

**Introduction to International Taxation
BUS 225W - Spring 2021
Master of Science in Taxation
Lucas Graduate School of Business**

Course and Contact Information

Instructor:	Caroline Chen
Email:	Caroline.chen@sjsu.edu
Zoom Office Hours:	By appointment – please contact me via email; times/days are very flexible
2021 Class Days/Times:	Tuesdays, 6:00-10:00pm: 1/5, 1/12, 1/19, 1/26, 2/2, 2/9, 2/16, 2/23 Saturday, 2/13: 9:00am - 5:00pm
Classroom	ONLINE
Prerequisites:	Prerequisite: BUS 223A. Co-requisite: BUS 223G

Course Description

Introduction to the structure, basic rules, and policies of U.S. federal income taxation of foreign persons and cross-border taxation. Topics include residency, source of income, U.S. taxation of foreign persons, tax treaties, transfer pricing, the foreign tax credit, and controlled foreign corporations.

Lucas College and Graduate School of Business Program Goals

(Not All Program Learning Goals are Covered in Every Course)

1. Business Knowledge: Understand basic business principles and demonstrate discipline-specific competencies as applied to local and global environments.
2. Communication: Communicate ideas clearly, logically, and persuasively in oral and written format, using technology appropriately.
3. Ethical Awareness: Recognize, analyze, and articulate solutions to ethical issues that arise in business.
4. Leadership, Teams and Diversity: Comprehend the challenges and opportunities of leading and working in diverse teams and environments.
5. Critical Thinking: Comprehend, analyze, and critically evaluate complex and unstructured qualitative and quantitative business problems, using appropriate tools and technology.
6. Innovation: Recognize, analyze, and articulate strategies for promoting creativity and innovation.

Master of Science in Taxation (MST) Program Goals

(Not all program learning goals are covered in every course)

1. To identify and understand complex tax issues within the context of the global business world.
2. To learn research skills that will assist in exploring both familiar and new areas of the tax law and communicate the findings clearly.
3. To be aware of multi-jurisdictional tax issues.
4. To develop conceptual and analytic skills with real world applications.
5. To develop an appreciation for tax policy issues that underpin our tax laws.
6. To understand the ethical implications of tax practice

Course Learning Outcomes (CLO)

This course is in U.S. taxation with emphasis on the unique factors involved in taxation of foreign persons, businesses and investments. Upon successful completion of this course, students will be able to:

1. Understand the statutory framework of the international provisions of the Internal Revenue Code.
2. Be able to identify the primary federal income rules that apply to international transactions of domestic taxpayers and how the U.S. tax rules avoid double taxation of foreign income.
3. Understand deferral and the treatment of foreign subsidiaries of a US corporation.
4. Apply transfer pricing concepts and source of income rules to determine the jurisdiction where income is deemed to arise for US international tax purposes.
5. Understand the U.S. tax reporting obligations of foreign persons with income or activities within the United States.
6. Be able to explain and apply common federal income tax rules such as residency, sourcing, foreign tax credit, permanent establishment, and transfer pricing.
7. Be able to relate key rules and concepts to U.S. tax compliance obligations associated with international operations.
8. Be familiar with proposals for changing the U.S. international tax rules.

Required Texts/Readings

- Herzfeld’s International Taxation in a Nutshell (West 12th Ed. 2019) [hereinafter, “Nutshell”]. There are Internal Revenue Code and Treasury Regulation Sections listed in this publication – you are responsible for reading those for the reading assignments.
- Training manuals published by the IRS International Practice Units [Hereafter – “IPU Manuals”], available at (<http://www.irs.gov/Businesses/Corporations/International-Practice-Units>)
- Primary Sources noted on the syllabus are the Internal Revenue Code, the Treasury Regulations, case law and administrative rulings (available from RIA Checkpoint and CCH, among other sources)
- Selected IRS Forms and Publications
- Optional Readings: BNA Portfolio 900-2nd: Foundations of U.S. International Taxation (available on the King Library database for MST students) [hereinafter, “BNA – Foundations”]

Course Requirements, Assignments and Grading Policy

Success in this course is based on the expectation that students will spend, for each unit of credit, a minimum of 45 hours over the length of the course (normally three hours per unit per week) for instruction, preparation/studying, or course related activities, including but not limited to internships, labs, and clinical practica. Other course structures have equivalent workload expectations as described in the syllabus. More details about student workload can be found in [University Syllabus Policy S16-9](#).

