

Law 5459/19340 Federal Income Tax Fall 2026

University of Houston Law Center
Rita Julien
Assistant Professor

Course Information

Course Title and Number: Law 5459/25902, Federal Income Tax
Prerequisite: N/A
Semester: Fall 2025
Course Time: Tues. & Thurs. 2:30pm-4:30pm
Course Location: To Be Determined
Instructional Mode: Face-to-Face
Assistant: Gabriela B Campos, gbcampo2@Central.UH.EDU

Contact Information & Office Hours

Office: 343B
Office Phone: 713-743-4065
Email: rmjulie2@Central.UH.edu

Student questions and discussion in my office are welcomed and encouraged.

Office hours are Thursdays from 4:30pm-6:30pm for walk-ins or as otherwise arranged by appointment. Please contact me by email at: rmjulie2@CougarNet.UH.edu. I am available to answer questions up until the last class day before exams.

Course Objectives and Learning Outcomes

Overview and Objectives: Federal income taxation is an essential course for students pursuing careers in business or commercial law. This course is designed to (1) introduce students to the core doctrines of federal income tax law within the broader context of federal tax policy; (2) familiarize students with key provisions of the Internal Revenue Code and Treasury regulations governing personal income taxation, along with relevant judicial and administrative interpretations; and (3) develop students' skills in critical thinking, problem solving, and issue identification specific to federal income tax law. Because tax issues can have a significant impact on a wide array of legal contracts and legal arrangements, it is important that practicing lawyers have the ability to identify tax issues as part of effective client representation.

Learning Outcomes: By the end of this course, students will be able to:

- identify and understand key rules, principles, and policies of federal income tax law by engaging with the Internal Revenue Code, Treasury regulations, administrative guidance, and case law;
- apply your knowledge of substantive federal income tax law to analyze legal issues and solve tax-related problems;
- identify and evaluate policy arguments commonly used in tax law;
- articulate and defend well-informed opinions on tax-related issues; and
- develop skills in legal analysis, reasoning, research, problem-solving, and both written and oral communication related to tax law.

Course Materials & Required Reading

The required casebook for this course is:

- Bret Wells, Charlene D. Luke, Daniel Simmons & Martin J. McMahon, **FEDERAL INCOME TAXATION** (Foundation Press 9th ed. 2026) (ISBN: 9798887866789).

In addition to the casebook, you will need access to the Internal Revenue Code and Treasury Regulations.

- You'll need a physical copy for the exam.
- You may either purchase one or print up your own compilation of the Code & Regulation sections that we cover in class. For the latter, I'll upload a list in Excel, which can be formatted in line with the instructions on this website: <https://www.lawskypracticeproblems.org/codeandregs>.

While not required, you may find certain supplemental texts helpful if you would like additional explanations to reinforce your understanding of the material:

- Federal Income Taxation (15th ed.) by Marvin A. Chirelstein and Lawrence Zelenak ([link](#)).
- Prof. Wells has also recently published a supplement that may be useful: Bret Wells and Clint Wallace, **THE "LOGIC" OF THE INCOME TAX** (West 2026) (ISBN: 9798892095198).

Occasionally, I may assign additional readings (such as academic articles, news pieces, cases, or administrative rulings) as supplements to or replacements for the casebook and Code & Regulations. These materials will be posted on Canvas. Additionally, any PowerPoint slides used in lectures will be uploaded to Canvas after they have been covered in class.

Class Sessions & Attendance

The class meets Tuesdays and Thursdays from 4:00 p.m. to 6:00 p.m., in Room LAW 210. There are 27 classes, the dates of which are listed below.

Face-to-Face Mode of Instruction

The UH registration system instruction mode for this course face-to-face. For this instruction mode, students are expected to normally be physically present in the classroom. The final examination will be administered as an in-classroom examination requiring physical presence.

Whether this instructor will offer “remote presence” (starting a zoom meeting from the podium computer to enable student remote access on an occasional basis) for part or all of the semester is not known, but students should not rely on an expectation that remote presence will be available.

