

29TH ANNUAL TEXAS FEDERAL TAX INSTITUTE



June 5 - 7, 2013

**Hyatt Regency Hill Country Resort
San Antonio, Texas**

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June 5 -7, 2013 • Hyatt Regency Hill Country Resort • San Antonio, Texas

This course has been approved for 17.00 hours credit (including 3.00 hours ethics) which will apply toward MCLE, the College of the State Bar of Texas, and the Texas Board of Legal Specialization in Tax Law, Real Estate Law and Estate Planning/Probate.

MCLE credit is available in other states. Please let us know your needs when you register for the Institute.

CPAs may obtain 20.40 hours of CPE credit toward licensing with the Texas State Board of Public Accountancy. Sponsor No. 6867.

PROGRAM

WEDNESDAY, JUNE 5, 2013

- Moderator:** *R. David Wheat, Dallas, Texas, Institute Vice-Chair*
Past Chair, Section of Taxation, State Bar of Texas
Past Chair, ABA Tax Section, Corporate Tax Committee
- 1:30 p.m. **Late Registration** – Hill Country Ballroom Foyer, Hyatt Regency Hill Country
9800 Hyatt Resort Drive, San Antonio, Texas 78251 (210) 647-1234
- 3:10 p.m. **Welcome** – *Kevin Thomason, Dallas, Texas, Institute President*
Past Chair, Section of Taxation, State Bar of Texas
Past Chair, ABA Tax Section, Real Estate Committee
- 3:15 p.m. **The Fundamentals of Oil & Gas Taxation, Part I** – An overview of key oil & gas taxation concepts, including:
- Economic interests and sharing arrangements
 - Understanding leasing and sub-leasing transactions
 - Basics of depletion
 - The pervasive concept of “property” under Section 614
 - Mechanics of the intangible drilling cost deduction
 - Joint operations, tax partnerships and electing out of Subchapter K
 - Treatment of production payments as mortgage loans
 - Interaction of oil & gas rules with Subchapter K
- Thomas W. Ford, Jr., Houston, Texas
Emily A. Parker, Dallas, Texas
- 4:45 p.m. **Break**
- 5:00 p.m. **The Fundamentals of Oil & Gas Taxation, Part II** – Continuation of overview.
Thomas Crichton, IV, Dallas, Texas
Timothy Fenn, Houston, Texas
- 6:30 p.m. **Cocktail Reception** – Open at no charge to all registered attendees.
Hosted by Wells Fargo Bank Corporate Trust Services.

THURSDAY, JUNE 6, 2013

- Moderator:** *R. David Wheat, Dallas, Texas, Institute Vice-Chair*
Past Chair, Section of Taxation, State Bar of Texas
Past Chair, ABA Tax Section, Corporate Tax Committee
- 8:00 a.m. **Late Registration** – Hill Country Ballroom Foyer, Hyatt Regency Hill Country
- 8:50 a.m. **Welcome** – *R. Brent Clifton, Dallas, Texas, Institute Chair*
Past Chair, Section of Taxation, State Bar of Texas
Past Chair, ABA Tax Section, Partnerships and LLCs Committee
- 9:00 a.m. **Economic Substance in Corporate Transactions** – A guide to dealing with the common law economic substance doctrine and its codification, along with certain ethical concerns, in garden variety transactions as well as more complex transactions.
- 1.0 hr.
Ethics
Credit*
- Gary B. Wilcox, Washington, D.C.
William D. Alexander, Associate Chief Counsel (Corporate),
Internal Revenue Service, Washington, D.C.
- 10:00 a.m. **Coffee Break**
- 10:15 a.m. **Taxable Acquisitions and Dispositions** – Practical advice addressing the many tax issues arising in taxable M&A transactions, including an overview of Section 1060 and purchase price allocation concerns, and the uncertainties produced by the assumption of contingent liabilities.
- Mark J. Silverman, Washington, D.C.
William D. Alexander, Associate Chief Counsel (Corporate),
Internal Revenue Service, Washington, D.C.

