

I. Tax Law

TO: Students

FROM: Tax Law Faculty

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Regardless of your eventual specialty, you are going to need to know basic tax concepts to do right by your clients. If all you do is personal injury litigation, the tax consequences of the settlements you negotiate will determine whether a deal is good or bad for your client. Are the after-tax consequences of a divorce settlement good or bad for your client? When the client asks if the receipts of a deal are taxable, or if the payments made are deductible, do you really want to say, "Well, I didn't take that class in law school?"

If all you do is criminal law, the tax law violations are often the easiest charges to prove. That's how they got Al Capone, right? And Vice-President Spiro Agnew, and lots of other convicted criminals. Obviously every business deal depends on understanding all the tax consequences in advance.

You should take the basic Taxation course at the first opportunity. It's the prerequisite for many upper-level courses, which you may surprise yourself by wanting to take once you understand what tax law is all about. The basic Taxation course covers what is income, what is deductible, who is the taxpayer, when does the taxpayer have income or deduction, and what kind of income or deduction does the taxpayer have.

The next tier of tax courses includes Taxation II: Commercial and Property Transactions, Corporate Taxation, Taxation of Partnerships and S Corporations, International Taxation, and Estate and Gift Taxation.

Taxation II: Commercial and Property Transactions covers the tax treatment of various commercial transactions involving real estate, personal property and debt that are regularly entered into by all types of business entities, regardless of organizational form. In addition to covering issues such as distinguishing capital gain from ordinary income, the realization of gain or loss in non-cash transactions, and the nonrecognition or deferral of gain in specified situations, the course examines issues related to tax accounting periods and methods.

Corporate Taxation covers the taxation of shareholders and corporations upon formation, during operations, at sale or liquidation, and as the result of mergers and acquisitions. The importance of corporations in American society does not require further elaboration.

Partnerships and S Corporations, both of which pass through tax consequences to their owners, are of enormous, growing, and increasingly recognized importance in American society. The courses in Partnership Taxation and the Taxation of S Corporations explore how the owners of these entities are taxed.

International Taxation covers the U.S. tax consequences for U.S. taxpayers operating abroad, and foreign taxpayers operating in the U.S. The globalized world economy makes the importance of this subject self-evident.

Estate and Gift taxes, labeled by critics as “the death tax,” became a controversial political football. The dust has settled and these taxes now affect only high-wealth individuals. The Estate and Gift Taxation explores how transfers by such individuals are taxed.

Temple Law School offers a graduate program in Taxation for all those law school graduates who start practice only to discover, "Oops, I didn't take enough tax in law school." LLM courses can be taken by JD students with permission and some courses taken by Temple JD students for JD credit will also count for LLM credit (at Temple). Students interested in either of those options should contact Professor Kathy Mandelbaum, Director of the Graduate Tax Program, for further information.