There may be instruction mode changes to this course up to two weeks before the first day of classes for the term. If such a change in modality is made, then notice of this change will be sent to then-registered students.

Law Center Attendance Policy

Consistent with ABA Requirements and the UHLC Student Handbook ([link](#), page 5), the Law Center has a minimum 80% attendance policy for students.

As the course meets 27 times throughout the semester, students should attend at least 22 class meetings to ensure they meet the 80% attendance requirement.

Attendance will be taken via an electronic attendance sheet. Individuals not adhering to the attendance requirement will be reported to the Office of Student Affairs (OSA).

Mode of Assessment & Grading

Assessment Mode & Elements

ABA Standard 314. Assessment of Student Learning: Summative assessment.

Each student’s grade will be entirely dependent upon open-book final examination at the end of the course. The format and content will be discussed in class.

The exam date and time will be based on the Law Center’s official examination schedule.

Grade Adjustment for Class Participation

Class participation is expected, as it fosters a more thorough and applied understanding of the material. While preparation and participation enhance learning, truly exceptional participation may also positively impact your final grade. In such cases, this may result in an increase of up to one-third of a letter grade (e.g., from a B to a B+ or a B+ to an A-).

Honor Code

The UHLC Honor Code applies to all aspects of this course. You are responsible for knowing all Honor Code provisions and for complying with the Honor Code. Please inquire if you have any questions regarding how the Honor Code’s provisions apply to specific activities or situations related to this course. Your continuing enrollment in this course is deemed to be a pledge by you under the Honor Code to comply with the Honor Code in relation to this course and to comply with the instructions in the course syllabus.

AI Generated Work Product

General.

Generative artificial intelligence is a form of machine learning that creates new and original output based on the data it has been trained on or has access to, employing algorithms to generate content in response to prompts. Examples of the technology include what are known as generative “large language models” (LLMs). Two well-known LLM implementations are ChatGPT and Claude. LLM output can include text, images, music, code, and more. This syllabus policy covers the textual output of generative LLMs (AI-Generated Work Product)—which can include computer code or programs and human-language content. Because AI-Generated Work Product can often mimic human intelligence, it could potentially be used as a substitute for a student’s own work product. Such use is potentially problematic to the extent that it becomes a substitute for internalized student understanding of the material or creates a dependency on AI-Generated Work Product, which may be strictly prohibited in settings that include the bar examination.

Prohibition.

Subject to the exceptions immediately below, your continuing enrollment in this course constitutes your pledge not to generate or to use any AI-Generated Work Product—whether from yourself or others—in relation to any assessment in this course. The term “assessment” means any graded or ungraded work product for this course that is submitted to the instructor, presented in a class session, or used in an oral or written graded assessment for this course.

For this course, this means that students are not allowed to use AI technology during the exam or during class sessions.

Exceptions.

The following AI-Generated Work Product uses are exceptions to the preceding prohibition. The exceptions’ intent is to allow the generation and use of AI-Generated Work Product for specific, narrowly defined activities related to this course.

- You may generate and use AI-Generated Work Product for class preparation (but, again, not during class), although you must disclose the full extent of that use if your instructor asks. You may generate and use AI-Generated Work Product for study supplements to aid with general understanding of course content. This could take different forms that include creating examples or explanations of a concept, generation of diagrams and flow charts, “gamification” of course content, flash cards for study, or sample questions and answers.
- You may generate and use AI-Generated Work Product for an outline that summarizes the course content.
- You may use AI-Generated Work Product to check your originally drafted text for misspellings, grammar and punctuation errors, strength and clarity of prose, verbosity, effective transitional language and thesis sentences, word choice, excessive passive voice, and like things.
- You may use AI-Generated Work Product for the purpose of language translation.

Even in such narrowly defined cases, it is to essential to critically evaluate and verify the accuracy of the output of AI technology.

