments from the course to individuals who are not students in the course without the express permission of the faculty member and of any students who are recorded. Students found to have violated this policy are subject to discipline in accordance with provisions of Section 200.020 of the Collected Rules and Regulations of the University of Missouri pertaining to student conduct matters.

Please note that even if I post a recording of a class session to the course Canvas site, the rules on redistribution still apply. Such recordings are for the use of students in the course and are not to be shared with others.

Learning Outcomes

Revised ABA Standard 301 requires that the law school collectively publish a set of learning outcomes. The law school’s statement in this regard is posted online at: http://law.missouri.edu/prospective/learning-outcomes/. In addition, the standard requires that “learning outcomes for individual courses must be published in the course syllabus” (Managing Director’s Guidance Memo, June 2015). The learning outcomes for this course are set forth below.

Students will:

- learn fundamental federal income tax concepts including:
  - whether a particular item is income or whether it gives rise to a deduction
  - how to determine the character of an item of income (e.g., capital gains and losses)
  - how to calculate taxable income
- become familiar with the internal revenue code, treasury regulations, and revenue rulings