- 11:15 a.m. **The New Section 336(e) Regulations and Their Impact on Restructurings** – A summary of the new, long-awaited regulations expanding the circumstances when stock purchases can be treated as asset purchases for federal income tax purposes. The discussion will focus on when to exercise this election in corporate restructurings and acquisitions and effective date issues.
Martin Huck, Washington, D.C.
- 12:15 p.m. **Lunch – Conversation with a Texas Tax Legend – Former IRS Commissioner Larry Gibbs** – Hear from a Texas native who served as both Commissioner and Chief Counsel (Acting) of the IRS, then returned to an extraordinarily successful tax career in Texas and Washington, D.C., where he currently practices. Mr. Gibbs will address many practical and ethical concerns associated with the decades-long increase in the complexity and scope of the Internal Revenue Code. *Tickets may be purchased in advance for \$32 each. Please indicate the number of tickets you wish to purchase on the enclosed registration form. A limited number of tickets will be sold for \$40 each at the door.*
Interviewee: Lawrence B. Gibbs, Former Commissioner of the Internal Revenue Service, Washington, D.C.
Interviewer: William D. Elliott, Dallas, Texas
- 1:45 p.m. **Tax Issues for Troubled Companies** – Review of tax issues arising in restructuring both in and out of bankruptcy, including debt for debt exchanges, constructive exchanges under Section 1001, mitigating COD, OID and AHYDO rules, and loss preservation under Sections 382 and 384.
Todd F. Maynes, Chicago, Illinois
- 2:45 p.m. **Coffee Break**
- 3:00 p.m. **Primer on Consolidated Return Basics** – An overview of the affiliation requirements for consolidated returns, as well as the 60-month prohibition on reconsolidation, group termination and reverse acquisition rules, and group structure changes.
Matthew E. Gareau, Washington, D.C.
- 4:00 p.m. **Tax Considerations in Private Equity M&A Transactions** – Coverage of interesting transaction structures used by private equity funds for acquisitions and dispositions; techniques available for both C corporations and passthrough entities, including use of Section 338 elections, IPOs with tax receivable agreements, sponsored spin-offs and roll up structures.
David H. Schnabel, New York, New York
- 5:00 p.m. **Cocktails with the Stars** – A free cocktail happy hour for all attendees with many of our featured speakers.

FRIDAY, JUNE 7, 2013

- Moderator:** *William P. Bowers, Dallas, Texas, Institute Vice-Chair*
Past Chair, Section of Taxation, State Bar of Texas
Former Senior Counsel, Office of the Assistant Secretary of the Treasury (Tax Policy)
- 7:30 a.m. **The TexFed Roundtable** – A lively question and answer session with many of our speakers, including Government representatives. *Tickets may be purchased for \$40 each. Please indicate the number of tickets you wish to purchase on the enclosed registration form. A limited number of tickets will be sold at the door.*
Moderators: Eric Solomon, Washington, D.C., Institute Advisory Board Chair
Former Assistant Secretary of the Treasury (Tax Policy)
Thomas R. Helfand, Dallas, Texas
- 8:50 a.m. **Welcome** – *Kevin Thomason, Dallas, Texas, Institute President*
Past Chair, Section of Taxation, State Bar of Texas
Past Chair, ABA Tax Section, Real Estate Committee
- 9:00 a.m. **Proposed Regulations under the Section 1411 Net Investment Income Tax** – Topics include the definition of “net investment income,” the heavy reliance on the passive activity rules, the relevance of “derived in the ordinary course of a trade or business,” the uncertainty of “rental” status, and the complications of selling partnership interests and S corporation stock.
Amy Sutton, Houston, Texas
Adrienne Mikolashek, Branch 2, Office of the Associate Chief Counsel (Passthroughs & Special Industries), Internal Revenue Service, Washington, D.C.