Use of Computers and Electronics

Out of respect for other students and the class environment, during class sessions computers are to be used only for note taking purposes or reviewing notes you prepared for engaging in class discussion before the

lecture. This prohibits computer use, smart phone use, and similar devices for Internet surfing, chat rooms, e-mail, or other uses not related to note taking for class. Violations of this policy may be treated as either a lack of preparation, a constructive lack of attendance, or, in appropriate circumstances, as a disruption of the class.

Recording of Class

Students may not record all or part of class, livestream all or part of class, or make/distribute screen captures, without advanced written consent of the instructor. If you have or think you may have a disability such that you need to record class-related activities, please contact the Justin Dart, Jr. Student Accessibility Center. If you have an accommodation to record class-related activities, those recordings may not be shared with any other student, whether in this course or not, or with any other person or on any other platform.

Classes may be recorded by the instructor. Students may use instructor's recordings for their own studying and notetaking. Instructor's recordings are not authorized to be shared with anyone without the prior written approval of the instructor. Failure to comply with requirements regarding recordings will result in a disciplinary referral to the Dean of Students Office and may result in disciplinary action.

If lecture recordings are made available by the instructor, please keep the following in mind: Viewing recorded lectures is not a substitute for meeting the course's attendance requirement. You are required to attend classes in accordance with UH Law Center policy (see above) and to be prepared for class. Recordings are intended to support your learning — for example, by allowing you to engage more fully in class discussion without worrying about taking exhaustive notes, or by enabling you to revisit sections you may have missed or not fully understood. However, if you find yourself regularly rewatching lectures to grasp the material, you may find it more beneficial to instead attend office hours, where we can work through any questions or areas of confusion more effectively.

Reasonable Academic Adjustments and Auxiliary Aids

The University of Houston is committed to providing an academic environment and educational programs that are accessible for its students. Any student with a disability who is experiencing barriers to learning, assessment or participation is encouraged to contact the Justin Dart, Jr. Student Accessibility Center (Dart Center) to learn more about academic accommodations and support that may be available to them. Students seeking academic accommodations will need to register with the Dart Center as soon as possible to ensure timely implementation of approved accommodations. Please contact the Dart Center by visiting the website: <https://uh.edu/accessibility/> calling (713) 743-5400, or emailing jdcenter@Central.UH.EDU.

The Student Health Center offers a Psychiatry Clinic for enrolled UH students. Call 713-743-5149 during clinic hours, Monday through Friday 8 a.m. - 4:30 p.m. to schedule an appointment.

The A.D. Bruce Religion Center offers spiritual support and a variety of programs centered on well-being.

The Center for Student Advocacy and Community (CSAC) is where you can go if you need help but don't know where to start. CSAC is a "home away from home" and serves as a resource hub to help you get the resources needed to support academic and personal success. Through our Cougar Cupboard, all students can get up to 30 lbs of FREE groceries a week. Additionally, we provide 1:1 appointments to get you connected to on- and off-campus resources related to essential needs, safety and advocacy, and more. The Cougar Closet is a registered student organization advised by our office and offers free clothes to students so that all Coogs can feel good in their fit. We also host a series of cultural and community-based events

that fosters social connection and helps the cougar community come closer together. Visit the CSAC homepage or follow us on Instagram: @uh_CSAC and @uhcupbrd. YOU belong here.

Resources for Mental Health, Wellness, and Safety

Mental Health and Wellness Resources

The University of Houston has a number of resources to support students' mental health and overall wellness, including CoogsCARE and the UH Go App. UH Counseling and Psychological Services (CAPS) offers 24/7 mental health support for all students, addressing various concerns like stress, college adjustment and sadness. CAPS provides individual and couples counseling, group therapy, workshops and connections to other support services on and off-campus. For assistance visit uh.edu/caps, call 713-743-5454, or visit a Let's Talk location in-person or virtually. Let's Talk are daily, informal confidential consultations with CAPS therapists where no appointment or paperwork is needed.