This course is 100% online using synchronous and asynchronous formats such as flipped classroom and breakout rooms. See University Policy F13-2 at <http://www.sjsu.edu/senate/docs/F13-2.pdf>.

Grades: Course grades are determined based on the total points earned as listed below.

ACTIVITY		TOTAL POSSIBLE POINTS
In-Class Assignments	5 In-Class Assignments	25 (5 Points Each)
Presentation		75
Exams	4 Exams	400 (100 Points Each Exam)
Total Possible Points		500

POINTS	GRADE
480-500	A+
460-479	A
440-459	A-
420-439	B+
400-419	B
380-399	B-
360-379	C+
340-359	C
320-339	C-
300-319	D+
280-299	D
260-279	D-
BELOW 260	F

Assigned Readings are to be completed **before** Zoom class.

In-class assignments will consist of a series of discussion problems, calculations, etc., that may be done together in **groups or individually** during Zoom class time to reinforce the course concepts depending on the assignment. Each student must submit a written response to Canvas to receive credit. There may be more than 5 assignments; but only the 5 highest scores will be used to compute your overall grade for in-class work.

Exams There are four (4) exams. All are open book. *There are no make-ups for missed exams.*

Presentations will be given during Zoom class on Saturday February 13, 2021. You will be responsible for the research of one of the topics listed on the assignment for Zoom Class #8 & 9 below from the perspective of a hypothetical high-technology firm with multinational operations. You must prepare a PowerPoint presentation for the company’s management to explain the topic and why it is or is not important to the company. The grade will be based on the quality of your research, written PowerPoint materials (a copy must be uploaded to Canvas by 9am on February 13, 2021 to receive credit), and oral presentation. Topics not listed may also be selected with permission of the instructor. *Under no circumstances are there makeups for the presentations.*

Zoom Class Protocol

Attendance for this course is important because we cover a substantial amount of material each session and certain material may not in the textbook, and there are in-class assignments. If you are unable to attend class, you are still responsible for everything covered in class. In addition, you should do your best to be on time to class. If you are more than 15 minutes late, the Zoom meeting may be locked and you will not be able to enter.

Every student is responsible for everything covered in class. [University Attendance and Participation Policy F15-12](#) states, “Students are expected to attend all meetings for the courses in which they are enrolled as they are responsible for material is discussed therein, and active participation is frequently essential to ensure maximum benefit to all class members. In some cases, attendance is fundamental to course objectives; for example, students may be required to interact with others in the class. Attendance is the responsibility of the student.”

For Zoom classes, you are required to list your entire name (if you would prefer to be called another name please put it in parentheses next to your given name) and set a Zoom profile image of your choice. If you are muted and your camera is off, your name and profile image will appear. You are not required to have your microphone and camera on during class except when you are in breakout rooms, then your microphone and camera are required to be ON.

All synchronized classes will be recorded via Zoom and posted to Canvas.

University Policies

General Expectations, Rights and Responsibilities of the Student

As members of the academic community, students accept both the rights and responsibilities incumbent upon all members of the institution. Students should review SJSU’s policies and practices about the procedures to follow if and when questions or concerns about a class arise. Per University Policy S16-9, university-wide policy information relevant to all courses, such as academic integrity, accommodations, etc. will be available on Office of Graduate and Undergraduate Programs’ [Syllabus Information web page](#).

Dropping and Adding

Students are responsible for understanding the policies and procedures about add/drop, grade forgiveness, etc. Add/drop deadlines can be found on the current academic year calendars document on the [Academic Calendars webpage](http://www.sjsu.edu/provost/services/academic_calendars/) at http://www.sjsu.edu/provost/services/academic_calendars/. The [Late Drop Policy](http://www.sjsu.edu/aars/policies/latedrops/policy/) is available at <http://www.sjsu.edu/aars/policies/latedrops/policy/>. Students should be aware of the current deadlines and penalties for dropping classes. Information about the latest changes and news is available at the [Advising Hub](http://www.sjsu.edu/advising/) at <http://www.sjsu.edu/advising/>.

Consent for Recording of Class and Public Sharing of Instructor Materials

[University Policy S12-7](#) requires students to **obtain instructor's permission to record** the course and the following items to be included in the syllabus: "Common courtesy and professional behavior dictate that you notify someone when you are recording him/her. You must obtain the instructor's permission to make audio or video recordings in this class. Such permission allows the recordings to be used for your private, study purposes only. The recordings are the intellectual property of the instructor; you have not been given any rights to reproduce or distribute the material." "Course material developed by the instructor is the intellectual property of the instructor and cannot be shared publicly without his/her approval. You may not publicly share or upload instructor generated material for this course such as exam questions, lecture notes, or homework solutions without instructor consent."

