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**International Tax II
(Taxation of Outbound Transactions)**

Professor Mindy Herzfeld

**University of Florida Levin College of Law
Graduate Tax Program**

Syllabus

Spring Semester 2026

International Tax II

Course # LAW 7615

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Office: 374

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Office Hours: Mondays 1PM-3PM

A. Summary of the Course

This course considers the tax implications for U.S. persons of investments overseas. For the first half of the course, we will focus on becoming familiar with the applicable code sections and other relevant authorities. For the second half of the class, we will analyze the law in connection with the types of questions faced by multinational companies and by individuals and investment funds engaging in cross-border transactions.

B. Objectives of the course

This course has a number of objectives:

1. To gain an understanding of the U.S. tax rules that apply to U.S. persons on investments overseas;
2. To understand the planning opportunities these rules present;
3. To appreciate the analysis required to approach a complex cross-border transaction;
4. To develop presentation and writing skills necessary to engage in the practice of international taxation;
5. To understand the potential for future regulatory changes.

C. Course Materials: Access to an Internal Revenue Code and Treasury Regulations is required and must be brought to each class. Hard copies are highly recommended.

Each class assignment will include reading assignments from primary sources (Code, regulations, or possibly US Model Treaty). Primary source readings are mandatory. Each class assignment will also note secondary source readings from both International Taxation in a Nutshell (14th edition). The most recent edition of International Taxation in a Nutshell has been ordered to the bookstore (and is also available on Amazon) and I will also leave my personal copy on reserve in the library. The book is also available for free through the West Study Aid resource; you can contact the library for assistance in accessing if you are not familiar with the site. Note that prior editions (used) that are available through online booksellers may not reflect current law.

Required Course Materials are:

Internal Revenue Code and Regulations (including final, temporary and proposed).

Herzfeld, International Taxation in a Nutshell, 14th ed.

Reference Materials.

BNA Portfolios as referenced in syllabus.

D. Topics: The topics for class, along with the assigned readings, are described in the pages that follow.

E. Grade: 70% of your grade will be based on final submission of the case studies that will be discussed during class. Final submissions of these case studies are expected to include a comprehensive discussion of all relevant statutory and regulatory authorities (and cases and IRS authorities as relevant).

The other 30% of the grade will be based on submission of drafts of the problem sets assigned over the course of the semester (24%) and class attendance and participation (6%).

The law school policy on exam delays and accommodations can be found [here](#).

This course follows the Levin College of Law's grading policies found <https://law.ufl.edu/student-life/uf-law-student-handbook-academic-policies/>.

The below chart describes the specific letter grade/grade point equivalent in place.

Letter Grade	Point Equivalent
A (Excellent)	4.0
A-	3.67
B+	3.33
B	3.0
B-	2.67
C+	2.33
C (Satisfactory)	2.0
C-	1.67
D+	1.33
D (Poor)	1.0
D-	0.67
E (Failure)	0.0

F. Reading Assignments & Problem Sets.

The readings or assigned problems are expected to take you approximately 4 hours for each class session.

The class will be a mix of lectures and problem sets. Some of the problem sets will be presented by guest lecturers. When problem sets are assigned, you will be required to submit answers prior to each class. You will be graded for submission only (i.e., you will not be graded on accuracy of answers). In addition, each of you will be responsible for presenting 1 of the problem sets during the course. For that problem set, you will also be graded on your presentation and the quality of your submission.

G. Guest Lecturers. Our learning will be enhanced by guest presentations from practitioners from law firms and the international tax practices of the national accounting firms, who will expose you to fact patterns that they are confronting in their daily practice.

H. Office Hours. My office hours are set forth above. If you have questions that you are not able to address during office hours, please contact me by email at herzfeld@law.ufl.edu.

I. Class Meetings/Attendance. Attendance is mandatory.

J. Class schedule. This course will meet for the first 7 weeks of the semester, on the following days / times. Some of the meetings will be via zoom **Please note carefully online / in-person meetings, additional class-time in some cases, and invited guests.**

Tuesday, Jan 20: 9:50AM–11:50AM

Monday, Jan 26: 9:50AM–11:50AM

Tuesday, Jan 27: 9:30AM-11:30 AM [NOTE TIME ADJUSTMENT]