Need Support Now? - If you or someone you know is struggling or in crisis, help is available. Call CAPS crisis support 24/7 at 713-743-5454, or the National Suicide and Crisis Lifeline: call or text 988, or chat 988lifeline.org.

Title IX/Sexual Misconduct

Per the UHS Sexual Misconduct Policy, your instructor is a "responsible employee" for reporting purposes under Title IX regulations and state law and must report incidents of sexual misconduct (sexual harassment, non-consensual sexual contact, sexual assault, sexual exploitation, sexual intimidation, intimate partner violence, or stalking) about which they become aware to the Title IX office. Please know there are places on campus where you can make a report in confidence. You can find more information about resources on the Title IX website at <https://uh.edu/equal-opportunity/title-ix-sexual-misconduct/resources/>.

Women and Gender Resource Center

The mission of the WGRC is to advance the University of Houston and promote the success of all students, faculty, and staff through educating, empowering, and supporting the UH community. The WGRC suite is open to you. Stop by the office for a study space, to take a break, grab a snack, or check out one of the WGRC programs or resources. Stop by Student Center South room B12 (Basement floor near Starbucks and down the hall from Creation Station) from 9 am to 5 pm Monday through Friday.

Security Escorts and Cougar Ride

UHPD continually works with the University community to make the campus a safe place to learn, work, and live. The security escort service is designed for the community members who have safety concerns and would like to have a Security Officer walk with them, for their safety, as they make their way across campus. Based on availability either a UHPD Security Officer or Police Officer will escort students, faculty, and staff to locations beginning and ending on campus. If you feel that you need a Security Officer to walk with you for your safety, please call 713-743-3333. Arrangements may be made for special needs.

Parking and Transportation Services also offers a late-night, on-demand shuttle service called "Cougar Ride" that provides rides to and from all on-campus shuttle stops, as well as the MD Anderson Library, Cougar Village/Moody Towers and the UH Technology Bridge. Rides can be requested through the UH Go app. Days and hours of operation can be found at <https://uh.edu/af-university-services/parking/cougar-ride/>.

IT-Related Items

Resources for Online Learning

The University of Houston is committed to student success, and provides information to optimize the online learning experience through our Power-On website (<https://uh.edu/power-on/learning/>). Please visit this website for a comprehensive set of resources, tools, and tips including: obtaining access to the internet, AccessUH, Blackboard, and Canvas; using your smartphone as a webcam; and downloading Microsoft Office 365 at no cost. For questions or assistance contact UHOnline@uh.edu.

UH Email

Please check and use your Cougarnet email for communications related to this course. Faculty use the Cougarnet email to respond to course-related inquiries such as grade queries or progress reports for reasons of FERPA. To access your Cougarnet email, login to your Microsoft 365 account with your Cougarnet credentials. Visit University Information Technology (UIT) for instructions on how to connect your Cougarnet e-mail on a mobile device.

Syllabus Changes

Please note that the instructor may need to make modifications to the course syllabus. Notice of such changes will be announced as quickly as possible through email to all enrolled students.

Course Calendar

Class Meetings: Tuesdays & Thursdays, 2:30–4:30 p.m.

1. Tuesday, August 25
2. Thursday, August 27
3. Tuesday, September 1
4. Thursday, September 3
5. Tuesday, September 8
6. Thursday, September 10
7. Tuesday, September 15
8. Thursday, September 17
9. Tuesday, September 22
10. Thursday, September 24
11. Tuesday, September 29
12. Thursday, October 1
13. Tuesday, October 6
14. Thursday, October 8
15. Tuesday, October 13
16. Thursday, October 15
17. Tuesday, October 20
18. Thursday, October 22
19. Tuesday, October 27
20. Thursday, October 29
21. Tuesday, November 3

22. Thursday, November 5
23. Tuesday, November 10
24. Thursday, November 12
25. Tuesday, November 17
26. Thursday, November 19
27. Tuesday, November 24 (*Final class before Thanksgiving break*)

Notes

- Academic calendar with additional dates for student attention: <https://www.law.uh.edu/calendar/academic-calendar.asp>
- Holidays/No Class:
 - Labor Day (Mon, Sept 7): no impact on T/Th schedule
 - Thanksgiving Break (Wed–Sun, Nov 25–29): cancels Thu, Nov 26
- Due to work-related travel, one or two class meetings in September may need to be moved to designated make-up dates. This summer, as soon as the date changes are determined, this calendar will be updated and reposted for all enrolled students.