Academic Integrity/Dishonesty

Your commitment, as a student, to learning is evidenced by your enrollment at San Jose State University. The [University Academic Integrity Policy S07-2](#) requires you to be honest in all your academic course work.

Students who are suspected of cheating are required to be reported the Student Conduct and Ethical Development Office and depending on the severity of the conduct, will receive a zero on the assignment or a grade of **F** in the course. Grade Forgiveness does not apply to courses for which the original grade was the result of a finding of academic dishonesty. For more details visit the [Student Conduct and Ethical Development website](#).

Campus Policy in Compliance with the American Disabilities Act

If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. [Presidential Directive 97-03](#) at http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf requires that students with disabilities requesting accommodations must register with the [Accessible Education Center](#) (AEC) at <http://www.sjsu.edu/aec> to establish a record of their disability.

Accommodation to Students' Religious Holidays

San José State University shall provide accommodation on any graded class work or activities for students wishing to observe religious holidays when such observances require students to be absent from class. It is the responsibility of the student to inform the instructor, in writing, about such holidays before the add deadline at the start of each semester. If such holidays occur before the add deadline, the student must notify the instructor, in writing, at least three days before the date that he/she will be absent. It is the responsibility of the instructor to make every reasonable effort to honor the student request without penalty, and of the student to make up the work missed. See [University Policy S14-7](#) for more details.

SJSU Peer Connections

Peer Connections' free tutoring and mentoring is designed to assist students in the development of their full academic potential and to inspire them to become independent learners. Peer Connections tutors are trained to provide content-based tutoring in many lower division courses (some upper division) as well as writing and study skills assistance. Small group and individual tutoring are

available. Peer Connections mentors are trained to provide support and resources in navigating the college experience. This support includes assistance in learning strategies and techniques on how to be a successful student. Peer Connections has a learning commons, desktop computers, and success workshops on a wide variety of topics. For more information on services, hours, locations, or a list of current workshops, please visit [Peer Connections website](http://peerconnections.sjsu.edu) at <http://peerconnections.sjsu.edu> for more information.

SJSU Writing Center

The SJSU Writing Center is located in Clark Hall, Suite 126. All Writing Specialists have gone through a rigorous hiring process, and they are well trained to assist all students at all levels within all disciplines to become better writers. In addition to one-on-one tutoring services, the Writing Center also offers workshops every semester on a variety of writing topics. To make an appointment or to refer to the numerous online resources offered through the Writing Center, visit the [Writing Center website](http://www.sjsu.edu/writingcenter) at <http://www.sjsu.edu/writingcenter>. For additional resources and updated information, follow the Writing Center on Twitter and become a fan of the SJSU Writing Center on Facebook.

SJSU Counseling and Psychological Services

The SJSU Counseling and Psychological Services is located on the corner of 7th Street and San Carlos in the new Student Wellness Center, Room 300B. Professional psychologists, social workers, and counselors are available to provide confidential consultations on issues of student mental health, campus climate or psychological and academic issues on an individual, couple, or group basis. To schedule an appointment or learn more information, visit [Counseling and Psychological Services website](http://www.sjsu.edu/counseling) at <http://www.sjsu.edu/counseling>.

