
A Helpful Tax Reference Book

By Robert W. Wood • Wood & Porter • San Francisco

Thomson West's new treatise, *THE LAW OF FEDERAL INCOME TAXATION*, written by two University of San Francisco Law School Professors, Joshua Rosenberg and Dominic Daher, provides one-stop shopping for the fundamental principles (and many of the details) of our federal income tax system. The primary target audience for this hornbook is law students and others pursuing federal income tax courses. Nevertheless, many M&A TAX REPORT readers will find it full of useful subjects. It is clear, concise, full of useful demystification and extraordinarily thorough in its discussions.

Building Blocks

The book begins with the history of American taxation, a short discussion of how tax laws

are made and administered. The authors cover such fundamental topics as the tax base, fairness, the differences between progressive and flat rates, and marginal versus effective rates. Chapter 2 launches into gross income, covering windfalls, barter exchanges, valuation methods, imputed income, prizes, realization versus recognition dichotomies and many other topics.

Chapter 3 earmarks exclusions from gross income, including gifts, inheritance, certain life insurance proceeds, some discharge of indebtedness income, settlements for personal physical injuries and so on. The book then covers a panoply of tax deductions, laying out (in Chapter 4) some of the history of this ever-changing field. There's a current hit list of all the major tax deductions. The next few chapters

cover accounting issues (including inventories, cash versus accrual, tax benefit concepts, annual accounting, installment sales, *etc.*).

Chapter 7 launches into the taxation of property transactions, including basis, adjusted basis, and the different ways one can compute basis, amounts realized, *etc.* This gives way to nonrecognition provisions and their operation, and then capital gains and losses, holding periods, dealer versus investor status and different types of property, including goodwill.

Chapter 11 covers tax issues related to litigation recoveries and settlements. Chapters 12 and 13 explain losses on business or investment property and deferred compensation, respectively. The latter chapter highlights a raft of deferred compensation arrangements, including a modicum of detail about just about everything.

Chapter 14, *Tax Shelters and Tax Avoidance*, caps an introductory tax reference book that

lays out the landscape of our tax system. This chapter is not a “how to do it” primer. Instead, it warns what some shelters are, what they are designed to do, and what things one should avoid. Rosenberg and Daher’s discussion of tax shelters is a laudable attempt at demystifying what is indisputably a messy and volatile field.

Conclusion

This treatise is primarily intended as a guidebook or reference work for law students. However, it is well-suited for practicing lawyers and accountants, and for deal professionals. There is admirable landscape, a clear survey of our tax forest, yet plenty of detail describing the bark on each tax tree. At \$54.00, it’s a bargain.

Rosenberg and Daher, *THE LAW OF FEDERAL INCOME TAXATION*, is available from Thomson West at www.west.thomson.com.

ARTICLE SUBMISSION POLICY

THE M&A TAX REPORT welcomes the submission of unsolicited articles. Submissions should be 2,000 words or less and use textual citations, rather than footnotes. All submissions should be made via email attachment in either Microsoft Word or WordPerfect format to Robert W. Wood, Editor-in-Chief, at wood@woodporter.com. THE M&A TAX REPORT reserves the right to accept, reject, or edit any submitted materials.

TO SUBSCRIBE TO THE M&A TAX REPORT CALL 1-800-638-8437.



CCH

a Wolters Kluwer business

4025 W. Peterson Ave.
Chicago, IL 60646

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
CCH