- 10:00 a.m. **Coffee Break**
- 10:15 a.m. **Non-Compensatory Partnership Options** – A review of the new regulations and the taxability of the issuance, exercise and lapse of non-compensatory options; the definition of options, including warrants and the conversion features of convertible debt or preferred equity; Section 704(b) and Section 704(c) consequences; basis issues; distinguishing compensatory and non-compensatory transactions; Section 708 and Section 752 impacts; planning opportunities and strategies.
 Jennifer H. Alexander, Washington, D.C.
 David R. Haglund, Branch Chief, Branch 1, Office of the Associate Chief Counsel (Passthroughs & Special Industries), Internal Revenue Service, Washington, D.C.
 Gary R. Huffman, Washington, D.C.
- 11:15 a.m. **Hot Topics in Partnership & Real Estate Taxation** – A review and analysis of recent cases, regulations, rulings and possible legislation impacting the areas of partnership and real estate taxation.
 Louis S. Weller, San Francisco, California
 Curtis G. Wilson, Associate Chief Counsel (Passthroughs & Special Industries), Internal Revenue Service, Washington, D.C.
- 12:00 Noon **Lunch** – Tickets may be purchased for \$33 each. Please indicate the number of tickets you wish to purchase on the enclosed registration form. *A limited number of tickets will be sold for \$40 each at the door.*
1.0 hr.
Ethics
Credit
Topic: This Man’s Father is My Father’s Son: The Role of Logic and Ethics in the Tax Law
Speaker: William Paul, Washington, D.C.
 Past Chair, ABA Section of Taxation
- 1:30 p.m. **Current Trends with REITs: Conversions & Non-Core Assets** – The who, why, when and how of converting a C corporation into a REIT; plus analysis of unique issues associated with non-core assets such as data centers, cell towers, billboards, etc. as well as insights into what will and will not qualify as real property for REIT purposes. The panel also will touch on the tax issues associated with a variety of Opco/Propco structures.
 David A. Miller, Dallas, Texas
 Dianne O. Umberger, Washington, D.C.
- 2:30 p.m. **Coffee Break**
- 2:45 p.m. **Advanced Topics and New Developments in Disguised Sales** – A discussion of the scope of various types of qualified liabilities, impact of contingent liabilities, efficacy of bottom dollar guarantees, ambiguities in the exception for reimbursement of pre-formation capital expenditures, limited scope of the operating cash flow exception, interaction between the qualified liability and capital expenditure rules, and “over the top” loans (a la *GI Holdings*).
 Eric Sloan, New York, New York
 Beverly M. Katz, Special Counsel, Office of the Associate Chief Counsel (Passthroughs & Special Industries), Internal Revenue Service, Washington, D.C.
- 3:45 p.m. **Interpretation and Application of Target Allocations – In Drafting and In Practice** – A practical discussion of the latest issues and mechanics of target allocations in partnership agreements: (1) what is a target allocation and how does it compare to traditional “layer cake” allocations; (2) how target allocations work and how can the way allocations are drafted affect tax and economics, and (3) the pros and cons of using target allocations through a series of real-world examples.
 Phillip Gall, New York, New York
 Steven R. Schneider, Washington, D.C.
 Curtis G. Wilson, Associate Chief Counsel (Passthroughs & Special Industries), Internal Revenue Service, Washington, D.C.
- 5:00 p.m. **Adjourn**

SAVE THE DATE!

It's never too early to plan ahead...