BUS 225W – Introduction to International Tax – Early Spring 2021

Date	Topics	Assigned Readings
<p>Class #1 Tuesday January 5</p>	<p><u>Introduction to Course</u></p> <ul style="list-style-type: none"> • Overall Tax Policy Goals of The International Tax System <p><u>U.S. Jurisdictional Tax Issues</u></p> <ul style="list-style-type: none"> • Outbound • Inbound • Citizenship & Residency • Expatriates • Residency for Tax Treaty Purposes <p><u>Tax Arbitrage & Global Tax</u></p> <ul style="list-style-type: none"> • U.S. Entity Classification • Check-the-Box • Implications of Tax Cuts & Jobs Act 	<p>NUTSHELL, CHAPTER 1 IRC Sections 1(h); 7701; 911; 877A Treas. Reg. § 1.1–1(c); 301.7701-1; 301.7701-2; 301.7701-3; 301.7701-4 IRS Links:</p> <ul style="list-style-type: none"> • Large Business & International Division: https://www.irs.gov/businesses/large-business-and-international-lbi-division <p>NUTSHELL, CHAPTER 2 (skip 2.05) IRS Links:</p> <ul style="list-style-type: none"> • Introduction to Residency Under U.S. Tax Law: https://www.irs.gov/individuals/international-taxpayers/introduction-to-residency-under-us-tax-law • Green Card Test: https://www.irs.gov/individuals/international-taxpayers/alien-residency-green-card-test • Substantial Presence Test: https://www.irs.gov/individuals/international-taxpayers/substantial-presence-test • Application of Green Card & Substantial Presence Tests: https://www.irs.gov/individuals/international-taxpayers/the-green-card-test-and-the-substantial-presence-test • Exempt Individuals <ul style="list-style-type: none"> ○ Foreign Government Related Individuals: https://www.irs.gov/individuals/international-taxpayers/exempt-individuals-foreign-government-related-individuals ○ Foreign Government Employees: https://www.irs.gov/individuals/international-taxpayers/employees-of-foreign-governments-or-international-organizations ○ Teachers & Trainees: https://www.irs.gov/individuals/international-taxpayers/exempt-individuals-teachers-and-trainees ○ Students: https://www.irs.gov/individuals/international-taxpayers/exempt-individual-who-is-a-student ○ Professional Athletes Competing in a Charitable Sports Event: https://www.irs.gov/individuals/international-taxpayers/professional-athletes-in-the-us-competing-in-a-charitable-sports-event • Claiming Treaty Benefits: https://www.irs.gov/individuals/international-taxpayers/claiming-tax-treaty-benefits <p>Optional: BNA Portfolio 900</p> <p>NUTSHELL, CHAPTER 14: §§ 14.01 & 14.02 IRC Section 7701(B), Sections 6013(g) and 6013(h) Treasury Regulations Sections 301.7701(b)-1 through 301.7701(b)-4, Sections 301.7701-2 and 301.7701-3 IRS Links:</p> <ul style="list-style-type: none"> • Tax Cuts & Jobs Act: https://www.irs.gov/newsroom/tax-cuts-and-jobs-act-a-comparison-for-large-businesses-and-international-taxpayers <p>IRS IPU Manuals:</p> <ul style="list-style-type: none"> • Overview of Entity Classification Regulations (a/k/a Check-the-Box, September 2017) - https://www.irs.gov/pub/int_practice_units/ore_c_19_02_01.pdf
<p>Class #2 Tuesday January 12</p>	<p><u>Source Rules/FDAP Income</u></p> <ul style="list-style-type: none"> • Interest • Dividends 	<p>NUTSHELL, CHAPTER 3 IRC Sections 861; 862; 863; 865; 871; 881; 1441, 1442 Treas. Reg. §§ 1.861–2; 1.861-3; 1.861-4; 1.861-8; 1.861-17</p>

