
UNIVERSITY OF HAWAII AT MANOA
ACCOUNTING 639:
MULTIJURISDICTIONAL TAXATION
FALL – 2023

COURSE MEETS: Fridays, 6:00 p.m. – 7:45 p.m.

*Certain classes may start later, e.g., September 7, 2023 class begins at 7:00 pm to 8:45 pm.

INSTRUCTOR: **Kurt Kawafuchi, J.D., C.P.A., Masters of Laws in Taxation (LL.M.)**

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

TEXTS: **INTERNATIONAL TAXATION – IN A NUT SHELL.** Author: **Mindy Herzfeld West Group (13th Edition or later) ("ITN").**

2017 TAX LEGISLATION: Tax Cuts and Jobs Act (2018); Wolters Kluwer; ISBN 978-0-8080-4677-6 ("TCJA") (To be distributed)

(Optional Text)

CCH's INTERNATIONAL TAXATION CODE & REGULATIONS – SELECTED SECTIONS. Richard Crawford Pugh, Coordinating Editor. ISBN: 0-8080-1308-4 (2020 or later)

(Optional Supplemental Text)

SOUTH-WESTERN FEDERAL TAXATION: Corporations, Partnerships, Estates, and Trusts. Authors: Hoffman Raabe Smith Maloney South-Western Cengage Learning (2020 Edition or later).

COURSE PREREQUISITES Accounting 401 with a grade of at least "C-" or better.

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.

**COURSE
OBJECTIVES:**

The purpose of this course is to provide students with an overview of the international, state, and local income taxation and reporting issues. Topics include inbound and outbound U.S. international taxation transactions, sourcing of income and deductions, state corporate income taxation, nexus, and Hawaii taxes. The course also emphasizes the development of the student's critical analysis through problems and in class presentations of the solutions.

GRADING

<i>Attendance, Class Participation and Assignments</i>	<i>20%</i>
<i>Mid-Term Examination</i>	<i>40%*</i>
<i>Final Examination</i>	<i><u>40%*</u></i>
	<i><u>100%*</u></i>

* - The instructor reserves the right to curve any exam and the final grade to reflect a fair distribution of grades. The instructor has also invited a number of guest speakers whose topics will likely be part of the midterm and final exams.

(1) **Attendance, Assignments, and Participation.** Attendance, assignments, and class participation will comprise 20% of each student's grade. Students are expected to attend class, be prepared for class, and participate in class discussions and activities. Each student shall prepare written solutions to the assigned homework problems that will be turned via email to kkawafuchi@aol.com prior to start of each class. Unless a student receives prior approval from the instructor, homework turned in after the solutions are emailed to the class will not receive any credit. Each student is entitled to one "pass" during the semester, which can be utilized when the student is scheduled to make his or her presentation, or for any other class. For the "pass," the student will be treated as if the student turned in a "credit" homework assignment. Written solutions will be graded, "Credit", "Late" (1/2 credit), or "No Credit". No credit will be offered after the instructor once the instructor begins discussing the questions and/or distributes any answers, whichever is earlier. Every week, each student should be prepared to present his or her recommended solution, when called upon, before the entire class.

(2) **Mid-Term Examination.** The Mid-Term Examination comprises 40% of each student's grade. It is scheduled for ninety (90) minutes on **Friday, October 6, 2023.** The Mid-Term Examination is most likely to contain short answer, computational, and one or more problem-solving and essay questions. The Mid-Term Examination is open book and notes. There may be 1-2 extra credit questions **but no internet access.** After the Midterm Exam, there will be lecture for approximately one (1) hour.

(3) **Final Examination.** The Final Examination will now comprise 40% of each student's grade. It will generally emphasize the materials and topics after the Mid-Term Examination. It is scheduled for ninety (90) minutes to be on **Friday, December 15, 2023.** The Examination is most likely to contain short answer, computational, and one or more problem-solving and essay questions. The Final Examination is open book and notes. There may also be 1-2 extra credit questions **but no internet access.**

DATE**ASSIGNMENTS¹**

August 25	Introduction to International and Multistate Taxation
September 1	ITN Chapter 1 Introduction ITN Chapter 2 Basic U.S. Jurisdictional Tax Principles. Homework: 9: 1-4, 25
September 8	ITN Chapter 3 Source Rules; TCJA §§730 and 780 ITN Chapter 4 Taxing Rules for Non U.S. Persons Homework: 9: 27-29, 32
September 15	ITN Chapter 5 Role of Income Tax Treaties; Review treaty Homework: 9: 12, 16, 18, 20.a., 22
September 22	International Tax Reporting; IRC Sections 6038, et seq.; PPT Homework: 9: 23, 24, 41-45,
September 29	ITN Chapter 6 Filing, Withholding, Reporting. TCJA§743 Forms W-8BEN & W-8ECI 1042, FIRPTA: Forms 8288, 8288A, and 8288B. HRS Section 235-68; Treaties, withholding, and problems; Midterm Review Homework: 9: 47-49
October 6	<i>MIDTERM EXAMINATION</i>
October 13	ITN: Chapter 7 Intro to U.S. Business in Foreign Countries; TCJA§§710, 735, 743, 745, 747 ITN: Chapter 8 Introduction to Foreign Tax Credits (FTC) ITN: Chapter 10 Limitations on FTC and Indirect FTC Homework: 9: 6 9, 13-17
October 20	ITN: Chapter 9 Taxation of U.S. Persons' Foreign Income Earned in Corporate Form Homework: 9: 31-32, 33-37
November 3	ITN: Chapter 11 Intercompany Pricing Homework 9: 38-39, 41
November 10	ITN: Chapter 12 Foreign Currency' TCJA §§750, 755 ITN: Chapter 13 Int'l Tax-Free Trans. TCJA §§760, 765 ITN: Chapter 14 Tax Arbitrage & Evolving Global Tax LSCP Tax Planning for Foreigners with U.S. (and Hawaii assets) Homework: 9: 26, 30, 40 (brief outline)
November 17	MULTISTATE CORPORATE TAXATION (Chapter 16); Homework: 16: 2, 3 (brief list), 6-9, 11-12, 16-18

¹ Homework problems: The first number is the chapter followed by the assigned problems. The problems are due on the assigned class and should be handed in at the beginning of each class. If you are unable to attend, please email to kkawafuchi@aol.com prior to the class. These assignments are subject to change.

November 24	<i>THANKSGIVING HOLIDAY</i>
December 1	HAWAII GENERAL EXCISE AND USE TAXES (PPT) HRS Chapters 237&238 generally; Review for Final Exam Homework: 16: 19-20, 25-26, 28-29, 36, 43
December 8	Review for Final Exam
December 15	<i>FINAL EXAMINATION</i>