

58TH ANNUAL
TAXATION CONFERENCE

Earn up to 15.50 Hours of Credit including 2.50 Hours of Ethics
Specialization Credit Approved for Tax Law

December 8–9, 2010



2010 STANLEY M. JOHANSON
ESTATE PLANNING WORKSHOP

Earn up to 6.50 Hours of Credit including .75 Hour of Ethics
Specialization Credit Approved for Estate Planning and Probate Law, and Tax Law

December 10, 2010

AT&T Conference Center • Austin, Texas

58TH ANNUAL
TAXATION CONFERENCE

December 8–9, 2010 • AT&T Conference Center • Austin, Texas

WEDNESDAY MORNING, DEC. 8, 2010

Presiding Officer:
Charles J. Muller III, San Antonio, TX

8:00 a.m. Registration Opens
Includes continental breakfast.

8:35 a.m. Welcoming Remarks

8:45 a.m. 2.00 hrs

Recent Developments in Federal Income Taxation

A discussion of the significant court decisions, rulings, and statutory and regulatory developments of the past twelve months.

Martin J. McMahon Jr., Gainesville, FL
Ira B. Shepard, Houston, TX

10:45 a.m. Break

11:00 a.m. 1.00 hr

State and Federal Payroll Tax Audits

The presentation offers an update of federal payroll tax audits, including a discussion of the NRP audits in Employment Tax, Questionable Employment Tax Practices (QETP) where the IRS and state employment tax auditors share audit results, and the Classification Settlement Program (CSP), which is used by the IRS to facilitate worker classification exams. In addition, the presentation addresses how the Tax Liability Division of the Texas Workforce Commission has increased audit efforts in the area of worker misclassification over the last year, and discusses the TWC's independent contractor/employee audit process in depth.

Nancy Ebe, Austin, TX
Mary C. Gorman, Washington, DC

WEDNESDAY AFTERNOON

Presiding Officer:
Maxine Aaronson, Dallas, TX

LUNCHEON PRESENTATION

12:00 p.m. Pick up Lunch
Included in conference registration fee.

12:15 p.m. .75 hr

Update from the IRS Chief Counsel's Office

The Chief Counsel addresses high-profile topics in tax administration, including Chief Counsel activity arising from recent tax law changes and IRS initiatives.

William J. Wilkins, Chief Counsel, Internal Revenue Service, Washington, DC

1:00 p.m. Break

1:15 p.m. 1.00 hr

A Field Guide to Cancellation of Debt Income

This session discusses the fundamental rules for cancellation of debt (COD) income and explains the origins and rationale for the rule now codified in Section 61(a)(12), the events that trigger recognition of COD income, and the manner in which the amount of COD is determined. Special attention is devoted to the myriad rules, both statutory and judicial, for the permitted nonrecognition of COD income under particular circumstances. The session also examines the tax consequences of transfers of property to discharge debt and the relationship of COD to gain from the transfer of property to satisfy a debt. Finally, there is discussion of the tax consequences to a business entity that issues an equity interest to a creditor to satisfy a debt.

Martin J. McMahon Jr., Gainesville, FL
Daniel L. Simmons, Davis, CA

2:15 p.m. 1.00 hr including .25 hr ethics

Successfully Negotiating Offers in Compromise

Over the past several years, the IRS has totally revised its system of offers in compromise, and in 2010 has again changed the rules. This presentation covers the best techniques for offers in compromise, helping you successfully reduce your taxpayer's large tax obligations to more manageable amounts.

Larry Jones, Dallas, TX
Robert E. McKenzie, Chicago, IL

3:15 p.m. Break

3:30 p.m. .75 hr

S Corps: The Good, the Bad and the Study

This presentation explores the unique attributes of S corporations, including the planning opportunities and challenges that arise from the S corporation form. In addition, the U.S. Government Accountability Office's recent S corporation study is examined, including the GAO's recommendations to address noncompliance with S corporation tax rules and proactive steps S corporations and their advisors should take in response to those recommendations.

Stanley L. Blend, San Antonio, TX

4:15 p.m. .50 hr

Exempt Organizations Update

A look at significant developments in the tax laws governing exempt organizations. Topics include reporting obligations, IRS compliance initiatives, and substantive legal requirements for obtaining and maintaining tax exemption.