	<ul style="list-style-type: none"> • Personal Services • Rents & Royalties • Real Property • Personal Property • Residence for Source Rules <p><u>Deduction Allocation Rules</u></p> <ul style="list-style-type: none"> • General and Administrative expenses • Interest Expenses • Research & Experimental Expenses <p>In-Class Assignment 1</p>	<p>IRS Links:</p> <ul style="list-style-type: none"> • Nonresident Aliens – Sourcing of Income: https://www.irs.gov/individuals/international-taxpayers/nonresident-aliens-source-of-income <ul style="list-style-type: none"> ○ Personal Service Income: https://www.irs.gov/individuals/international-taxpayers/source-of-income-personal-service-income ○ Pay for Personal Services: https://www.irs.gov/individuals/international-taxpayers/pay-for-personal-services-performed • Fixed Determinable Annual Periodic Income (FDAP): https://www.irs.gov/individuals/international-taxpayers/fixed-determinable-annual-periodical-fdap-income • Withholding of Tax on Dispositions of United States Real Property Interests: https://www.irs.gov/individuals/international-taxpayers/firpta-withholding <p>IRS IPU Manuals:</p> <ul style="list-style-type: none"> • Sourcing of Income (September 2017) - https://www.irs.gov/pub/int_practice_units/ftc_c_10_02_05.pdf • General Deductions of a Foreign Corporation Engaged in U.S. Trade or Business (Non-Treaty) (March 2018) https://www.irs.gov/pub/default_path_no_value/jti_c_06_01_02_01r.pdf • How to Allocate and Apportion Research and Experimental (R&E) Expenses (September 2014) https://www.irs.gov/pub/int_practice_units/FTM9413_03_04.pdf <p>Optional: BNA Portfolios 905; 907; 908; 6640</p>
<p>Class #3 Tuesday January 19</p>	<p>EXAM #1</p> <p><u>Outbound Transactions: U.S. Taxpayers' Business Activities Abroad</u></p> <ul style="list-style-type: none"> • Foreign income Exclusion • Housing Cost Amount • Foreign Residence Tests • Overseas Sales – Background & Foreign Derived Intangible Income (FDII) <p>In-Class Assignment 2 & 3</p>	<p>EXAM #1: CLASSES 1 & 2</p> <p>NUTSHELL, CHAPTER 7</p> <p>IRC Sections 312; 911; 245A Treas. Reg. § 1.312-6</p> <p>IRS Links:</p> <ul style="list-style-type: none"> • What is Foreign Earned Income? https://www.irs.gov/individuals/international-taxpayers/foreign-earned-income-exclusion-what-is-foreign-earned-income • Foreign Earned Income Exclusion (FEIE): https://www.irs.gov/individuals/international-taxpayers/foreign-earned-income-exclusion • Bona Fide Residence Test: https://www.irs.gov/individuals/international-taxpayers/foreign-earned-income-exclusion-bona-fide-residence-test • Physical Presence Test: https://www.irs.gov/individuals/international-taxpayers/foreign-earned-income-exclusion-physical-presence-test • Exceptions to the Bona Fide Residence & Physical Presence Tests: https://www.irs.gov/individuals/international-taxpayers/exceptions-to-the-bona-fide-residence-and-the-physical-presence-tests • Foreign Housing Exclusion and Deduction: https://www.irs.gov/individuals/international-taxpayers/foreign-housing-exclusion-or-deduction • Tax Home in a Foreign Country: https://www.irs.gov/individuals/international-taxpayers/foreign-earned-income-exclusion-tax-home-in-foreign-country • Electing the FEIE: https://www.irs.gov/individuals/international-taxpayers/choosing-the-foreign-earned-income-exclusion • Instructions for Form 2555 (2020) https://www.irs.gov/pub/irs-pdf/i2555.pdf

