COURSE DESCRIPTION:

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. It will be assumed that students are generally familiar with the issues covered in a basic Federal Income Taxation course.

REQUIRED COURSE MATERIALS:

Text references are to David F. Windish, Practical Guide to Real Estate Taxation (2019 ed.).

Internal Revenue Code & Regulations. Sections of the Internal Revenue Code and regulations should be reviewed as they are discussed in the Text. The Code and regulations may be accessed online through law school databases or other online sources.

Supplemental readings listed in the Syllabus will be posted on the Canvas site.

LEARNING OUTCOMES:

1. General understanding of federal tax aspects of acquisition, use, and disposition of real property.

2. Recognize and differentiate between the tax benefits and/or drawbacks of different forms of ownership, acquisition, and financing options.

3. Identify different deductions and credits related to the use of real property. Apply any applicable limitations on deductions and/or losses related to real property.

4. Recognize and differentiate between the tax consequences of various types of disposition of real property. Apply knowledge to determine advantages of various dispositions in different fact scenarios.

5. General understanding of estate planning strategies and federal tax collection issues involving real property.
EXAMINATION AND GRADING:

Your grade will be based on (1) the completion of six weekly problem sets and (2) an anonymously graded final examination.

Completion of the problems counts towards 24% of your grade. The problems will be posted each week in Canvas. To get credit (of 4% per week), the answers to those problems must be submitted via Canvas by the stated deadline. I will respond to your submissions by the Thursday after the problem is due. I will also provide model answers to the assigned questions. Generally, I will discuss the answer to one assigned question in our weekly Zoom session (see below). Written model answers will be provided for all other assigned questions.

The examination counts towards 76% of your grade. It will be between two hours and three hours long and can be “checked out” during the following dates: February 25, 2019 through February 27, 2019. For the exam, you will be allowed to use the course materials and anything prepared by you (including class notes). A simple calculator may be used. All questions about final exams should be directed to the Law Registrar’s Office (lawregistrar@usfca.edu).

AMERICANS WITH DISABILITIES ACT ACCOMMODATIONS:

USF affords all students with disabilities equal access under the law. If you are in need of accommodation under the Americans with Disabilities Act (ADA) or similar enactment, you must contact the University Student Disability Services Office at 415.422.2613 or sds@usfca.edu to obtain the appropriate accommodation.

ACADEMIC DISHONESTY:

The law school defines academic dishonesty as engaging in any dishonest conduct in connection with any examination, written work, or other academic activity. The University of San Francisco takes academic dishonesty very seriously. You are responsible for knowing and adhering to the explicit details of our policy as listed here in the School of Law Honor Code: https://myusf.usfca.edu/law/student-services.

CLASS SESSIONS:

Modules will be available on the class Canvas website weekly, beginning January 7, 2019.

HOURS OF WORK PER WEEK:

