
UNIVERSITY OF HAWAII AT MANOA
ACCOUNTING 631:
TAXATION OF PARTNERS AND PARTNERSHIPS
SUMMER SESSION II- 2021
(Revised 7/15/21)

- COURSE MEETS:** Monday and Wednesday, 6:00 p.m. – 8:30 p.m., Via Zoom
- INSTRUCTOR:** Kurt Kawafuchi, *J.D., C.P.A., Masters of Laws in Taxation*
- OFFICE HOURS:** Available immediately after class, e-mail Kurt at kkawafuchi@aol.com or call 688-8986 to schedule an appointment.
- TEXTS:** **PARTNERSHIP TAXATION –(2019 or later); Volumes 1 and 2**
Authors: Arthur B. Willis, Philip F. Postlewaite,
and Jennifer H. Alexander
Volume 1: Cases, Materials, and Problems (Handout)
Volume 2: Abridged Edition---For Student Use Only
- (Recommended)** **TAXATION OF S CORPORATIONS IN A NUTSHELL,**
(3rd Edition), Authors: Douglas A. Kahn and Jeffrey H. Kahn,
West Academic Publishing, ISBN: 978-1-64708-526-1
- (Optional)** West's **INTERNAL REVENUE CODE OF 1986 AND TREASURY**
REGULATIONS: ANNOTATED AND SELECTED
(2019 or later Edition) by James E. Smith.
- 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 federal taxation of partners and partnerships, and S Corporations and their shareholder. There will also be a brief overview of state taxation including the application of the Hawaii general excise tax to partnerships, S Corporations, and disregarded entities. 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>	<u><i>40%*</i></u>
	<u><i>100%*</i></u>

* - The instructor reserves the right to curve any exam and the final grade to reflect a fair distribution of grades. The instructor plans to also invite 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 including presentations 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 in person or 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", or "No Credit". No credit will be given after the solutions are distributed/emailed to the class. Every week, each student should be prepared to present his or her recommended solutions, 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 two (2) hours on Wednesday, July 26, 2021. The exam will cover Chapters 1-7 and generally topics until the Midterm Examination. The Mid-Term Examination may contain short answer, problem-solving and essay questions. The Mid-Term Examination is open book and notes, except no internet.

(3) **Final Examination.** The Final Examination comprises 40% of each student's grade. It will generally emphasize the materials and topics covered after the Midterm Examination, and other assigned topics. It is scheduled to Wednesday, August 11, 2021. The Final 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, except no internet.

DATE**ASSIGNMENTS***

July 7	Introduction and Chapters 1, 2, and 3
July 12	Chapters 2: 1-2, 4-5; 3: 1-7; and 4: 1-3* (Cont'd)
July 14	Chapters 5: 1-3; 6: 1-5; and 7:2-6*
July 19	Chapters 8: 1-4; 9:1-3; and 10: 1-2* and **
July 21	Chapters 12: 1-5; 14: 1-2; and 17: 1-3* <i>Guest Lecturer: Billy Hong, Beijing</i>
July 26	<i>MIDTERM EXAMINATION</i>
July 28	S Corporation: Intro including eligible entities and shareholders***
August 2	Formation, Operations, Shareholder basis and Deductions***
August 4	Distributions, Redemptions, and Termination and Built-in Gain***
August 9	Liquidations, Reorganizations and Sales of stocks or assets***
August 11	<i>FINAL EXAMINATION</i>

*The assignments includes completing the assigned the questions at the end of each Chapter. Each class, one student will assigned to present a summary of the assigned chapters and selected homework problems to illustrate the general rules and major exceptions of each chapter. The problems are due before the start of the assigned class and should be emailed prior to the beginning of each class. If you cannot attend, please email to kkawafuchi@aol.com and kurtk@hawaii.edu prior to the class.

** Research Hawaii Tax Department website: “tax.hawaii.gov/legal/” “Tax Law and Guidance,” Tax Law and Rules: Hawaii Revised Statutes (HRS) §§237-20 and 23.5 and Rules, (Chapter) 14-237; and Tax Information Release 97-4.

*** Problems to be assigned.