UT LAW CLE THE UNIVERSITY OF TEXAS SCHOOL OF LAW

PRESENTED AT

13TH ANNUAL

HIGHER EDUCATION TAXATION INSTITUTE

June 5-6, 2025

Austin, TX

Recent Developments in College and University Tax Law

The Otis Hotel Austin
8:30 a.m. – 10:00 a.m.
Thursday, June 5

Benjamin A. Davidson

Edward J. Jennings

PREVIEW

Benjamin A. Davidson
Director of Tax Policy & Analysis
Senior University Counsel
Adjunct Professor of Law
The University of North Carolina at Chapel Hill
Chapel Hill, NC 27599
bdavidson@unc.edu
(919) 962-6365

Edward J. Jennings
Tax Director
University of Michigan
Ann Arbor, MI
ejenning@umich.edu
(734) 763.3282

RECENT DEVELOPMENTS IN COLLEGE AND UNIVERSITY TAX LAW[1]

I. LEGISLATIVE DEVELOPMENTS p. 4

A. Endowment Tax Bills
B. Taxing Civil Rights Violations
C. Section 501(p) and Material Support for Terrorism
D. House Issues Staff Report on Antisemitism, with Focus on College Campuses
E. Bill Would Disqualify Students from Educational Tax Benefits if Convicted of Unlawful Protests
F. Senators Write to IRS Commissioner on Tax-Exempt Hospitals
G. Everything is on the Table for Reconciliation Bill
H. Ways And Means Releases Draft for Reconciliation Bill: Parking Tax, Endowment Tax, Royalties, IRA Credits, and More

II. IRS ENFORCEMENT p. 10

A. IRS Issues 2024-2025 Priority Guidance Plan
B. IRS Struggles to Examine Exempt Organization Corporate Jet Usage
C. IRS Issues TE/GE Program Letter Referencing Energy Credits, NIL, and Hospitals
D. IRS Issues Technical Guides
E. IRS Releases Annual Guidance on EO Determinations
F. IRS Pilots Changes to its Mediation Programs
G. Threatened with Loss of Research Funding and Loss of 501(c)(3) Status, Harvard Files Complaint in District Court
H. IRS Personnel – Reduction in the Workforce

III. SPECIAL ISSUES p. 14

A. *Loper Bright*, *Chevron*, and the Future of Regulations
B. Supreme Court Upholds Mandatory Repatriation Tax
C. Inflation Reduction Act Energy Tax Credits
D. Section 179D Energy Efficient Commercial Buildings
E. Student-Athletes
F. Race-Conscious Programs
G. Exemption Issues
H. Excise Taxes
I. Tax-Exempt Bonds
J. Practice before the IRS

---

[1] Portions of this outline have been reproduced from Bertrand M. Harding, Jr. and Benjamin A. Davidson, The Tax Law of Colleges and Universities (5th ed. 2025) and from Harding and Davidson's *College & University Tax Report*, https://collegeuniversitytaxlaw.com/.

PREVIEW

K. Property Tax: Appeals Court Upholds Property Tax Exemption for University-Affiliated Research Park

IV. COMPENSATION AND FRINGE BENEFITS p. 29

A. Circuit Court Holds Employee Cannot Sue Employer for Withholding Too Much Tax on Settlement Payment
B. Bankruptcy Case Informs Coach Buyouts
C. Tax Court Holds That 90-Day Employment Tax Redetermination Deadline Is Not Jurisdictional
D. Settlement Payment Was in Part for Alleged Physical Injury
E. IRS Issues Guidance on Employment Tax Relief
F. IRS Issues Revenue Ruling on Mandatory Paid Family and Medical Leave Programs
G. Chief Counsel Issues Memo on PEOs and Employment Tax Liability
H. IRS Issues Guidance on Student Loan Payments and Qualified Plans
I. IRS Issues Fact Sheet FAQ on Educational Assistance Programs
J. IRS Responds to Inquiry Regarding Employer-Provided Clothing
K. IRS Highlights Tax Implications of Crowdfunding

V. UNRELATED BUSINESS TAXABLE INCOME p. 33

A. Proposed Regulations Would Cement AMT Relief for Exempt Organizations
B. Eighth Circuit Holds Oral Arguments in Mayo Clinic (Again)

VI. CHARITABLE GIVING p. 34

A. Fourth Circuit Disallows Charitable Contribution Deduction
B. Tax Court Holds that Deductions by Way of Loan Forgiveness Must Still Be Substantiated
C. Tax Court Holds that Donated Property Was a Capital Asset, Not Inventory
D. Tax Court Holds That Tax Benefits Do Not Negate Donative Intent
E. Tax Court Notes the Limits of Form 8283 in Charitable Deduction Case
F. Tax Court Allows Reasonable Cause Exception for Deficient Art Appraisal
G. IRS Issues Final Regulations on Syndicated Conservation Easements

VII. REPORTING REQUIREMENTS p. 36

A. Court Dismisses Suit against Public University for False W-2, Finding State is not a "Person"
B. IRS Memo Reviews Authority for Whether the Government is a "Person"
C. Tax Court Again Rejects Penalty Assessment for Foreign Forms
D. Court Sustains Penalties for Form 8300 Filing Failures Despite Reliance on Software
E. Corporate Transparency Act's Beneficial Ownership Reporting Mostly Resolved

PREVIEW

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the UT Law CLE eLibrary (utcle.org/elibrary)

Title search: Recent Developments in College and University Tax Law

First appeared as part of the conference materials for the
13th Annual Higher Education Taxation Institute session
"Recent Developments in College and University Tax Law"