

Accounting
Course Number: 22:010:649
Course Title: Taxation of Financial Instruments

COURSE DESCRIPTION

Taxation of Financial Instruments is a cutting-edge course of how financial transactions are taxed. Financial Transactions form a dynamic area of federal taxation. The course is structured into 9 major topics that survey debt instruments and securities taxation. The teaching style is by lecture/seminar. Anyone enrolled in the M.S. in Taxation program would find this course useful and would fill many “gaps” in a person’s tax education.

An in-depth course dedicated to the study of the taxation of financial instruments and securities. The course covers the taxation of debt instruments, original issue discount, variable and contingent debt interest instruments, the taxation of dealers, traders and investors, short sales, options, straddles, §1256 contracts and constructive ownership sales.

COURSE MATERIALS

The student will need access to the Internal Revenue Code and the Treasury Regulations. The instructor will furnish other materials.

- Internal Revenue Code
- Income Tax Regulations
- Instructor’s Materials
- Optional Resources (i.e. Keyes Treatise)
- It is expected that the class can be accessed by Webex live and recorded

LEARNING GOALS AND OBJECTIVES

- This course is designed to help students develop skills and knowledge in the following area(s):

Taxation of Financial Instruments and Securities.

- Students who complete this course will demonstrate the following:

An advanced knowledge how debt instruments and securities are taxed under federal law.

PREREQUISITES

NONE

ACADEMIC INTEGRITY

I do NOT tolerate cheating. Students are responsible for understanding the RU Academic Integrity Policy (<http://academicintegrity.rutgers.edu/>).

I will strongly enforce this Policy and pursue *all* violations. On all examinations and assignments, students must sign the RU Honor Pledge, which states, “On my honor, I have neither received nor given any unauthorized assistance on this examination or assignment.” I will screen all written assignments through *SafeAssign* or *Turnitin*, plagiarism detection services that compare the work against a large database of past work. Don’t let cheating destroy your hard-earned opportunity to learn. See business.rutgers.edu/ai for more details.

ATTENDANCE AND PREPARATION POLICY

- Expect me to attend all class sessions. I expect the same of you. If I am to be absent, my department chair or I will send you notice via email and Canvas as far in advance as possible. If you are to be absent, report your absence in advance at <https://sims.rutgers.edu/ssra/>. If your absence is due to religious observance, a Rutgers-approved activity, illness, or family emergency/death and you seek makeup work, also send [me/TA] an email with full details and supporting documentation [within X days of your first absence]. [Explain other aspects of your absence policy in detail; it will save you trouble later.]
 - For weather emergencies, consult the campus home page. If the campus is open, class will be held.
 - Expect me to arrive on time for each class session. I expect the same of you. [If you are going to be tardy, then . . .]
 - Expect me to remain for the entirety of each class session. I expect the same of you. [If you are going to leave early, then . . .]
 - Expect me to prepare properly for each class session. I expect the same of you. Complete all background reading and assignments. You cannot learn if you are not prepared. The minimum expectation is that for each [X]-hour class session, you have prepared by studying for at least twice as many hours.
 - Expect me to participate fully in each class session. I expect the same of you. Stay focused and involved. You cannot learn if you are not paying attention.
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CLASSROOM CONDUCT

I believe in a “seminar” style class with interchanges between the students and the instructor. I want students to ask questions and participate.

EXAM DATES AND POLICIES

There is a single final exam at the end of the course.

GRADING POLICY

Course grades are determined as follows:

How well a student does on the final exam. There is no curve

COURSE SCHEDULE

TENTATIVE SCHEDULE: Class is from () to () on ():

Basic Concepts—Debt Instruments/Cryptocurrencies

Bond Premium/Original Issue Discount

Bond Premium/Original Issue Discount

§1274; Variable Rate Inst.; Contingent Rate Inst.

Market Discount; Short Term Obligations; Stripped Bonds

Basic Concepts-Securities; Wash Sales, Options

Short Sales; §1256 Contracts/Straddles

§1256 Contracts/Straddles

No Class

Hedging/Notional Prin. Cont.

Constructive Sales; Forwards, etc.;1258/1260

Foreign Currency

Exam—The final exam will be given out on (). It is open book, open notes, etc. You may use any resource **except another person**. It is due back on (), **no excuses**.