Johnny Rex Buckles, Houston, TX

4:45 p.m. .50 hr

Roth IRA Conversions

Thanks to a change in tax law, many investors who were not permitted to set up Roth IRAs are now able to do so. The issues surrounding Roth conversions are complex, however, and the benefits and considerations should be carefully analyzed. This presentation explores a range of issues relevant to investors including the benefits that tax-deferred investing can provide, the advantages and disadvantages of converting to a Roth IRA, best candidates for conversion, and more.

Cory Dowell, Dallas, TX

5:15 p.m. Adjourn

THURSDAY MORNING, DEC. 9, 2010

Presiding Officer:
James F. Martens, Austin, TX

8:00 a.m. Conference Room Opens
Includes continental breakfast.

8:30 a.m. .75 hr ethics

Responding to IRS Requests for Information: Ethical, Practical and Other More Serious Considerations

A discussion of the current, more aggressive requests for information which have been generated in the tax shelter and offshore audits. The presentation includes a general discussion of the legal requirements for responding to IRS requests for information, the Circular 230 standards and the new "minefield" dangers where the government will, and has, included inaccurate, incomplete or misleading responses in its view of possible criminal charges.

Paula M. Junghans, Washington, DC
Charles J. Muller III, San Antonio, TX

9:15 a.m. .50 hr

Current Developments in State and Local Tax

A discussion of significant court decisions, rulings, and statutory and regulatory developments of the past twelve months, with primary focus on Texas.

Daniel L. Butcher, Dallas, TX

9:45 a.m. Break

10:00 a.m. 1.00 hr including .50 hr ethics

Foreign Financial Accounts and the IRS

The IRS and the U.S. Department of Justice are aggressively pursuing U.S. taxpayers who have previously undisclosed interests in foreign financial accounts. Is the government truly prepared to burn down the village in an effort to improve foreign tax compliance? Are "voluntary disclosures" still possible for undisclosed foreign accounts? What are the ramifications of a "quiet" vs. "noisy" disclosure? How are practitioners and financial advisors vulnerable? How is "willfulness" determined for purposes of the FBAR penalty (of up to 50% of the account balance...per year)?

Charles P. Rettig, Beverly Hills, CA

11:00 a.m. .75 hr

Section 409A Violations: What Is Correctable? How Do You Fix Them? Why Does December 31 Matter?

The IRS has published correction procedures for certain types of Section 409A operating and documentary violations. This presentation covers the categories of correctable Section 409A violations, and also addresses other methods of correction.

Dennis B. Drapkin, Dallas, TX

THURSDAY AFTERNOON

Presiding Officer:

Michael L. Cook, Austin, TX

LUNCHEON PRESENTATION

11:45 a.m. Pick up Lunch

Included in conference registration fee.

12:00 p.m. .50 hr

Proposed Tax Legislation for the 2011 Session

Jesse Ancira, General Counsel, Office of the Speaker of the House, Austin, TX

12:30 p.m. Break

12:45 p.m. 1.00 hr ethics

What Does It Mean to Exercise "Due Diligence"?

The Director of the Office of Professional Responsibility discusses the Circular 230 provision on due diligence and provides some practical examples, including published discipline decisions for adhering to the regulations.

Karen L. Hawkins, Washington, DC

1:45 p.m. 1.00 hr

The Real Angel's List: Transactions to Which the Economic Substance Doctrine Does and Does Not Apply

The panel discusses current issues in how the new Section 7701(c) is to be applied to real-life transactions, and also gives practitioners some helpful insight into how to analyze the economic substance doctrine.

Moderator:

Bret Wells, Houston, TX

Panelists:

William D. Alexander, Washington, DC
Jasper L. Cummings Jr., Raleigh, NC

2:45 p.m. Break

3:00 p.m. .75 hr

Analysis of Proposals to Change the Taxation of Carried Interests

Since 2007, Congress has considered various proposals that, if adopted, would radically alter the taxation of carried interests for private equity and hedge fund managers. This session identifies the situations that may be covered by the proposed changes and explores planning alternatives that tax practitioners should consider in anticipation of the changes.