Mark your calendars now for the

30TH ANNUAL TEXAS FEDERAL TAX INSTITUTE
JUNE 11, 12 & 13, 2014

Mail to: Texas Institute of Continuing Legal Education
29th Annual Texas Federal Tax Institute
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Call in: 512/451-6960

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REGISTRATION FORM

Please register me for the conference as follows:

- Regular Pre-Registration (Due by 5 p.m. May 17, 2013)..... \$ 895.00
 Registration *after 5 p.m. May 17 & before 5 p.m. May 31, 2013*..... \$ 995.00
 Registration *after 5 p.m. May 31 & At the Door* \$1095.00

Please select your choice of materials: Printed Version *or* USB Version..... \$ Included
or Both Printed & USB Versions (\$50.00 + .0825 sales tax)..... \$ +54.13
_____ Thursday Luncheon Tickets at \$32 each..... \$ _____
_____ Friday Luncheon Tickets at \$33 each \$ _____
_____ Friday "TexFed Roundtable" Tickets at \$40 each \$ _____

I cannot attend the conference. Please forward the following:

- Audio CDs & course materials (USB or Printed) at \$895 + .0825 sales tax..... \$ 968.84
 Course materials only (USB or Printed) at \$360 + .0825 sales tax \$ 389.70
or Both Printed & USB Versions (\$410 + .0825 sales tax) \$ 443.83

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No refunds after 5 p.m. May 31, 2013. Call for Student or Government Discount Information.

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HOTEL RESERVATION FORM

A limited number of rooms have been reserved at the Hyatt Regency Hill Country Resort at the rate of **\$199 per night (single or double)**. We will book your hotel reservations only after payment for the conference is received. **Space is limited. Rooms are provided on a space available basis; we encourage you to register and reserve your room early. All unused rooms will be released on May 14, 2013.** When you receive your confirmation from the hotel, you must send your first night's deposit directly to the hotel. If you are charging your hotel stay, your first night's deposit (including tax) will be taken from the credit card information provided below. **Please do not send any hotel deposits to Texas Institute of CLE.**

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HYATT REGENCY HILL COUNTRY RESORT — RESERVATIONS

The Hyatt Regency Hill Country Resort is tucked away on 200 tree-covered acres in northwestern San Antonio located at 9800 Hyatt Resort Drive, San Antonio, Texas 78251. Minutes from shopping centers, The Alamo, and San Antonio's River Walk, the Resort is host to a spectacular 18-hole golf course, a 4-acre water park which includes two swimming pools separated by cascading waterfalls and a 950-foot Ramblin' River, and outdoor decks and pavilions. A limited number of rooms are reserved at this spectacular facility at the special rate of \$199 single or double. **Space is limited. Rooms are provided on a space available basis; we encourage you to register and reserve your room early. All unused rooms will be released on May 14, 2013. Your hotel reservation must be made through our office.** See the hotel reservation form for further information.

TEXAS FEDERAL TAX INSTITUTE COURSE MATERIALS

Unable to attend this year's Annual Texas Federal Tax Institute? You don't have to miss out completely – order the audio CDs and course materials directly from The Texas Institute of Continuing Legal Education. You can also order audio CDs and course materials from past year institutes you may have missed. Place your order now using the attached registration form or visit us online at www.clesolutions.com to order course materials for current or prior year events. It's the next-best thing to being there!



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[None of the Advisory Directors or Directors receive compensation of any kind.]



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FEDERAL TAX INSTITUTE
Hyatt Regency Hill Country Resort
San Antonio, Texas
June 5 - 7, 2013

GENERAL INFORMATION

Pre-Registration—To ensure sufficient materials are available for all attendees, pre-registration is strongly encouraged. Door registration is subject to a \$50 fee.

Registration—You may register by telephone by calling 512/451-6960. Phone-in registrations require a VISA, AMERICANEXPRESS or MASTERCARD number, expiration date, security code and billing address. You may also register online with a credit card at www.clesolutions.com.

Cancellations and Refunds—Refunds, less a \$50 processing fee, will be given to registrants who cancel by 5 p.m. on the Friday preceding the conference. No refunds will be granted thereafter. Course materials and audio CDs will automatically be mailed to prepaid registrants who were not able to attend.

Special Accommodations—If special arrangements are required for a person with a disability to attend this program, please contact us at 512/451-6960.

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