SUPPORT SERVICES

If you need accommodation for a *disability*, obtain a Letter of Accommodation from the Office of Disability Services. The Office of Disability Services at Rutgers, The State University of New Jersey, provides student-centered and student-inclusive programming in compliance with the Americans with Disabilities Act of 1990, the Americans with Disabilities Act Amendments of 2008, Section 504 of the Rehabilitation Act of 1973, Section 508 of the Rehabilitation Act of 1998, and the New Jersey Law Against Discrimination. More information can be found at ods.rutgers.edu.

[Rutgers University-New Brunswick ODS phone (848)445-6800 or email dsoffice@echo.rutgers.edu]

[Rutgers University-Newark ODS phone (973)353-5375 or email ods@newark.rutgers.edu]

If you are *pregnant*, the Office of Title IX and ADA Compliance is available to assist with any concerns or potential accommodations related to pregnancy.

[Rutgers University-New Brunswick Title IX Coordinator phone (848)932-8200 or email jackie.moran@rutgers.edu]

[Rutgers University-Newark Office of Title IX and ADA Compliance phone (973)353-1906 or email TitleIX@newark.rutgers.edu]

If you seek *religious accommodations*, the Office of the Dean of Students is available to verify absences for religious observance, as needed.

[Rutgers University-New Brunswick Dean of Students phone (848)932-2300 or email deanofstudents@echo.rutgers.edu]

[Rutgers University-Newark Dean of Students phone (973)353-5063 or email DeanofStudents@newark.rutgers.edu]

If you have experienced any form of *gender or sex-based discrimination or harassment*, including sexual assault, sexual harassment, relationship violence, or stalking, the Office for Violence Prevention and Victim Assistance provides help and support. More information can be found at <http://vpva.rutgers.edu/>.

[Rutgers University-New Brunswick incident report link: <http://studentconduct.rutgers.edu/concern/>. You may contact the Office for Violence Prevention and Victim Assistance at (848)932-1181]

[Rutgers University-Newark incident report link: https://cm.maxient.com/reportingform.php?RutgersUniv&layout_id=7 . You may also contact the Office of Title IX and ADA Compliance at (973)353-1906 or email at TitleIX@newark.rutgers.edu. If you wish to speak with a staff member who is confidential and does **not** have a reporting responsibility, you may

contact the Office for Violence Prevention and Victim Assistance at (973)353-1918 or email run.vpva@rutgers.edu]

If students who have experienced a temporary condition or injury that is adversely affecting their ability to fully participate, you should submit a request via <https://temporaryconditions.rutgers.edu>.

If you are a military *veteran* or are on active military duty, you can obtain support through the Office of Veteran and Military Programs and Services. <http://veterans.rutgers.edu/>

If you are in need of *mental health* services, please use our readily available services.

[Rutgers University-Newark Counseling Center: <http://counseling.newark.rutgers.edu/>]

[Rutgers Counseling and Psychological Services–New Brunswick: <http://rhscaps.rutgers.edu/>]

If you are in need of *physical health* services, please use our readily available services.

[Rutgers Health Services – Newark: <http://health.newark.rutgers.edu/>]

[Rutgers Health Services – New Brunswick: <http://health.rutgers.edu/>]

If you are in need of *legal* services, please use our readily available services: <http://rusls.rutgers.edu/>

Students experiencing difficulty in courses due to *English as a second language (ESL)* should contact the Program in American Language Studies for supports.

[Rutgers–Newark: PALS@newark.rutgers.edu]

[Rutgers–New Brunswick: eslpals@english.rutgers.edu]

If you are in need of additional *academic assistance*, please use our readily available services.

[Rutgers University-Newark Learning Center: <http://www.ncas.rutgers.edu/rlc>

[Rutgers University-Newark Writing Center: <http://www.ncas.rutgers.edu/writingcenter>]

[Rutgers University-New Brunswick Learning Center: <https://rlc.rutgers.edu/>]

[Optional items that many faculty include:

- Students must sign, date, and return a statement declaring that they understand the RU Academic Integrity Policy.

- Students must sign, date, and return a statement declaring that they understand this syllabus.]