

63rd Annual Taxation Conference
December 2-3, 2015 • Radisson Hotel and Suites, Austin-Downtown • Austin, TX

Wednesday Morning, Dec. 2, 2015

Presiding Officer:

James F. Martens, Martens, Todd, Leonard, Taylor & Ahlrich - Austin, TX

7:30 am	Registration Opens Includes continental breakfast.
8:35 am	Welcoming Remarks
8:45 am 2.00 hrs	Recent Developments in Federal Income Taxation Review significant court decisions, rulings and statutory and regulatory developments of the past year. Bruce A. McGovern, South Texas College of Law - Houston, TX
10:45 am	Break
11:00 am 1.00 hr	Texas State Tax Update Assess the Texas sales and use tax and franchise tax legislative amendments, recent court cases, administrative developments, and trending issues. Specific topics include: sales tax legislation for aircraft leases, ongoing franchise tax apportionment litigation, the impact of the Texas Supreme Court's denial of Petition in <i>Titan Transportation</i> , the Third Court of Appeals' decision in <i>Ryan, LLC</i> regarding refund prerequisites, and Texas's attempt to create taxing nexus through software licensing. Danielle Ahlrich, Martens, Todd, Leonard, Taylor & Ahlrich - Austin, TX
12:00 pm	Pick Up Lunch Included in registration.

Wednesday Afternoon, Dec. 2, 2015

Presiding Officer:

Christina A. Mondrik, Mondrik & Associates - Austin, TX

LUNCHEON PRESENTATION

12:20 pm 0.50 hr	Report from the CFO of Texas Comptroller Hegar will discuss the trends and issues affecting the Texas economy and its regions. Understanding where we are today can help all of us ensure that we remain prosperous tomorrow. Glenn A. Hegar, Comptroller, Texas Comptroller of Public Accounts - Austin, TX
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12:50 pm	Break
1:05 pm 1.00 hr 0.25 hr ethics	<p>S Corporation Opportunities and Pitfalls</p> <p>S Corporation elections are popular, especially among small business owners. However, many business owners who have made the election are unaware of potential risks related to assignment of income, reasonable compensation requirements, and other lurking issues. Uncover common audit issues related to S Corporations, how businesses may avoid them, and considerations to discuss with taxpayers related to their choice of entity and whether it continues to make sense as time progresses.</p> <p>Christina A. Mondrik, Mondrik & Associates - Austin, TX</p>
2:05 pm 1.00 hr	<p>Crossing the State Tax Nexus Line—To Which States Must Tax Be Paid and How Much Is Owed?</p> <p>Economic nexus (being subject to tax due to the mere presence of customers in a state) has been adopted by numerous states. Single-sales-factor market-based apportionment has similarly been adopted by numerous states. The intersection of these two developments means that virtually all businesses must be prepared to determine to what states income and other business activity taxes must be paid and how much tax may be due. Explore these issues and concerns so businesses can decide whether to pay, reserve, and/or fight.</p> <p>Arthur R. Rosen, McDermott Will & Emery - New York, NY</p>
3:05 pm	Break
3:15 pm 1.00 hr ethics	<p>Ethics Landmines for 2015</p> <p>Hear observations from the Former Director of the Office of Professional Responsibility as panelists discuss and apply the ethical standards to current and recurring fact patterns typical to a 2015 Federal tax practice.</p> <p>Karen L. Hawkins, Former Director, Office of Professional Responsibility - Washington, DC Charles J. "Chad" Muller, Chamberlain, Hrdlicka, White, Williams & Aughtry - San Antonio, TX Fred F. Murray, Grant Thornton LLP - Washington, DC</p>
4:15 pm	Adjourn

Thursday Morning, Dec. 3, 2015

Presiding Officer:

Dennis B. Drapkin, Southern Methodist University Dedman School of Law - Dallas, TX

7:30 am	<p>Conference Room Opens</p> <p>Includes continental breakfast.</p>
8:30 am 1.00 hr ethics	<p>Circular 230 Update</p> <p>Consider the recent court decisions and regulatory changes that have reshaped Circular 230, including implications for practitioners.</p> <p>Dennis B. Drapkin, Southern Methodist University Dedman School of Law - Dallas, TX</p>