William Paul Bowers, Dallas, TX

3:45 pm .75 hr

Tax Consequences of Conversions involving LLCs

Coverage of federal income tax consequences of conversions to and from alternative entities, including converting from an alternative entity to a corporation on the eve of an acquisition and the rescission of conversions.

Allen Sparkman, Houston, TX

4:30 p.m. 1.00 hr

Death of a Partner and Inadvertent Income Tax Traps: Can They Be Avoided?

The valuation of a limited partnership interest in a family limited partnership and a discount on the estate tax return causes detrimental income tax results the estate planner may not be aware of. This presentation describes the income tax principles that created these problems and suggests preventive measures to possibly eliminate these income tax problems—or if not eliminate them, at least reduce their negative income tax impact. It also describes how inadvertent capital shifts can be treated as taxable gifts upon the redemption of a partner's interests.

Jerome M. Hesch, Miami, FL

5:30 p.m. Adjourn

CONFERENCE FACULTY

WILLIAM D. ALEXANDER
Internal Revenue Service
Washington, DC

JESSE ANCIRA
General Counsel
Office of the Speaker of the House
Austin, TX

STANLEY L. BLEND
Oppenheimer, Blend, Harrison and Tate, Inc.
San Antonio, TX

WILLIAM PAUL BOWERS
Fulbright & Jaworski L.L.P.
Dallas, TX

JOHNNY REX BUCKLES
University of Houston Law Center
Houston, TX

DANIEL L. BUTCHER
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Dallas, TX

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Alston & Bird LLP
Raleigh, NC

CORY DOWELL
Bernstein Global Wealth Management
Dallas, TX

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Jones Day
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Ebe & Associates, P.C.
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Internal Revenue Service
Washington, DC

KAREN L. HAWKINS
Director
Office of Professional Responsibility
Washington, DC

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Carlton Fields, P.A.
Miami, FL

LARRY JONES
Townsend & Jones, L.L.P.
Dallas, TX

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Washington, DC

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Arnstein & Lehr LLP
Chicago, IL

MARTIN J. MCMAHON JR.
University of Florida, Fredric G. Levin College of Law
Gainesville, FL

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Strasburger & Price, LLP
San Antonio, TX

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Hochman, Salkin, Rettig, Toscher & Perez, P.C.
Beverly Hills, CA

IRA B. SHEPARD
University of Houston Law Center
Houston, TX

DANIEL L. SIMMONS
UC Davis School of Law
Davis, CA

ALLEN SPARKMAN
Bond & Smyser, LLP
Houston, TX

BRET WELLS
University of Houston Law Center
Houston, TX

WILLIAM J. WILKINS
Chief Counsel
Internal Revenue Service
Washington, DC

2010 STANLEY M. JOHANSON ESTATE PLANNING WORKSHOP

December 10, 2010 ▪ AT&T Conference Center ▪ Austin, Texas

FRIDAY MORNING, DEC. 10, 2010

Presiding Officer:

Stanley M. Johanson, Austin, TX

7:45 a.m. Registration Opens

Includes continental breakfast.

8:30 a.m. 1.25 hrs

Recent Developments Affecting Estate Planning

The status of legislation regarding estate, gift and generation-skipping transfer tax, regulatory developments, cases and rulings relating to valuation issues, family limited partnerships, qualified plans and IRAs, marital deduction planning, gifts, disclaimers and other estate planning topics.

Stanley M. Johanson, Austin, TX

9:45 a.m. Break

10:00 a.m. 1.00 hr

Navigating the Mines and Potholes in Unwinding a Family Limited Partnership

A practical, comprehensive discussion of tax and non-tax issues that must be addressed in determining whether or not it is in the best interest of the partners to dissolve a family limited partnership.

Gary V. Post, Fort Worth, TX

11:00 a.m. 1.00 hr

New 2053 Regulations: How Much Can You Deduct and When Can You Deduct It?

The final regulations under IRC Section 2053 issued last October provide that the deduction for any claim or expense is limited to the total amount actually paid in settlement or satisfaction of that item, and that post-death events are taken into consideration in determining to what extent a deduction is allowable. Further, a deduction cannot be taken on the federal estate tax return until the claim or expense has actually been paid and a protective claim for refund must be filed to preserve deductions that are not paid until after the period for filing a claim for refund. This presentation thoroughly reviews the new regulations and their impact on preparing federal estate tax returns.

