

# TAXES AND INVESTING

Leonard N. Stern School of Business  
New York University, 44 West 4<sup>th</sup> Street  
KMEC 5-80

Professor Robert N. Gordon  
Telephone: 212.418.6000  
E-mail: bob@twenty-first.com

COURSE: FINC-GB.2110.10 Fall 2015  
DATE: Tuesdays September 29, 2015 – November 10, 2015  
TIME: 6:00 P.M. – 9:00 P.M.

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***PLEASE NOTE: Since there are only 6 classes to this course and there are no textbooks used, it is imperative that you attend all classes.***

## SYLLABUS

- SESSION I**     **BEDROCKS OF INVESTMENT TAXATION**  
9/29/2015     Tax favored income: Long-term capital gains, dividend income, municipal bonds  
                  Holding periods (IRC §1222 and §246)  
                  Limitations on Capital losses (IRC §1211)  
                  Step-up in basis at death (IRC §1014)  
                  Passive vs. active for the taxable investor
- SESSION II**    **DIVIDEND INCOME TAXATION AND CAPITAL LOSSES**  
10/6/2015     Value of Loss Harvesting  
                  Wash Sale Rules (IRC §1091)  
                  “Substantially Identical” standard
- SESSION III**   **ASSET LOCATION**  
10/20/2015    Taxable Account vs. Retirement Account  
                  The “Benefits” of deferral  
                  Case Study – Where best to own a growth stock  
                  Utilization of GRATs (Grantor Retained Annuity Trust)
- SESSION IV**    **SIMILAR ECONOMICS BUT DIFFERENT TAXATION**  
10/27/2015    Derivatives can change timing and/or character  
                  IRC §1256 Contracts  
                  Choosing the most efficient investment vehicles  
                  Pre-paid Forward Contracts
- SESSION V**     **HEDGE FUNDS INVESTING FOR THE TAXABLE INVESTOR**  
11/3/2015     Interaction of flow-through vehicles and Miscellaneous Itemized Deductions  
                  Options on Hedge Funds (IRC §1260)  
                  Utilization of the Offshore Fund (IRC §1291-1295)
- SESSION VI**    **HEDGING**  
11/10/2015    History of IRC §1259 – The Constructive Sale Rule  
                  Implications of the Straddle Rules (IRC §1092)  
                  Recent Rulings on Pre-Paid Variable Forwards  
                  The 70% Overlap Test (IRC §246)