Chronology of Topics, Reading, and Assignments through the Semester

Make-up Classes: Fridays

Any adjustments to the reading assignments below will be promptly communicated to students.

Week 1

Class 1

- Why learn federal income tax?
- How to navigate federal income tax?
- **Textbook:** Chapter 1: pp. 1-25, 26-50 (skim), 51-59
- **Canvas:** Excerpts from FY2025 Reconciliation Act/OBBBA & Income Tax Return

Class 2

- What is (gross) income? Concept & Scope; Inclusions § 61(a)(1),(2),(3); Overview Inclusions § 61(a)(4)-(14)
- **Textbook:**
 - Chapter 2, §§1-2: pp. 63-85
 - Chapter 3, §1: pp. 89-101
 - Chapter 6, §§1 & start of 2: pp. 201-204
 - Chapter 8, §§1 & 3 (intro paragraphs only): pp. 279-280 & 294-296
- **Canvas:**
 - Moore v. United States, 602 U.S. 572 (2024) excerpt
 - United States v. Sullivan, 274 U.S. 259 (1927)

Week 2**Class 3**

- What is (gross) income? Exclusions Introduced
- **Textbook:**
 - Chapter 3, §2: pp. 102-125
 - Chapter 1, §3: pp. 85-87

Class 4

- What is (gross) income? Other Income Inclusion & Exclusion Principles
- **Textbook:** Chapter 5, §§1-4: pp. 171-195

Week 3**Class 5**

- What is (gross) income? Inclusions § 61(a)(3) Property Transactions
- **Textbook:** Chapter 6, §§1-2.A & 2.B: pp. 202-223

Week 4**Class 6**

- What is (gross) income? Inclusions § 61(a)(3) Property Transactions & Debt
- **Textbook:**
 - Chapter 6, §2.C: pp. 223-227
 - Chapter 6, §3.A: pp. 227-230
 - Chapter 34, §1: pp. 1277-1303

Class 7

- What is (gross) income? Inclusions § 61(a)(3), (11) Property Transactions, Debt & Cancellation of Indebtedness Income
- **Textbook:**
 - Chapter 10 (COD): pp. 343-370
 - Chapter 34, §§2 & 3 (Tax Shelters & Valuation): pp. 1303-1316

Week 5**Class 8**

- What is (gross) income? Exclusions: Gifts & Inheritances; Impact on Basis
- **Textbook:**
 - Chapter 4, §1 (Gifts & Inheritances): pp. 127-144
 - Chapter 7, §§1-2 (Impact on Basis): pp. 253-264

Class 9

- What is (gross) income? Exclusions: Life Insurance, Prizes, Scholarships; Gain on Principal Residence
- **Textbook:**
 - Chapter 4, §§2-4: pp. 144-156
 - Chapter 6, §4 (Gains on Principal Residence): pp. 243-251
- TBD: Chapter 11, §1.A (Tax Expenditures): p. 371-372

Week 6

Class 10

- What is (gross) income? Inclusions & Exclusions
- **Textbook:**
 - Chapter 8 (Periodic Income from Capital): pp. 279-303, 306-308, 314-315
 - Chapter 9 (Damages, Awards, Settlements, Insurance Recovery): pp. 319-333, 338-340
- **Canvas:** Time Value of Money Worksheet

Class 11

- What is (taxable) income? Deductions for Income-Generating Expenses
- **Textbook:**
 - Chapter 12, §§1-2: pp. 405-424
 - Chapter 12, §4-5.A: pp. 428-443
 - Chapter 12, §§5.B-6: pp. 443-452 (skim)