Harry W. Wolff Jr., San Antonio, TX

FRIDAY AFTERNOON

Presiding Officer:

Stanley M. Johanson, Austin, TX

LUNCHEON PRESENTATION

12:00 p.m. Pick up Lunch

Included in workshop registration fee.

12:15 p.m. .75 hr

Community Foundations for Estate Planners

A discussion of the different, and often unexpected, ways that estate planning attorneys can use community foundations to accomplish their clients' goals simply, effectively and economically. The focus is on the practical aspects of community foundations for clients with estates of all sizes. The goal is to give you ideas, including numerous forms, that you can use immediately in your office.

Kristi N. Elsom, Houston, TX
C. Stephen Saunders, Austin, TX

1:00 p.m. Break

1:15 p.m. 1.00 hr

2011 Is Almost upon Us: Where Are We and Where Do We Go from Here?

The current state of action (or inaction, as the case may be) of Congress dealing with the estate and gift tax system is reviewed. In this period of uncertainty, planners are grappling with the difficult questions of how to proceed in planning for clients. Specific planning alternatives are addressed.

Stephen R. Akers, Dallas, TX

2:15 p.m. Break

2:30 p.m. 1.50 hrs including .75 hr ethics

Estate Planning Workshop

The Workshop covers practical and ethical issues commonly faced by practitioners in the estate planning area; hot-button issues stemming from recent cases and regulations; and the panelists' views on current "hot" estate planning techniques.

Moderator:
Stanley M. Johanson, Austin, TX

Panelists:
Stephen R. Akers, Dallas, TX
Kristi N. Elsom, Houston, TX
Jerome M. Hesch, Miami, FL
Gary V. Post, Fort Worth, TX
Harry W. Wolff Jr., San Antonio, TX

4:00 p.m. Adjourn

WORKSHOP FACULTY

STEPHEN R. AKERS
Bessemer Trust Company NA
Dallas, TX

KRISTI N. ELSOM
Fizer Beck Webster Bentley & Scroggins
Houston, TX

JEROME M. HESCH
Carlton Fields, P.A.
Miami, FL

STANLEY M. JOHANSON
The University of Texas School of Law
Austin, TX

GARY V. POST
The Blum Firm PC
Fort Worth, TX

C. STEPHEN SAUNDERS
Saunders, Norval, Nichols & Atkins, LLP
Austin, TX

HARRY W. WOLFF JR.
Cox Smith
San Antonio, TX

ABOUT THE COVER



Geese at LSP, 14" x 8", gouache on paper, is by Laurie Riccadonna. For more information on this piece, visit www.lauriericcadonna.com. Image acquisition by Sandra Gregor, art consultant, 512-477-2827.

HOW TO REGISTER

Mail your registration to:

The University of Texas
School of Law
Attn. CLE—TX10/ES10
P.O. Box 7759
Austin, TX 78713-7759

Or fax to:
512-475-6876

Or register online:
www.utcle.org

Questions? Call us at 512-475-6700

MATERIALS, AUDIO AND IN-HOUSE CLE

Printed Materials in Course Binder

Leading practitioners and academics provide the definitive set of materials.

eBinder on CD

Add the electronic version of the conference materials to your course registration or purchase of the Course Binder or Audio MP3 Speeches on CD or Audio CD Set for only \$50. eBinders are distributed 3–5 weeks after the conference and include searchable versions of printed materials in PDF format.

Audio MP3 Speeches on CD or Audio CD Set

Listen to Taxation and/or Estate Planning on the go. Informative, topical and entertaining presentations that are recorded from UT Law's other live CLE programs are also available.

In-House CLE

Receive full MCLE credit with In-House CLE for two or more participants—as many as you want! We'll accredit the course for you, and provide one Audio CD Set plus a Course Binder for each participant.

REGISTRATION FOR TX10/ES10

PLEASE PRINT CLEARLY

Bar Card# _____ TX Other State: _____ N/A
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Assistant's Email (optional) _____

Invoices, confirmations and receipts are emailed to these addresses.