		<ul style="list-style-type: none"> Foreign Derived Intangible Income (FDII) <ul style="list-style-type: none"> Final Regs: https://www.irs.gov/newsroom/irs-finalizes-guidance-on-deduction-for-foreign-derived-intangible-income-and-global-intangible-low-taxed-income Form 8993: Sec. 250 Deduction for FDII and GILTI: https://www.irs.gov/forms-pubs/about-form-8993 <p>Optional:</p> <ul style="list-style-type: none"> Conference Report of TCJA pp. 595-601 https://www.gpo.gov/fdsys/pkg/CRPT-115hrpt466/pdf/CRPT-115hrpt466.pdf Calculating Foreign Earned Income Exclusion – Employee (April 2015) https://www.irs.gov/pub/int_practice_units/JTO9431_06_12.pdf BNA Portfolio 932
<p>Class #4 Tuesday January 26</p>	<p><u>Tax of U.S. Persons' Business Income</u></p> <ul style="list-style-type: none"> Controlled Foreign Corporations (CFCs) Subpart F Income <ul style="list-style-type: none"> Foreign Personal Holding Company Income (Sec. 954(c)) Foreign Base Company Sales Income (Sec. 954(d)) Foreign Base Company Services Income (Sec. 954(e)) Allocation & Apportionment of Deductions High Tax Exception Ordering Rules Earnings Invested in US Global Intangible Low-Taxed Income (GILTI) Previously Taxed E&P Deemed Repatriation Tax (Transition Tax) <p>In-Class Assignment 4, 5 & 6</p>	<p>NUTSHELL, CHAPTER 9: §§ 9.01, 9.02, 9.03 (skip Oil & Gas Income, Insurance Income), 9.04, 9.05 & 9.08 IRC Sections 250, 951, 951A, 952, 954, 956, 957, 958, 959, 961, 962, 965, 1291, 1296, 1297, 1298 Treas. Reg. § § 1.956-2; 1.961-1; 1.961-2; 1.957-1; 1.958-1 IRS Links:</p> <ul style="list-style-type: none"> International Program Audit Guidelines - Controlled Foreign Corporations: https://www.irs.gov/irm/part4/irm_04-061-007 <p>IRS IPU Manuals:</p> <ul style="list-style-type: none"> Computing Foreign Base Company Income (December 2014) - https://www.irs.gov/pub/int_practice_units/DPL9412_05_05.PDF Subpart F Overview (December 2014) - https://www.irs.gov/pub/int_practice_units/DPLCUV_2_01.PDF CFC Purchased from a Related Party with Same Country Sales (July 2015) https://www.irs.gov/pub/int_practice_units/DPL9412_01_01.pdf Publication 5292 (2017), How to Calculate Section 965 Amounts and Elections Available to Taxpayers https://www.irs.gov/publications/p5292 Issues in International Corporate Taxation: The 2017 Revision (P.L. 115-97), https://fas.org/sqp/crs/misc/R45186.pdf <p>Optional: BNA Portfolios 926; 930; 6220; 6240; 6260; 6300</p>
<p>Class #5 Tuesday February 2</p>	<p>EXAM #2</p> <p><u>Taxing Rules for Non-US Persons</u></p> <ul style="list-style-type: none"> Engaged in a Trade or Business in the U.S. Effectively Connected Income (ECI) Nonbusiness Income from U.S. Sources Branch Profits Tax Base Erosion & Anti-abuse Tax (BEAT) 	<p>EXAM #2: CLASSES 3 & 4</p> <p>NUTSHELL, CHAPTER 4: §§ 4.01-4.09 Skip: §4.03(E); §4.04(A) #3, 4 & 5; (E) (F) & (G); §4.05 (C) & (D); 4.06, 4.07, 4.08 & 4.10 IRC Sections 864; 882; 884; 897; 887; 59A; 892 Treas. Reg. §§ 1.864-2; 1.864-3; 1.864-4; 1.864-5; 1.864-6; 1.864-7; 1.882-5 IRS Links:</p> <ul style="list-style-type: none"> Effectively Connected Income (ECI): https://www.irs.gov/individuals/international-taxpayers/effectively-connected-income-eci Nonbusiness Income from U.S. Sources: https://www.irs.gov/individuals/international-taxpayers/nonresident-aliens-source-of-income

		<ul style="list-style-type: none"> Base Erosion & Anti-abuse Tax (BEAT): https://www.irs.gov/newsroom/irs-provides-additional-guidance-on-base-erosion-and-anti-abuse-tax and https://www.taxpolicycenter.org/briefing-book/what-tcja-base-erosion-and-anti-abuse-tax-and-how-does-it-work <p>IRS IPU Manuals:</p> <ul style="list-style-type: none"> Branch Profits Tax Concept (September 2014) https://www.irs.gov/pub/int_practice_units/RPWCUP_08_2_01.PDF <p>Optional: BNA Portfolios 912; 6480; 6520</p>
<p>Class #6 Tuesday February 9</p>	<p><u>Foreign Tax Credits I & II</u></p> <ul style="list-style-type: none"> Overview Eligibility Creditable Taxes Direct Credit Limitation on FTCs Indirect Credit Implications of Tax Cuts & Jobs Act <p>In-Class Assignment 7 & 8</p>	<p>NUTSHELL, CHAPTER 8: §§ 8.01 – 8.04 IRC Sections 901; 904; 960, 962 Treas. Reg. §§ 1.901-2; 1.904-4; 1.904-5; 1.904-6</p> <p>NUTSHELL, CHAPTER 10: §§ 10.01, 10.02, & 10.03 IRC Sections 901; 904; 960, 962 Treas. Reg. §§ 1.901-2; 1.904-4; 1.904-5; 1.904-6</p> <p>IRS Links:</p> <ul style="list-style-type: none"> Foreign Tax Credit: https://www.irs.gov/individuals/international-taxpayers/foreign-tax-credit Foreign Taxes that Qualify for the FTC: https://www.irs.gov/individuals/international-taxpayers/what-foreign-taxes-qualify-for-the-foreign-tax-credit International Program Audit Guidelines - Foreign Tax Credit: https://www.irs.gov/irm/part4/irm_04-061-010 <p>IRS IPU Manuals:</p> <ul style="list-style-type: none"> FTC General Principles (February 2017) https://www.irs.gov/pub/int_practice_units/ftc_c_10_01_05.pdf Overview - Expense Allocation/Appportionment in Calculation of the IRC 904 FTC Limitation (March 2017) https://www.irs.gov/pub/int_practice_units/ftm_c_03_03_07_01.pdf <p>Creditable Foreign Taxes (July 2017) - https://www.irs.gov/pub/int_practice_units/ftc_c_10_01_03.pdf</p> <p>Optional: BNA Portfolios 902; 6020; 6060; 6640</p>
<p>Classes #7 & 8 Saturday February 13 All Day Session (9am – 5pm)</p>	<p>EXAM #3</p> <p><u>Intercompany Pricing/Transactions</u></p> <ul style="list-style-type: none"> Arm’s Length Standard Arm’s Length Principle Transfer Pricing Methodologies Transfer Pricing – Intangibles Documentation & Penalties Advance Pricing Agreements Resolving Transfer Pricing Disputes <p>In-Class Assignment 9</p>	<p>EXAM #3, CLASSES 5 & 6</p> <p>NUTSHELL, CHAPTER 11 IRC Sections 482, 367(d) Treas. Reg. §§ 1.482-1 OECD Transfer Pricing Guidelines (Chapter 1) http://www.oecd.org/tax/transfer-pricing/oecd-transfer-pricing-guidelines-for-multinational-enterprises-and-tax-administrations-20769717.htm</p> <p>IRS Links:</p> <ul style="list-style-type: none"> IRS Transfer Pricing Examination Process: https://www.irs.gov/businesses/corporations/transfer-pricing-examination-process Advance Pricing & Mutual Agreement Program: https://www.irs.gov/businesses/corporations/apma IRS Transfer Pricing FAQs: https://www.irs.gov/businesses/international-businesses/transfer-pricing-frequently-asked-questions-faqs <p>IRS IPU Manuals:</p> <ul style="list-style-type: none"> Overview of Section 482 (August 2015) - https://www.irs.gov/pub/int_practice_units/ISO9411_07_01.pdf Arms-Length Standard (December 2014) - https://www.irs.gov/pub/int_practice_units/ISI9422_09_06.PDF Sale of Tangible Property from a CFC to USP – CUP (December 2014) - https://www.irs.gov/pub/int_practice_units/ISO9411_05_01.PDF