Monday, Feb 2: 9:50AM–11:50AM

Tuesday, Feb 3: 9:50AM-11:50AM

Monday, Feb 9: 9:50AM-11:50AM ONLINE

Tuesday, Feb 10: 9:50AM-11:50AM ONLINE

Tuesday, Feb 16 9:50AM -11:50AM

Wednesday, Feb 17: 9:50AM-11:50AM

Monday, Feb 23: 9:50AM-11:50AM

Tuesday, Feb 24: 9:30AM-11:30AM [NOTE TIME ADJUSTMENT]

Monday, Mar 2: 9:50AM-11:50AM ONLINE

Tuesday, Mar 3: 9:50AM-11:50AM ONLINE

CAVEAT: NOTE THAT READING ASSIGNMENTS/TOPICS MAY BE MODIFIED TO REFLECT US TREASURY GUIDANCE ISSUED AT YEAR END

Class Readings/Assignments

Tuesday, January 20

Topic 1: Intro to Outbound Taxation; Entity Classification

Topic 2: The Foreign Tax Credit

Primary sources reading:

1. Reg. § 301.7701-1, -2, -3
2. IRC §§ 901(a) and (b); 903, 905
3. Notice 2023-80, Section 5
4. Pre-2021 Reg § 1.901-2, 1.903-1 accessible online per instructions below:

On [Tax Notes Research](#), there's a "tile" for the archived regs at the bottom of the third column on the home page (1). When you get to the archived regs page, you can set the year with a dropdown (2). The archive is as of Dec. 31 of that year. Then you can enter the reg number (Reg. 1.901-2) in the text box, and click the orange arrow (3).

OR TRY THESE SOURCES:

- Westlaw [Code of Federal Regulations - Historical](#)
- [eCFR](#): Enter reg citation then select "Go to Date" in the left column.

Note: for both of these the citation entered should be **26 CFR 1.901-2**,

Secondary sources reading (for reference):

Nutshell, Chapter 2, Chapter 8, 10.01-03

Monday, January 26

Topic 1: Subpart F: Controlled Foreign Corporations, SubF Inclusions

Topic 2: Defining Subpart F Income, Section 956

Primary Sources reading:

1. IRC §§ 951; 952, 954, 956, 957, 958
2. Reg. §§ 1.951-1(a)(1)-(2), -1(b)(1), -1(e)(1), (2), -1(g)
3. Reg. § 1.952-1(a)
4. Reg. § 1.954-2(a)(1)-(5)
5. Reg. § 1.954-3(a)
6. Reg. § 1.954-4
7. Reg. § 1.956-1(a)

Secondary sources reading (for reference)

1. Nutshell Chapter 9.01-9.03
2. BNA Portfolios 6200, 6220, 6240

Tuesday, January 27

Topic 1: Calculating Subpart F Inclusions, Partnerships, Basis Adjustments, PTEP, Individual Elections

Topic 2: NCTI

Primary Sources reading:

1. IRC §§ 951, 951A, 250, 952, 959, 961, 962, 964(a)
2. Reg. §§ 1.951A-1, 1.951A-2(a)-(c)(4), 1.951A-3(a)-(c), 1.951A-5
3. Reg. §§ 1.952-1(b), -1(c), -1(e), -1(f)
4. Reg. § 1.954-1(a)-(f)
5. Reg. § 1.958-1(d)
6. Reg. § 1.959-1(a)-(b), -2(a), -3(a)
7. Reg. § 1.962-1

Secondary Source Reading: (for reference)

1. Nutshell Chapter §§ 9.04-9.08
2. BNA Portfolios 6215, 6280

Monday, February 2

Topic 1: The Indirect Credit, FTC Baskets, FTC Limitation, Allocating Expenses & Taxes

Topic 2: NCTI FTC Calc

Primary sources reading:

1. IRC §§ 904(a), 904(b), 904(d), 951A(c), 954(b)(4), 960
2. Reg. § 1.861-8(a)-(e); 1.904-4(a); 1.904-6(a); 1.904(b)-3; 1.960-1, 1.951A-2(c)(7)

Secondary sources reading (for reference):

1. Nutshell, Chapters 9.03(A), 10.01-06
2. BNA Portfolios 6040, 6060

Tuesday February 3

Topic 1: FTC Problem Set (posted in canvas)

Topic 2: PFICs

Primary Sources Reading:

SAME as for class 4 +

1. IRC §§ 1291, 1293, 1296, 1297, 1298

Secondary sources reading (for reference)

Same as Class 4 PLUS

1. Nutshell Chapter 9.09
2. BNA Portfolio 6300

Monday, February 9 (MEETING ONLINE)

