

2015 National Legal Research Teach-In Kit

Research Instruction & Patron Services Special Interest Section
American Association of Law Libraries

Tax Research and Planning Practicum Course

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We designed the *Resource Evaluation Presentation*, *Tax Communications Assignment*, and *Tax Research and Planning Final Project* for a **Tax Research and Planning Practicum** course that we taught for the first time in the fall of 2014. Each assignment was designed to help meet a learning outcome for the course and to provide more in-depth practice than in-class and homework assignments. These assignments focus on taking research completed during the course and turning it into a form of workplace communication. We wanted students to focus on the connection between their research and a work product that required more effort than a short one to two sentence answer.

The *Resource Evaluation Presentation* provided students with an opportunity to assess databases to meet various user or workplace needs, and it provided one opportunity for a more formal presentation. The *Tax Communications Assignment* focused on turning research results into written communication within a law firm and for a client. It also gave students an opportunity to practice writing a client letter, as the final project required a client letter. The *Tax Research and Planning Final Project* also focused on turning research results into written communication within a law firm and for a client. For this assignment, the students wrote a client letter, an office memorandum and kept a research log. It provided the second opportunity for a formal presentation to allow students to work on their oral communication skills.

To view the entire kit, please visit <http://www.aallnet.org/sections/rips/teachin/2015.html>

Resource Evaluation Presentation

- Deliverables:**
1. In-class presentation
 2. Email a copy of your presentation to the instructors

For this assignment, you need to evaluate databases and websites for quality and completeness of tax information and materials. You will need to examine secondary sources, caselaw, statutes and regulations.

Pay attention to audience. Consider what is good for a lay person, a student and a practitioner. The practitioner component may also need to be split into a consideration of someone who has a tax practice versus someone who only occasionally deals with tax issues.

Factors to consider:

- Overall quality of the material
- Completeness of materials available
- Cost
- Currentness
- Accessibility – i.e. do you have to have an account, can you pay as you go, etc.
- Usability
- Note anything else you believe a practitioner should know about the product

You must choose 2 of the 5 databases or websites below to evaluate. One of your websites must be CCH Omnitax or RIA checkpoint.

- CCH Omnitax
- RIA Checkpoint
- BNA
- IRS website
- Westlaw or Lexis
- If you have a different website or database that you would like to use see an instructor for prior approval

Criteria for Presentation

- Use PowerPoint, Prezi or other similar presentation software to present your analysis
- Cover 2 databases/websites
- Provide an analysis of the best database for each audience (lay person, a student, and a practitioner) using the factors listed above. Using a hypothetical may help you illustrate the positive and negative attributes of a database, but is not required.

**TAX RESEARCH AND PLANNING PRACTICUM
FALL 2014**

**TAKE HOME PROBLEM SET – COMMUNICATING RESEARCH RESULTS
DUE: NOVEMBER 8, 2014**

Instructions

Please review the following request from J.D. and prepare a client letter that addresses the issues. The client letter should contain your analysis, including any additional information that is needed, and your recommendations on the Federal income tax consequences of claiming any of the deductions listed below. A client letter is typically less formal and will generally explain the legal outcomes to the client without citation or complicated jargon. It should be in simple English and assume the reader has no formal legal training.

Please draft an email using the same information for Kelso. Unlike the client letter, the email should include a more technical response to your client's legal issues. Please include code provisions, regulations, cases, and secondary sources that are relevant to J.D.'s issues. Additional details on the email are provided in the memorandum below.

The client letter and email are due no later than 11:59pm on Saturday, November 8 via email.

MEMORANDUM

TO: Associate
FROM: Kelso
DATE: October 30, 2014
RE: Charitable deductions for Turkdorian Reid clients

Our client, J.D. has felt generous this year (and really wanted to reduce his tax burden unlike last year) so he participated in a number of charitable events. He would like to make sure that his charitable giving can be deducted on his 2014 tax return. If he can't include any of the deductions he wants to know now so that he can better plan his giving for the rest of the year. He compiled some information on the following deductions:

Date	Charity	Donation
March 2, 2014	United Way	\$300 cash, no receipt
July 1, 2014	Red Cross	Time – 6 hours ¹
July 1, 2014	Red Cross	\$50.00 Parking
July 1, 2014	Red Cross	\$32.20 Gas – driving between event locations
August 8, 2014	United Way	40 Turkdorian Reid mugs and 50 Turkdorian Reid shirts ²
October 8, 2014	The Arc of the US	\$15,000
October 8, 2014	Island Success ³	\$500

Please do not consider any state laws, or any state and local tax consequences. Once you have finished the client letter, write Kelso a brief email that outlines what you told J.D. We anticipate getting requests like this from others at Turkdorian Reid so please mention the best sources to consult for these types of inquiries. The email will not be shared with the client. It will eventually be part of an internal databank of short answers on charitable deductions.

¹ J.D. bills at \$300 per hour and is planning to use that as a basis to value the time he spent volunteering.