	<p><u>Student Presentations</u></p> <p>PRESENTATIONS MUST BE UPLOADED TO CANVAS BY 9AM FOR CREDIT</p>	<p>Optional: BNA Portfolios 551, 552, 553</p> <p><u>Student Presentations</u> Each student will research and make a presentation to company management on the relevance of one of the following recent developments in the international tax law with respect to the Participation Exemption System of Taxation:</p> <ul style="list-style-type: none"> • New International Tax Proposals • Current Foreign Tax Credit System • Current Base Erosion and Anti-Abuse Tax Provisions • Current Limitations on Income Shifting Through Intangible Property Transfers • Current Subpart F Provisions • Current Global Intangible Low-Taxed Income Provisions
<p>Class #9 Tuesday February 16</p>	<p><u>Income Tax Treaties</u></p> <ul style="list-style-type: none"> • Bilateral income Tax Treaty Network • Treaty Creation Process in US • Treaties and IRC • Development of Model Income Tax Treaties • Income Tax Treaty Provisions 	<p>NUTSHELL, CHAPTER 5 (skip § 5.06) Treas. Reg. §§ 1.881-3; 1.894-1 Links:</p> <ul style="list-style-type: none"> • United States Income Tax Treaties - A to Z: https://www.irs.gov/businesses/international-businesses/united-states-income-tax-treaties-a-to-z • OECD Model Treaty 2017: http://www.oecd.org/ctp/treaties/model-tax-convention-on-income-and-on-capital-condensed-version-20745419.htm • 2016 U.S. Model Treaty: https://www.treasury.gov/resource-center/tax-policy/treaties/Documents/Treaty-US%20Model-2016.pdf • U.N. Model Treaty (Introduction): http://www.un.org/esa/ffd/wp-content/uploads/2018/05/MDT_2017.pdf • Overview of Exchange of Information Programs: https://www.irs.gov/pub/int_practice_units/EOICUP_20.1_01R.pdf • Joint International Taskforce on Shared Intelligence and Collaboration: http://www.oecd.org/tax/forum-on-tax-administration/jitsic/
<p>Class #10 Tuesday February 23</p>	<p>EXAM #4</p>	<p>EXAM #4, CLASSES 7, 8 & 9</p>