This is a 2-credit hour class. The recorded lectures are approximately two hours in length per week. In addition, there will be a one-hour Zoom session each week. Aside from the recorded lectures and Zoom sessions, you should plan to spend a total of six hours per week or so on assigned reading and problems.
<table>
<thead>
<tr>
<th>WEEK</th>
<th>TOPICS</th>
<th>READING &amp; PROBLEMS</th>
<th>LEARNING OUTCOMES</th>
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</table>
| 1    | • Course Introduction  
   • Forms of Ownership  
   • Collection Issues Relating to Real Property | Read Text ¶¶ 200 – 208.03  
   **On Canvas, submit the answers to weekly problem by 12:00 noon Pacific Standard Time, on January 13, 2019, a Sunday.** | • General understanding of various forms of ownership of real property.  
   • Recognize and differentiate between tax benefits and drawbacks of forms of ownership.  
   • Identify factual situations where nominee, alter ego, or transferee tax liens may apply to real property. |
| 2    | **Acquisition of Real Property**  
   • Basis  
   • Finance Options  
   • Mortgages and Interest | Read Text ¶¶ 101 - 103.03  
   Read Text ¶¶ 301 – 301.03[B]  
   Read Text ¶¶ 303.01 – 305.04  
   **On Canvas, submit the answers to weekly problem by 12:00 noon Pacific Standard Time, on January 20, 2019, a Sunday.** | • Calculate acquisition basis in different acquisition transactions, such as purchase, construction, exchange or gift.  
   • Knowledge of the various forms of financing real estate and the tax consequences thereof.  
   • Understand deductions and limitations related to mortgage interest. |
| 3    | **Use of Real Property**  
   • Deductions related to Use of Real Property  
   • Depreciation  
   • Beneficial Ownership – Who is Entitled to Take Deductions | Read Text ¶¶ 702 – 704.04  
   Read Text ¶¶ 900 – 905.02  
   Read Text ¶¶ 1701 – 1705.02[B]  
   Read Text ¶¶ 1800 – 1804  
   **On Canvas, submit the answers to weekly problem by 12:00 noon Pacific Standard Time, on** | • Identify different deductions related to the use of real property.  
   • Determine the correct party entitled to a deduction.  
   • Knowledge of the depreciation rules related to real property. |
<table>
<thead>
<tr>
<th></th>
<th>Use of Real Property (2)</th>
<th>January 27, 2019, a Sunday.</th>
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<tbody>
<tr>
<td>4</td>
<td>Use of Real Property (2)</td>
<td>Read Text ¶¶ 302 – 302.04[B]</td>
<td>- Knowledge of the limitations related to losses and deductions from the use of real property.</td>
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<td>- Passive Loss Limitations</td>
<td>Read Text ¶¶ 1100 – 1105.03</td>
<td>- Determine when limitations related to losses and deductions from the use of real property may apply.</td>
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<td>- At Risk Limitations</td>
<td>Read Text ¶¶ 400 – 406.02</td>
<td>- General knowledge of tax aspects of leases.</td>
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<td>- Leases</td>
<td>Read Text ¶¶ 500 – 503</td>
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<td>- Landlord/Tenant Issues</td>
<td>On Canvas, submit the answers to weekly problem by 12:00 noon Pacific Standard Time, on February 3, 2019, a Sunday.</td>
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<td>5</td>
<td>Disposition of Real Property</td>
<td>Read Text ¶¶ 1301 – 1301.04[F]</td>
<td>- Knowledge of special rules applicable to sale of residence.</td>
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<td>- Sale of Residence</td>
<td>Read Text ¶¶ 1400 – 1402.03</td>
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<td></td>
<td>- Installment Sales</td>
<td>Read Text ¶¶ 1202 – 1202.02[C]</td>
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<td>- Foreclosure</td>
<td>On Canvas, submit the answers to weekly problem by 12:00 noon Pacific Standard Time, on February 10, 2019, a Sunday.</td>
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<td>6</td>
<td>Disposition of Real Property (2)</td>
<td>Read Text ¶¶ 1302 – 1302.02[B]</td>
<td>- Knowledge of conditions of tax-free exchange under I.R.C. 1031.</td>
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<td>- 1031 Exchanges</td>
<td>Read Text ¶¶ 1500 – 1504.02[B]</td>
<td>- Knowledge of the tax consequences of</td>
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<td>- Conversions</td>
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<td>- Demolition</td>
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<td>- Abandonment</td>
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On Canvas, submit the answers to weekly problem by 12:00 noon Pacific Standard Time, on February 17, 2019, a Sunday.

- Understand the tax consequences of abandoning as opposed to demolishing property.

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<tr>
<th>7</th>
<th>Miscellaneous Issues</th>
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<tbody>
<tr>
<td>- Estate Planning Issues Related to Real Property</td>
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<tr>
<td>- REITs &amp; REMICs</td>
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- Read Text ¶¶ 1600-1603
- Read Text ¶¶ 2100 – 2103.04
- Read Text ¶¶ 2200 – 2202
- Read Text ¶¶ 2300 – 2302.02[B]

- Understand estate planning strategies related to real property, including personal residence trusts and family limited partnerships.
- Knowledge of the tax aspects of the formation, operation, and disposition of REITs & REMICs.

NOTE: The course topics and reading assignments may be changed a bit throughout the semester.

ONLINE FINAL EXAM available to be “checked out” during the following dates: February 25, 2019 through February 27, 2019.