COURSE NUMBER & NAME: 874 - TAX EXEMPT ORGANIZATIONS

PROFESSOR: CHRISTOPHER R. HOYT

ESSENTIAL PREREQUISITES: None

DESIRABLE PREREQUISITES: Federal Taxation; Bus Organizations

COURSE BOOK(S):


b. Copies of (a) relevant sections from the Internal Revenue Code, principally Section 501(c) and 511-514, and (b) court cases, IRS rulings and IRS Forms for charitable organizations. These are available at no charge from Prof. Hoyt’s web page and the IRS web page. They can be downloaded to your own computer and/or printed out.

METHOD OF GRADING AND APPRAISAL OF STUDENT FOR GRADE: Final examination.

SUMMARY DESCRIPTION OF COURSE: The legal requirements to establish, operate and terminate a not-for-profit corporation that is recognized as tax-exempt by the IRS, with an emphasis on charities.

COURSE CONTENT: After an introduction to the various types of organizations (charities, trade associations, social clubs, etc.), the class examines the IRS application process, prohibited activities, restricted activities, public charity versus private foundation status treatment, taxation of commercial activities (“UBIT”), and the termination of the organization.

COURSE OUTCOMES: Upon completion of the course, a student will be able to form a non-profit corporation under Missouri law and successfully apply to the IRS for tax-exempt status as a Section 501(c)(3) charity. The student will understand the most common legal issues that arise with non-profit organizations and the most effective ways to resolve them.

RELEVANCY OF COURSE FOR CAREER PURPOSES: At some point in time, every attorney is asked to help establish a non-profit or to serve as a director. This class will prepare the student for the legal issues that are unique to non-profit organizations.

RELEVANCY OF COURSE FOR MO/MULTI-STATE BAR EXAMINATION PREPARATION: None.