

TAXES AND INVESTING

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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)