² The mugs cost \$3.00. The shirts cost \$22.50.

TAX RESEARCH AND PLANNING PRACTICUM

FALL 2014

FINAL

DUE: NOVEMBER 13, 2014

Instructions

The client letter, research log and memorandum portions of this final are due in class on November 13th. Please send your client letter, research log and memorandum to Kelso to both Prof. Mostad and Prof. Lohmeier at amostad@cu-portland.edu and klohmeier@cu-portland.edu. Your final presentation will take place in class on November 13th.

***You are not to talk about this assignment with anyone other than Prof. Mostad and Prof. Lohmeier.**

Client Letter

Please draft a client letter (also known as an “opinion letter”). The client letter should convey your findings and conclusions with regards to the issues the memorandum below asks you to address. A client letter is typically less formal and will generally explain the legal outcomes to the client without citation or complicated jargon. It should be in simple English and assume the reader has no formal legal training.

The client letter in this case should be no more than 4 pages long.

Research Log

In addition to the client letter, create and submit a log of your research process. The research log does not have to look a particular way. You just need to document your research process in a way that someone else could logically follow. The research log should include: 1) how you started your research, 2) the resources you consulted, 3) your reasons for choosing those resources, and 4) the information you found from consulting those resources.

The research log serves at least three purposes:

- It allows someone else to pick up where you left off with research and/or allows them to see which areas you have already researched;
- It serves as a reminder as to where you have already researched so you don't go around in circles and duplicate your efforts; and
- It serves as a defense to legal malpractice.

Memorandum

Please draft a memorandum in response to the memorandum from Mr. Kelso. The memorandum should convey your findings and conclusions with regards to the issues in the memorandum below. Unlike the client letter, the memorandum should include a more technical, detailed response to your client's legal issues. Please include code provisions, regulations, and cases that are relevant to your client's issues.

The reply memorandum should be no more than 6 pages long.

Final Presentation

For the final presentation you should spend 10-12 minutes explaining your tax plan to the class as you would explain it to Franny Smith in person. In addition to explaining your plan please spend a couple minutes of the presentation explaining any difficulties you had in researching the issue and how you overcame these difficulties. The final presentation will be graded based on the clarity with which you communicate your findings and conclusions with regards to the issues Mrs. Smith asked you to address.

Memorandum

To: Associate

From: Mr. Kelso

Date: October 21, 2014

RE: Tax Issue

Our client, Franny Smith, is contemplating divorcing her husband, Jack Smith. Her husband is a lawyer who is a partner in his firm Smith, Smith, & Smith LLP. Mrs. Smith found out last Halloween that her husband was cheating on her with a woman who works at her husband's law firm. In addition to cheating on her, Mrs. Smith also found out that her husband had, without her knowledge, illegally placed a substantial amount of money in a tax haven in both his name and her name from 2010-2013. In so doing, he underreported income on their joint tax return. As a result of these discoveries, she and her husband have lived apart for the last 7 months and she thinks it is time to make the separation permanent by filing for divorce. Mrs. Smith is 62 years old. She approached our firm seeking legal advice in determining what she needs to know, do, and consider from a tax perspective before she initiates divorce proceedings.

First, is she liable for her husband illegally placing money in a tax haven if it is in both his name and her name? Next, if she doesn't finalize the divorce from Jack before the end of the year, but continues to live separately from him. Must she file as "single" or can she still file jointly? In the past, they always filed jointly.

To give you a little more background, Franny and Jack Smith married in 1973 when Franny was 21 years old. She dropped out of college in her junior year in order to wed Jack. A year later she had her first child. She had 3 additional children over the next 7 years. She stayed in the home taking care of her children until they entered school. For the last 10 years she has worked as a receptionist on and off at her husband's law firm. She wonders whether or not she may access Social Security benefits based on this work. She also wants to force Jack to pay her alimony following the divorce. What are the requirements for a payment to be considered alimony? What tax implications accompany receipt of alimony?

If Mrs. Smith chooses to divorce, she wants to force her husband to sell their current home and does not want to buy a new home. She would rather rent a place. But she would like your opinion on whether selling her home is a good idea or not from a tax perspective and if it is, when in the divorce proceedings she should sell it. The house is worth \$500,000.

Here are the questions we need to answer for Mrs. Smith:

- Is she personally liable for her husband illegally placing money in a tax haven in both his name and her name?
- Should she file as "single" or should she file jointly if she doesn't manage to finalize the divorce by the end of the year?

- May Franny deduct the fees associated with her divorce, legal or otherwise?
- What are the requirements for a payment to be considered alimony? What are the tax implications of her receiving alimony?
- What tax concerns should she be aware with regards to selling the home within the context of divorce proceedings?

You should only focus on federal tax issues. State and local tax issues are beyond the scope of this assignment. Assume that you are in a community property jurisdiction. Please submit your response to Mrs. Smith's questions by November 7th.