

TAXES AND INVESTING

Leonard N. Stern School of Business
New York University, 44 West 4th Street

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

COURSE: FINC-GB.2110.10 Fall 2017
DATE: Tuesdays September 26, 2017 – October 31, 2017
TIME: 6:00 P.M. – 9:00 P.M.

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**
9/26/2017 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**
10/3/2017 Value of Loss Harvesting
Wash Sale Rules (IRC §1091)
“Substantially Identical” standard
- SESSION III** **ASSET LOCATION**
10/10/2017 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**
10/17/2017 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**
10/24/2017 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**
10/31/2017 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)