REGISTRATION (Includes Course Binder and Luncheon Presentations)

For Group Registration or Special IRS rate please contact UTCLE at 512-475-6700.

TAXATION CONFERENCE—DECEMBER 8–9, 2010

- Early Registration Fee due by Wednesday, December 1, 2010 \$460
 Registration Fee after Wednesday, December 1, 2010 \$510

ESTATE PLANNING WORKSHOP—DECEMBER 10, 2010

- Early Registration Fee due by Wednesday, December 1, 2010 \$300
 Registration Fee after Wednesday, December 1, 2010 \$350
 Save \$50 when you register for both Taxation and Estate Planning (3 days) \$50

CONFERENCE PUBLICATIONS AND MEDIA *Allow 3–5 weeks from the conference date for delivery.*

- Course Binder WITHOUT Conference Registration (Conference Registration includes Course Binder)
 Taxation Conference Only (2 days) \$250
 Estate Planning Workshop Only \$175
- Audio MP3 Speeches on CD
 Taxation Conference Only (2 days) \$130
 Estate Planning Workshop Only \$85
- Audio CD Set
 Taxation Conference Only (2 days) \$200
 Estate Planning Workshop Only \$150
- eBinder on CD (PDF format)
 Taxation Conference Only \$250/\$50
(\$250 purchased alone, \$50 with Registration or purchase of Course Binder or Audio MP3 Speeches on CD or Audio CD Set)
 Estate Planning Only \$175/\$50
(\$175 purchased alone, \$50 with Registration or purchase of Course Binder or Audio MP3 Speeches on CD or Audio CD Set)

IN-HOUSE CLE: Bring the conference in-house and learn at your convenience.

Allow 3–5 weeks from the conference date for delivery.

- Taxation In-House CLE for 2—Includes Audio CD Set and Course Binders \$825
_____ Add participants (includes Course Binder) for \$250 each \$ _____
- Estate Planning In-House CLE for 2—Includes Audio CD Set and Course Binders \$500
_____ Add participants (includes Course Binder) for \$175 each \$ _____

TOTAL ENCLOSED \$ _____

METHOD OF PAYMENT

- Check (make checks payable to: The University of Texas at Austin)
 VISA or MasterCard (sorry, no AMEX or Discover)

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Authorized Signature

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E-mail us at
utcle@law.utexas.edu
or call us at
512-475-6700
for more information

TAXATION CONFERENCE December 8–9, 2010

KEY DATES

December 1, 2010, 5 p.m.
last day for early registration
add \$50 for registrations
received after this time

December 3, 2010, 5 p.m.
last day for full refund

December 6, 2010, 5 p.m.
last day for partial refund
\$50 processing fee applied

December 8, 2010, 8:45 a.m.
Conference begins

AUSTIN



AT&T Conference Center
The University of Texas
1900 University Avenue
Austin, TX 78705
512-404-3600

Special Rate: \$159
good through November 7, 2010
(subject to availability)

Parking: \$5 self-parking;
Valet parking \$10 per day, \$14 overnight
(subject to change)

ESTATE PLANNING WORKSHOP December 10, 2010

KEY DATES

December 1, 2010, 5 p.m.
last day for early registration
add \$50 for registrations
received after this time

December 3, 2010, 5 p.m.
last day for full refund

December 6, 2010, 5 p.m.
last day for partial refund
\$50 processing fee applied

December 10, 2010, 8:30 a.m.
Workshop begins

PLANNING COMMITTEE

CHARLES J. MULLER III
CONFERENCE CHAIR
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San Antonio, TX

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WORKSHOP CHAIR
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Austin, TX

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CONFERENCE MCLE

This course has been approved for Minimum Continuing Legal Education credit by the State Bar of Texas Committee on MCLE in the amount of 15.50 hours, of which 2.50 credit hours will apply to legal ethics/professional responsibility credit. The University of Texas School of Law is a State Bar of California approved MCLE provider (#1944).

WORKSHOP MCLE

This course has been approved for Minimum Continuing Legal Education credit by the State Bar of Texas Committee on MCLE in the amount of 6.50 hours, of which .75 credit hour will apply to legal ethics/professional responsibility credit. The University of Texas School of Law is a State Bar of California approved MCLE provider (#1944).