9:30 am 1.00 hr	<p>Investment in United States Real Property by Non-U.S. Investors</p> <p>Many foreign individuals, pension plans and governments are looking at investments in U.S. real estate. Taxation is a major part of any investment decision, and if such an investment is properly structured, the foreign investor could pay little or no U.S. tax. Learn how to structure foreign investment in U.S. real estate to minimize U.S. taxation and withholding.</p> <p>Richard M. Lipton, Baker & McKenzie - Chicago, IL</p>
10:30 am	Break
10:45 am 1.00 hr 0.50 hr ethics	<p>Eggshell Audits: Handling IRS Examinations When There Are Potential Criminal Issues</p> <p>Review issues that arise during IRS civil audits of individuals and businesses in which the revenue agent is unaware of material errors and possible fraudulent conduct with respect to the returns. Topics include: the role of IRS Fraud Technical Advisors; the client decision between cooperation and remaining silent to avoid self-incrimination; the use of <i>Kovel</i> accountants; the government's use of administrative summonses; the problems presented by large corporate investigations and parallel proceedings; and the signs that a case may have been referred for criminal investigation.</p> <p>Larry A. Campagna, Chamberlain, Hrdlicka, White, Williams & Aughtry - Houston, TX</p>
11:45 am	<p>Pick Up Lunch</p> <p>Included in registration.</p>

Thursday Afternoon, Dec. 3, 2015

Presiding Officer:

Susan C. Morse, The University of Texas School of Law - Austin, TX

LUNCHEON PRESENTATION

12:05 pm 1.00 hr	<p>State of the Tax World</p> <p>An update on Federal Tax Legislation, including developments on corporate and international tax issues.</p> <p>Christopher Hanna, Southern Methodist University Dedman School of Law - Dallas, TX</p>
1:05 pm	Break
1:20 pm 1.00 hr	<p>Partnership Equity Compensation—Crescent Holdings and Related Issues</p> <p>Review the implications of the failure to make a Section 83(b) election with respect to an unvested compensatory partnership interest and how such implications may differ depending upon whether the partnership interest is a capital interest or a profits interest.</p> <p>Bahar A. Schippel, Snell & Wilmer LLP - Phoenix, AZ</p>

2:20 pm 1.00 hr	<p>The Final Tangible Property Regulations: Practical Considerations in the Post-Implementation Period</p> <p>The final tangible property regulations became effective for tax years beginning in 2014 and required most business taxpayers to file one or more changes in method of accounting to implement the new rules for acquisitions costs, material and supplies, de minimis expenses, repairs vs. improvements, and property dispositions. Many businesses implemented these regulations in some fashion, but due to the comprehensive impact of the rules and the heavy reliance on facts and circumstances, many businesses have more to do to evaluate their tax accounting methods for tangible property, including offices buildings, retail properties, manufacturing facilities and equipment, and other capital assets. This session will discuss the practical steps that businesses are taking to consider whether additional accounting method changes or the election of safe harbors could better optimize the tax accounting for tangible property costs going forward.</p> <p>Carol Conjura, KPMG LLP - Washington, DC</p>
3:20 pm	Break
3:30 pm 1.00 hr	<p>The State of Section 1031 Drop-and-Swaps Thirty Years After <i>Bolker</i> and <i>Magneson</i></p> <p>Thirty years ago, the Ninth Circuit decided <i>Bolker</i> and <i>Magneson</i>. These cases became the foundation of Section 1031 drop-and-swap jurisprudence, and they remain relevant today. Reassess the Section 1031 law derived from these and other cases and rulings, identify various types of drop-and-swap transactions, and explore other legal concepts that could affect the tax treatment of intended drop-and-swaps. The coverage will lay the groundwork for considering various tax-planning strategies and recognizing potential pitfalls that drop-and-swaps present.</p> <p>Bradley Borden, Brooklyn Law School - Brooklyn, NY</p>
4:30 pm 1.00 hr	<p>That Life Insurance Policy May Be Worth More Than You Think!</p> <p>Review the various types of policies—whole life, term, group term, universal, variable universal, index universal and no lapse guarantee—and how they are used. This is followed by the often unclear policy valuation rules for each type of policy for income, gift, estate and GST purposes. Valuation issues constantly come up for planners in sales of policies, distributions from qualified plans, executive compensation and transfer tax purposes.</p> <p>Donald O. Jansen, The University of Texas System - Austin, TX</p>
5:30 pm	Adjourn