Class 12

- What is (taxable) income? Deductions for Income-Generating Expenses
- **Textbook:**
 - Chapter 13 (Capital Expenditures): pp. 453-488
 - Chapter 14 (Cost Recovery): pp. 491-493

Week 7

Class 13

- What is (taxable) income? Deductions for Income-Generating Expenses
- **Textbook:**
 - Chapter 14 (Cost Recovery), §1: pp. 491-513
 - Chapter 14, §2: pp. 524-529
 - Chapter 14, §§3-4: pp. 530-538 (skim)

Class 14

- What is (taxable) income? Deductions for Income-Generating Expenses
- **Textbook:**
 - Chapter 15 (Transactional Losses), §1: pp. 539-542, 549-561
 - Chapter 15, §2: pp. 561-562, 563-569
 - Chapter 15, §3: pp. 569-577

Week 8

Class 15

- What is (taxable) income? Deductions for Income-Generating Expenses
- **Textbook:**
 - Chapter 16 (Interest): pp. 579-589, 594-601
 - Chapter 18 (Business vs. Personal Expenses): pp. 633-658

Class 16

- What is (taxable) income? Deductions for Mixed Expenses
- **Textbook:**
 - Chapter 19, §§1-3 (Meals, Travel, Entertainment): pp. 659-699

- Chapter 19, §§4-5: pp. 699-710 (skim)
- Chapter 20: pp. 711-730

Week 9

Class 17

- What is (taxable) income? Deductions for Personal Expenses
- **Textbook:**
 - Chapter 21, §§1-2: pp. 731-742
 - Chapter 21, §3: pp. 747-768
 - Chapter 21, §§4-7: pp. 779-806 (skim)
 - Chapter 22 (Standard Deduction): pp. 807-809

Class 18

- What kind of income? Character
- **Textbook:** Chapter 24 (Character, Capital Gains & Losses): pp. 851-870, 909-933, 942-944
- TBD: pp. 934-942, 950-956

Week 10

Class 19

- What kind of income? Character
- **Textbook:** Chapter 25 (Sales of Assets Held for Use in Trade/Business): pp. 959-980

Class 20

- When do you have income? Timing Issues
- **Textbook:**
 - Chapter 26 (Like-Kind Exchanges): pp. 985-1003
 - Chapter 27 (Involuntary Conversions): pp. 1015-1030

Week 11

Class 21

- When do you have income? Timing Issues
- **Textbook:**
 - Chapter 28 (Tax Accounting Methods): pp. 1037-1044
 - Chapter 29 (Annual Accounting Concept): pp. 1123-1140, 1155-1157

Class 22

- When do you have income? Timing Issues
- **Textbook:** Chapter 30 (Deferred Compensation): pp. 1161-1181, 1192-1204

Week 12

Class 23

- When do you have income? Timing Issues
- **Textbook:**
 - Chapter 31 (Deferred Payment Sales): pp. 1207-1224
 - Chapter 32 (Imputed Interest and Original Issue Discount): pp. 1225-1243

Class 24

- Tax-Motivated Transactions
- **Textbook:** Chapter 35 (Statutory Restrictions on Leveraged Tax Shelters): pp. 1317-1343

Week 13

Class 25

- Tax-Motivated Transactions
- **Textbook:**
 - Chapter 33 (Sales vs. Leasing, Economic Substance): Overview p. 1247, Frank Lyon case pp. 1253-1264
- **Canvas:** Liberty Global, Inc. v. Commissioner

Class 26

- Whose income? Taxable Unit
- **Textbook:**
 - Chapter 37 (Shifting Income): pp. 1375-1399
 - Chapter 38 (Families): pp. 1409-1435
- TBD: Chapter 17 (Business Tax Credits): pp. 611-622; Chapter 19 (Personal Tax Credits): pp. 814-825

Week 14

Class 27

- Online Semester Review (Recorded)