Topic 1: Foreign Currency

Topic 2: FDDEI

Topic 1 Primary Sources Reading

1. IRC §§ 985, 986, 987, 988, 989

Secondary Sources (for background)

1. Nutshell Chapter 12
2. BNA Portfolio 6660

Topic 2 Primary Sources Reading:

1. IRC § 250

2. Reg. § 1.250(a)-1
3. Reg. § 1.250(b)-1, -3, -4(a)-(b), 5

Secondary Sources (for background)

3. Nutshell Chapter 7.03, 7.04
4. BNA Portfolio 6360

Tuesday, February 10 (MEETING ONLINE)

Topic 1: Taxable Sales of Stock / Distributions

Topic 2: Cross-border Reorganizations / Incorporations

Topic 2 Primary sources reading:

1. IRC §§ 1(h)(11); 245A, 1248

Topic 2 Primary sources reading:

2. IRC §§ 367, 7874
3. Reg. §§ 1.367(a)-3, 1.367(d)-1T, 1.367(b)-2, -3, -4

Secondary sources reading (for reference)

1. Nutshell Chapter 13
2. BNA Portfolio 6100, 6120

Monday, February 16

Topic 1: Policing the System: BEAT + CAMT + Transfer Pricing; Reporting

Primary Sources Reading

1. IRC §§ 59A, 55(b), 56A, 59(l), 482, 6038, 6038A, 6038B
2. Reg. §§ 1.59A-3

Secondary sources reading (for reference)

1. Nutshell Chapters 4.10, 11, 6

Monday, February 23

Topic 1: Case Study, NCTI and Entity Classification + Pillar 2

Guest Presenter James Sanderson, KPMG, Miami

Reading for Topic 2

1. IRC § 951A
2. Reg. §§ 1.951A-2(c)(7), 1.861-9T.
3. Reg. § 1.861-8(a)-(e); 1.904-4(a); 1.904-6(a); 1.904(b)-3; 1.960-1, 1.861-20, 301.7701-2, 3

Topic 2 Pro Rata Problem Set

Problem Set: Pro Rata Share & Reg. § 1.245A-5

Guest Presenter Hans Tanzler (VP Tax, Penguin Solutions)

Reading

1. IRC §§ 245A, 951(a)(1), 951(a)(2)(B), 954(c)(6), 959(c)
2. Reg. §§ 1.245A-5, 1.951-1(b)
3. Preamble, T.D. 9865

Topic 3: Inversion Problem Set

Guest Presenter: Devon Bodoh, Weil Gotshal, Miami

Reading:

1. IRC §§ 7874, 367(a)
2. Reg. §§ 1.367(a)-3, 1.7874-1, -4, -5, -7

Tuesday, March 3

Topic 1: FDDEI Problem Set [to be posted in canvas prior to class]

Guest Presenter Scott Klein, Deloitte Tax Miami

Reading: review reading for FDDEI lecture

Topic 2: Operating Through Branches

Guest Presenter: John Stowell, VP Tax, Disney

Reading:

IRC §§ 904(f), 904(g), 1503(d), 91, 367(a)

Monday, March 2 (MEETING ONLINE)

Topic 1: PTEP problem set [to be posted on canvas prior to class]

Guest Presenter Amanda Previn, Steptoe, Washington DC [TBC]

Reading:

IRC § 959, Prop Reg. 1.959-1, -2, -3, -4

Topic 2: IP Problem Set [to be posted in canvas prior to class]

Guest Presenter Caroline Ngo, McDermott Will & Schulte

Reading:

1. IRC § 367(d); 250; 861(a)(4); 862(a)(4); 865 IRC § 367(d); 91
2. Reg. § 1.367(d)-1, 1.367(d)-1T
3. Cloud Computing Regs T.D. 10022; Proposed Regs REG-107420-24; 90 F.R. 3075-3085

Tuesday, March 3 (MEETING ONLINE)

Topic 1: Case Study, NCTI Calcs Problem Set

Guest Presenter Dave Warco (Deloitte, retired)

1. IRC § 960
2. Reg. §§ 1.951A-2(c)(7), 1.861-9T.
3. Reg. § 1.861-8(a)-(e); 1.904-4(a); 1.904-6(a); 1.904(b)-3; 1.960-1, 1.861-20,

Topic 2: Reorgs Case Study

Guest Presenter Eric Sensenbrenner, Skadden Arps [TBC]

Reading for Topic 2:

1. IRC § 367
2. Reg. §§ 1.37(b)-1, -2, -3
3. Nutshell Chapter 13

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